~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

March 31, 2021

**S. 619**

Introduced by Senators Rankin, Leatherman, Hutto, Fanning and Climer

S. Printed 3/31/21--S.

Read the first time February 25, 2021.

**THE COMMITTEE ON JUDICIARY**

To whom was referred a Bill (S. 619) a bill to amend Section 61-4-720 of the South Carolina Code of Laws, 1976, relating to sale of wine by wineries located in the state and wine, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, by striking all after the enacting words and inserting therein the following:

/ SECTION 1. Section 61-4-720 of the 1976 Code is amended to read:

“Section 61-4-720. (A) Notwithstanding another provision of law, a licensed winery located in this State is authorized to sell wine with an alcohol content of sixteen and a half percent, or less, on the winery premises and deliver or ship this wine to consumer homes in or outside the State so long as:

(1) the licensed winery is the primary American source of supply for the wine sold; or

(2) the wine is produced on ~~its~~ the licensed premises ~~and contains an alcoholic content of sixteen percent or less~~.

(B) For wine that is not produced on its licensed premises in the State pursuant to subsection (A)(2), but for which the winery is the primary American source of supply under subsection (A)(1), the winery may not sell more than twenty-four bottles of wine each month directly to a resident of this State for such resident’s personal use and not for resale.

(C) These wineries are authorized to provide, with or without cost, wine tasting samples to prospective customers.”

SECTION 2. Chapter 4, Title 61 of the 1976 Code is amended by adding:

“Section 61-4-748. (A). Notwithstanding any other provision of law, rule, or regulation to the contrary, the holder of a valid winery license that, on or after January 1, 2021, invests four hundred million dollars in this State in a Tier III or Tier IV county, as designated by the Department of Revenue pursuant to Section 12-36-3360(B), at the time of the public announcement of the project or upon reaching such investment and job requirement thresholds, and creates at least three hundred new jobs in this State, is eligible for a manufacturer’s satellite certificate to establish up to three wholly‑owned satellite locations for tasting and sale of wine produced or imported as the primary American source of supply, provided that:

(1) before commencing operations at any wholly-owned satellite location, the holder of a valid winery license must first have satisfied all applicable investment and job requirement thresholds;

(2) a winery producing or bottling at least ten million gallons of wine and alcoholic beverages per calendar year in this State may operate one tasting-room premises;

(3) a winery producing or bottling at least twenty million gallons of wine and alcoholic beverages per calendar year in this State may operate two tasting-room premises;

(4) a winery producing or bottling at least thirty million gallons of wine and alcoholic beverages per calendar year in this State may operate three tasting-room premises;

(5) the winery submits, and the department approves separate applications for each tasting-room premises to be issued a permit, as provided by Sections 61-2-90 and 61-2-140(C);

(6) the winery must pay a biennial tasting-room permit fee of five thousand dollars per tasting-room premises;

(7) no more than one tasting-room premises shall be permitted in any one county of this State;

(8) the winery may conduct tastings of or sell only wine that is (a) produced or bottled by the winery within or outside of this State, (b) produced for or produced and packaged for the winery within or outside of this State and sold under a brand name owned by the winery, or (c) wine for which the winery is the exclusive agent in the United States of an out-of-state vintner;

(9) the winery must sell wine for off-premises consumption at a tasting-room premises at a price approximating retail prices generally charged for identical wine in the county where the tasting-room premises is located;

(10) the winery must charge a consumer a tasting fee to participate in a tasting or the consumer may not purchase any wine for off-premises consumption;

(11) the winery shall remit applicable sales, use, and other state taxes and local taxes for each tasting-room premises. The winery shall maintain adequate records for each tasting-room premises to ensure the collection of these taxes;

(12) all wine to be handled, tasted, or sold at a tasting-room premises must be purchased from licensed wholesalers and transported and delivered to the licensed tasting-room premises only by licensed South Carolina wholesalers;

(13) the winery must maintain all liability insurance required pursuant to Section 61-2-145; and

(14) tastings and sales shall not be offered or made to, or allowed to be offered, made to, or consumed by an intoxicated person or a person who is under the age of twenty-one.

(B) In addition to the provisions set forth in subsection (A), a winery holding one or more tasting-room permits must not provide or sell to an individual consumer at a tasting-room premises:

(1) more than ten ounces of wine in one day for on-premises consumption, including any samples offered and consumed; or

(2) more than the equivalent of six seven hundred fifty milliliter bottles of wine each calendar month to an individual consumer for off-premises consumption and not for resale.

(C) Tasting rooms authorized in this section must close to the public at 5:30 PM and may not open to the public until 8:00 AM.

(D) Each tasting-room permit application is subject to protest, as provided for in Section 61-4-525 for beer and wine permit applications.

(E) The holder of a tasting-room permit who violates a provision of this section is subject to the penalties specified in Section 61-4-250.

(F) Nothing in this section shall be construed so as to prohibit or restrict a winery that also holds a brewery, micro-distillery, or liquor manufacturer’s license from applying for or holding any license or permit that is available to other licensed breweries, micro-distilleries, or liquor manufacturers in this State and that allows the tasting or sales of beer or alcoholic liquors.

(G) Authorization by this section of sales and tastings at a tasting-room premises is expressly intended for the promotion of education regarding production of wine in the State and not to create competition between producers and retailers.”

SECTION 3. Section 61‑4‑770 of the 1976 Code is amended to read:

“Section 61-4-770. Wines containing more than sixteen and a half percent of alcohol by volume may be sold only in licensed alcoholic liquor stores or in establishments licensed to sell and permit consumption of alcoholic liquors by the drink.”

SECTION 4. Section 61-6-1035 of the 1976 Code is amended to read:

“Section 61-6-1035. Notwithstanding the provisions of Section 61-6-1500, the sampling of wines containing over sixteen and a half percent by volume of alcohol, cordials, and other distilled spirits sold in a retail alcoholic liquor store is authorized if the sampling is conducted as follows:

(1) No sample may be offered from more than four products at one time.

(2) The sample is limited to products from no more than one wholesaler at one time.

(3) No more than one bottle of each of the four products to be sampled may be opened.

(4) The sampling must be held in a designated tasting area of the retail liquor store and all open bottles must be visible at all times. All open bottles must be removed at the conclusion of the tasting.

(5) Samples must be less than one-half ounce for each product sampled.

(6) No person may be served more than one sample of each product.

(7) No sampling may be offered for longer than four hours.

(8) At least ten days before the sampling, a letter detailing the specific date and hours of the sampling must be mailed first class to the South Carolina Law Enforcement Division. The letter must include a copy of a certificate of liability insurance for the manufacturer, the retail establishment, or its agent, conducting the tastings.

(9) No sample may be offered to, or allowed to be consumed by, an intoxicated person or a person under the age of twenty-one years. This person must not be allowed to loiter on the store premises.

(10) The tastings must be conducted by the manufacturer, retailer, or an agent of the manufacturer or retailer, and must not be conducted by a wholesaler, an employee of a wholesaler, or an agent of a wholesaler.

(11) No retail alcoholic liquor store may offer more than one sampling per day.

(12) All product samples used for tastings must be purchased by the retailer from a South Carolina Licensed Wholesaler as required by Section 61-6-100(3).

(13) All associated costs for the tasting must be paid for by the manufacturer, the retailer, or its agent, conducting the tasting.

(14) Mixers, which must be nonalcoholic and carry zero percent of alcohol by weight, may be provided in conjunction with the tasting, but the mixers must be provided free of charge.

(15) Store mixers used, but not sold, in conjunction with tastings.”

SECTION 5. Section 61-6-1640 of the 1976 Code is amended to read:

“Section 61-6-1640. Notwithstanding the provisions of this subarticle or any other provision of law, an establishment licensed pursuant to Article 5 of this chapter is authorized to conduct samplings of wines in excess of sixteen and a half percent alcohol, cordials, and distilled spirits, if the sampling is conducted as follows:

(1) the establishment must have a permanent seating capacity of fifty or more persons;

(2) samples may not be offered from more than four products at any one time;

(3) the sampling must be held in the bar area of a licensed establishment and all open bottles must be visible at all times. All open bottles must be removed at the conclusion of the tasting;

(4) samples must be less than one-half ounce for each product sampled;

(5) a person may not be served more than one sample of each product;

(6) sampling may not be offered for more than four hours;

(7) at least five days before the sampling, a letter detailing the specific date and hours of the sampling must be mailed first class to the South Carolina Law Enforcement Division;

(8) a sample may not be offered to, or allowed to be consumed by, an intoxicated person or a person under the age of twenty-one years;

(9) a licensed establishment may not offer more than one sampling each day; and

(10) the sampling must be conducted by the manufacturer or wholesaler or an agent of the manufacturer or wholesaler.”

SECTION 6. Section 61-6-1650 of the 1976 Code is amended to read:

“Section 61-6-1650. Notwithstanding any other provision of law, a producer or wholesaler may furnish or give a sample of wine in excess of sixteen and a half percent alcohol, cordial, or distilled spirit to a retailer who has not purchased the brand from a producer or wholesaler in the past three hundred sixty-five days. For each retail establishment, a producer or wholesaler may not give more than three liters of any brand of wine in excess of sixteen and a half percent alcohol, cordial, or distilled spirit annually. If a particular product is not available in a size within the quantity limitations of this section, a producer or wholesaler may furnish to a retailer the next larger size. Samples of each bottle or other container must be clearly marked ‘Sample—Not for resale’. Nothing in this section allows for any sample to be sold or provided to any employees under the age of twenty-one or to a retailer's customers. The producer or wholesaler shall remove all bottles at the conclusion of the sampling. For purposes of this section, the term ‘brand’ is defined as provided under 27 C.F.R. Section 6.11.”

SECTION 7. Section 61-6-1540 of the 1976 Code is amended to read:

“Section 61-6-1540. (A) Except as provided in subsection (B), no other goods, wares, or merchandise may be kept or stored in or sold in or from a retail alcoholic liquor store or place of business, and no place of amusement may be maintained in or in connection with the store. However, retail dealers may sell:

(1) drinking glassware packaged together with alcoholic liquors if the glassware and alcoholic liquors are packaged together by the wholesaler or producer in packaging provided by the producer;

(2) nonalcoholic items, other than beer or wine, packaged together with alcoholic liquors if the nonalcoholic items and alcoholic liquors are in sealed packages and are packaged together by the alcoholic liquor producer at its place of business; and

(3) lottery tickets under the provisions of Chapter 150 of Title 59.

(B) Retail dealers licensed pursuant to the provisions of this article may sell all wines in the stores or places of business covered by their respective licenses, whether declared alcoholic or nonalcoholic or nonintoxicating by the laws of this State.

Wines containing more than sixteen and a half percent of alcohol by volume may be sold only in licensed alcoholic liquor stores or in establishments licensed to sell and permit consumption of alcoholic liquors by the drink. The provisions of this section do not amend, alter, or modify the taxes imposed on wines or the collection and enforcement of these taxes.”

SECTION 8. A state agency with regulations specifying alcohol content percentages different from the percentages passed in this act must promulgate revised regulations to conform to the changes in this act. Until such time as the regulations are conformed, the percentages in the statutory provisions passed in this act supersede any differing percentages in the regulations.

SECTION 9 This act takes effect upon approval of the Governor. /

Renumber sections to conform.

Amend title to conform.

LUKE A. RANKIN for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**State Expenditure**

This bill creates a new certificate that would allow certain licensed breweries, wineries, micro-distilleries, or liquor manufacturers to establish up to four satellite locations for the tasting and sale of their product. In order to qualify for the certificate, an eligible manufacturer must have invested at least four-hundred million dollars and created three-hundred new jobs in this state on or after January 1, 2021. There is a $5,000 biennial fee per satellite location that must be paid to DOR, who shall administer the certificates. DOR anticipates that due to the economic development requirements to qualify for this certificate, there will be a limited number of certificates issued and any expenses will be handled with existing appropriations. Therefore, this bill will not have a fiscal impact to DOR’s expenditures.

**State Revenue**

An eligible manufacturer is required to submit a $5,000 application fee to DOR biennially for each of up to four satellite locations established pursuant to this bill. Any fees received by DOR would increase their other funds revenue and help pay the expenses necessary to administer the certificates. Due to the economic development requirements to qualify for this certificate, DOR estimates there will be a limited number of certificates issued, but is unable to estimate at this time how many. Therefore, it is anticipated this bill may result in a minimal but undetermined increase in DOR’s other funds revenues for a new type of application fee, the impact will be contingent upon the number of applications and fees received by the department.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

A BILL TO AMEND SECTION 61-4-720 OF THE SOUTH CAROLINA CODE OF LAWS, 1976, RELATING TO SALE OF WINE BY WINERIES LOCATED IN THE STATE AND WINE TASTE SAMPLES, TO PROVIDE FOR SALES OF WINE ON WINERY PREMISES IF THE WINERY IS THE PRIMARY AMERICAN SOURCE OF SUPPLY FOR THE WINE SOLD; TO AMEND SECTIONS 61-4-1515 OF THE SOUTH CAROLINA CODE OF LAWS, 1976, TO PROVIDE FOR THE SALE OF BEER WITH AN ALCOHOL CONTENT OF TWELVE PERCENT OR LESS ON THE BREWERY PREMISES AND THE SALE OF SEALED BEER WITH AN ALCOHOL CONTENT OF FOURTEEN PERCENT OR LESS ON BREWERY PREMISES IF THE BREWERY IS THE PRIMARY AMERICAN SOURCE OF SUPPLY FOR THE BEER SOLD; TO AMEND SECTION 61-6-1140 OF THE SOUTH CAROLINA CODE OF LAWS, 1976, TO PROVIDE FOR THE RETAIL SALES AND TASTINGS OF ALCOHOLIC LIQUORS AT MICRO-DISTILLERIES IF THE MICRO-DISTILLERY IS THE PRIMARY AMERICAN SOURCE OF SUPPLY OR THE ALCOHOLIC LIQUORS PRODUCED AT THE LICENSED PREMISES ARE SUBJECT TO OTHER LIMITATIONS; AND TO AMEND CHAPTER 2, TITLE 61 OF THE SOUTH CAROLINA CODE OF LAWS, 1976, BY ADDING SECTION 61-2-177, TO PROVIDE FOR THE CREATION OF A MANUFACTURER’S SATELLITE CERTIFICATE FOR BREWERIES, WINERIES, AND MICRO-DISTILLERIES TO ESTABLISH SATELLITE LOCATIONS FOR SALE OF THEIR PRODUCTS, SUBJECT TO CERTAIN CONDITIONS.

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

SECTION 1. Section 61-4-720 of the 1976 Code is amended to read:

“Section 61-4-720. Notwithstanding another provision of law, a licensed winery located in this State is authorized to sell wine with an alcohol content of sixteen percent, or less, on the winery premises and deliver or ship this wine to consumer homes in or outside the State so long as:

(A) the licensed winery is the primary American source of supply for the wine sold; or

(B) the wine is produced on the premises ~~and contains an alcoholic content of sixteen percent or less~~.

These wineries are authorized to provide, with or without cost, wine tasting samples to prospective customers.”

SECTION 2. Section 61-4-1515(A) of the 1976 Code is amended to read:

“(A) A brewery permitted in this State is authorized to sell beer, with an alcohol content of twelve percent by weight, or less, to consumers on its permitted premises, provided that:

(1) the brewery is the primary American source of supply for the beer sold; or

(2) the beer is brewed on the permitted premises ~~with an alcoholic content of twelve percent by weight, or less~~, subject to the following conditions:

~~(1)~~(a) sales to consumers must be held in conjunction with a tour by the consumer of the permitted premises and the entire brewing process utilized at the permitted premises;

~~(2)~~(b) sales shall not be offered or made to, or allowed to be offered, made to, or consumed by an intoxicated person or a person who is under the age of twenty one;

~~(3)(a)~~(c)(i) no more than a total of forty eight ounces of beer brewed at the permitted premises shall be sold to a consumer for on premises consumption within a twenty four hour period; and

~~(b)~~(ii) of that forty eight ounces of beer available to be sold to a consumer within a twenty four hour period, no more than sixteen ounces of beer with an alcoholic weight of above eight percent, including any samples offered and consumed with or without cost, shall be sold to a consumer for on premises consumption within a twenty four hour period;

~~(4)~~(d) a brewery must develop and use a system to monitor the amounts and types of beer sampled or sold to a consumer for on premises consumption;

~~(5)~~(e) a brewery must sell the beer at the permitted premises at a price approximating retail prices generally charged for identical beverages in the county where the permitted premises are located;

~~(6)~~(f) a brewery must remit appropriate taxes to the Department of Revenue for beer sales in an amount equal to and in a manner required for excise taxes assessed by the department. A brewery also must remit appropriate sales and use taxes and local hospitality taxes;

~~(7)~~(g) a brewery must post information that states the alcoholic content by weight of the various types of beer available in the brewery and the penalties for convictions for:

~~(a)~~(i) driving under the influence;

~~(b)~~(ii) unlawful transport of an alcoholic container; and

~~(c)~~(iii) unlawful transfer of alcohol to minors.

And, the information shall be in signage that must be posted at each entrance, each exit, and in places in a brewery seen during a tour;

~~(8)~~(h) a brewery must provide department or DAODAS approved alcohol enforcement training for the employees who serve beer on the permitted premises to consumers for on-premises consumption, so as to prevent and prohibit unlawful sales, transfer, transport, or consumption of beer by persons who are under the age of twenty-one or who are intoxicated; and

~~(9)~~(i) a brewery must maintain a liquor liability insurance policy or a general liability insurance policy with a liquor liability endorsement in the amount of at least one million dollars for the biennial period for which it is permitted. Within ten days of receiving its biennial permit, a brewery must send proof of this insurance to the State Law Enforcement Division and to the Department of Revenue, where the proof of insurance information shall be retained with the department's alcohol beverage licensing section.”

SECTION 3.A. Section 61-4-1515(E) of the 1976 Code as last amended by Act 167 of 2020, is amended to read:

“(E) A brewery located in this State is authorized to sell beer in sealed containers, with an alcohol content of fourteen percent by weight or less, on its permitted premises for off-premises consumption, provided that:

(1) the brewery is the primary American source of supply for the beer sold; or

(2) the ~~sealed~~ beer was brewed on the brewery's permitted premises ~~with an alcohol content of fourteen percent by weight or less~~, subject to the following conditions:

~~(1)~~(a) the maximum amount of beer that may be sold to an individual per day for off-premises consumption shall be equivalent to five hundred seventy‑six ounces in total;

~~(2)~~(b) the beer only shall be sold in conjunction with a tour by the consumer of the permitted premises and the entire brewing process utilized at the permitted premises;

~~(3)~~(c) the beer sold is for personal use only and must not be resold;

~~(4)~~(d) the beer must not be sold to anyone holding a retail beer and wine license for the purpose of resale in their establishment;

~~(5)~~(e) the brewery must sell the beer at the permitted premises at a price approximating retail prices generally charged for identical beverages in the county where the permitted premises are located; and

~~(6)~~(f) the brewery must remit taxes to the Department of Revenue for beer sales in an amount equal to and in a manner required for taxes assessed by Section 12-21-1020 and Section 12-21-1030. The brewery also must remit appropriate sales and use taxes and local hospitality taxes.”

B. SECTION 3.A. is effective upon approval by the Governor and expires on May 31, 2021.

C. Section 61-4-1515(E) of the 1976 Code as last amended by Act 167 of 2020, is amended to read:

“(E) A brewery located in this State is authorized to sell beer in sealed containers, with an alcohol content of fourteen percent by weight or less, on its permitted premises for off-premises consumption, provided that:

(1) the brewery is the primary American source of supply for the beer sold; or

(2) the ~~sealed~~ beer was brewed on the brewery's permitted premises ~~with an alcohol content of fourteen percent by weight or less~~, subject to the following conditions:

~~(1)~~(a) the maximum amount of beer that may be sold to an individual per day for off-premises consumption shall be equivalent to two hundred eighty-eight ounces in total;

~~(2)~~(b) the beer only shall be sold in conjunction with a tour by the consumer of the permitted premises and the entire brewing process utilized at the permitted premises;

~~(3)~~(c) the beer sold is for personal use only and must not be resold;

~~(4)~~(d) the beer must not be sold to anyone holding a retail beer and wine license for the purpose of resale in their establishment;

~~(5)~~(e) the brewery must sell the beer at the permitted premises at a price approximating retail prices generally charged for identical beverages in the county where the permitted premises are located; and

~~(6)~~(f) the brewery must remit taxes to the Department of Revenue for beer sales in an amount equal to and in a manner required for taxes assessed by Section 12-21-1020 and Section 12-21-1030. The brewery also must remit appropriate sales and use taxes and local hospitality taxes.”

D. SECTION 3.C. is effective on June 1, 2021.

SECTION 4. Section 61-6-1140 of the 1976 Code is amended to read:

“Section 61-6-1140. A holder of a valid micro-distillery or manufacturer license issued by the State may permit tastings and retail sales of:

(A) the alcoholic liquors for which the micro-distillery or manufacturer is the primary American source of supply; or

(B) the alcoholic liquors produced at the licensed premises subject to the following limitations and any other limitations provided in this subarticle:

(1) tastings by and sales to consumers must be held in conjunction with a tour by the consumer of the on-site licensed premises;

(2) the micro-distillery or manufacturer shall establish appropriate protocols to ensure that a consumer sold or served alcoholic liquors pursuant to this section is not under twenty-one years of age and that a consumer shall not attend more than one tasting in a day;

(3) the micro-distillery or manufacturer may not dispense more than three ounces to an individual consumer in one day;

(4) tastings and sales may occur only between the hours of nine a.m. and seven p.m., Monday through Saturday;

(5) the micro-distillery or manufacturer may charge for alcoholic liquors consumed at a tasting, but must collect and remit the liquor by the drink excise tax pursuant to the provisions of Chapter 33, Title 12;

(6) the micro-distillery or manufacturer may provide mixers, which must be nonalcoholic and carry zero percent of alcohol by weight, in conjunction with the tasting, but the micro-distillery or manufacturer may not charge for the mixers;

(7) tastings may not occur in conjunction with the service of food in a restaurant setting; and

(8) only brands of alcoholic liquors ~~actually manufactured, distilled, or fermented at and~~ distributed to wholesalers from the licensed premises may be sold or offered for tasting.”

SECTION 5. Chapter 2, Title 61 of the 1976 Code is amended by adding:

“Section 61-2-177. (A). Notwithstanding any other provision of law, rule, or regulation to the contrary, the holder of a valid brewery, winery, micro-distillery, or liquor manufacturer license that, on or after January 1, 2021, invests four hundred million dollars in this State and creates at least three hundred new jobs in this State is eligible for a manufacturer’s satellite certificate to establish up to four wholly‑owned satellite locations for tasting and sale of beer, wine, or alcoholic liquors produced or imported as the primary American source of supply, provided that:

(1) except as modified by this section, the manufacturer complies with all conditions and limitations imposed on tastings and sales of beer, wine, or alcoholic liquors in this Title;

(2) the manufacturer submits an application on forms prescribed by the Department of Revenue and payment of a biennial manufacturer’s satellite certificate fee of five thousand dollars per satellite location;

(3) the manufacturer must sell the beer, wine, and liquor at the premises at a price approximating retail prices generally charged for identical beverages in the county where the satellite location is located;

(4) the manufacturer must remit appropriate taxes to the Department of Revenue for tastings and sales in an amount equal to and in a manner required for excise taxes assessed by the department pursuant to the provisions of Chapters 33, Title 12. A manufacturer also must remit appropriate sales and use taxes and local hospitality taxes;

(5) the beer, wine, and/or liquor to be handled, tasted, or sold at the satellite location must be purchased from licensed South Carolina wholesalers and transported and delivered to the satellite locations only by licensed South Carolina wholesalers;

(6) the manufacturer must maintain a liquor liability insurance policy or a general liability insurance policy with a liquor liability endorsement in the amount of at least one million dollars for the biennial period for which the certificate is valid. Within ten days of receiving its biennial permit a manufacturer must send proof of this insurance to the State Law Enforcement Division and to the Department of Revenue, where the proof of insurance information shall be retained with the Department’s alcohol beverage licensing section;

(7) tastings and sales shall not be offered or made to, or allowed to be offered, made to, or consumed by an intoxicated person or a person who is under the age of twenty one;

(8) for purposes of selling wine at a satellite location, the manufacturer must not sell more than twenty‑four bottles of wine each month to an individual consumer; and

(9) for the purposes of selling and tasting alcoholic liquors at a satellite location, the manufacturer:

(a) must not dispense more than three ounces to an individual consumer in one day;

(b) must provide mixers that are nonalcoholic and carry zero percent of alcohol by weight, in conjunction with the tasting, and the manufacturer may not charge for the mixers;

(c) must conduct tastings and sales only between the hours of nine a.m. and seven p.m., Monday through Saturday;

(d) must sell at retail no more than the equivalent of three 750‑milliliter bottles of liquor to a consumer in one business day, but only if the labels for the bottles are marked “not for resale”;

(e) must not allow consumption at the satellite location of liquor sold by the bottle at the premises; and

(f) must not allow delivery of alcoholic liquor to the consumer at any place other than the satellite location.

(B) The manufacturer’s satellite certificate application is subject to protest, as provided for in Section 61‑4‑525 for breweries and wineries and Section 61‑6‑185 for liquor manufacturers and micro-distilleries.

(C) The holder of a manufacturer’s satellite certificate who violates a provision of this section is subject to the penalties imposed according to Section 61‑6‑1160.

(D) Authorization by this section of sales and tastings at satellite locations is expressly intended for the promotion of education regarding production of beer, wine, and alcoholic liquors in the State and not to create competition between producers and retailers.”

SECTION 6. Unless otherwise specified, this act takes effect upon approval by the Governor.

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