

By: Representative Simpson

To: Ways and Means

HOUSE BILL NO. 1224

1 AN ACT TO AMEND SECTION 67-3-22, MISSISSIPPI CODE OF 1972, TO
 2 ALLOW A HOSPITALITY OPERATOR TO PROVIDE COMPLIMENTARY LIGHT WINE
 3 OR BEER PRODUCED AT A BREWPUB TO CERTAIN GUESTS; TO AUTHORIZE A
 4 BREWPUB TO PACKAGE IN KEGS LIGHT WINE OR BEER MANUFACTURED BY IT
 5 THAT IS TO BE ENTERED INTO BEER COMPETITIONS THAT ARE CONDUCTED
 6 OUTSIDE THIS STATE AND TO LIMIT TO TWO THE NUMBER OF KEGS THAT MAY
 7 BE TAKEN TO ANY ONE COMPETITION; TO AMEND SECTION 67-3-28,
 8 MISSISSIPPI CODE OF 1972, TO INCREASE FROM FOUR PERCENT TO FIVE
 9 PERCENT THE PERCENT OF ALCOHOL BY WEIGHT THAT CAN BE CONTAINED IN
 10 BEER AND LIGHT WINE MANUFACTURED AND SOLD BY BREWPUBS; AND FOR
 11 RELATED PURPOSES.

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

13 **SECTION 1.** Section 67-3-22, Mississippi Code of 1972, is
 14 amended as follows:

15 67-3-22. (1) The production limits for a brewpub shall be
 16 based upon production as determined by the State Tax Commission
 17 pursuant to Section 27-71-307, Mississippi Code of 1972, and shall
 18 be limited as follows:

19 (a) A stand-alone restaurant or restaurant operated by
 20 a hospitality operator with less than fifty (50) guest rooms in
 21 the aggregate shall not manufacture more than forty thousand three
 22 hundred (40,300) gallons of light wine or beer per calendar year.

23 (b) A restaurant operated by a hospitality operator
 24 with fifty (50) or more guest rooms in the aggregate but less than
 25 five hundred (500) guest rooms in the aggregate shall not
 26 manufacture more than sixty thousand (60,000) gallons of light
 27 wine or beer per calendar year.

28 (c) A restaurant operated by a hospitality operator
 29 with five hundred (500) or more guest rooms in the aggregate but
 30 less than one thousand (1,000) guest rooms in the aggregate shall



31 not manufacture more than seventy-five thousand (75,000) gallons
32 of light wine or beer per calendar year.

33 (d) A restaurant operated by a hospitality operator
34 with one thousand (1,000) or more guest rooms in the aggregate
35 shall not manufacture more than ninety-nine thousand (99,000)
36 gallons of light wine or beer per calendar year.

37 (2) Light wine or beer produced at a brewpub shall not be
38 sold at a price less than its cost to manufacture such light wine
39 or beer, except that providing complimentary light wine or beer
40 produced at the brewpub to guests who are room, food and beverage
41 patrons for consumption exclusively on premises is authorized.

42 (3) (a) Light wine or beer manufactured by a brewpub:

43 (i) Shall not be sold away from the premises of
44 such brewpub (as defined in Section 27-71-301, Mississippi Code of
45 1972), and

46 (ii) Except as otherwise provided in this
47 subsection, shall not be packaged in any form that it may be
48 carried away from the premises; provided, however, that the final
49 one hundred (100) gallons of beer within a fermenting tank may be
50 placed in kegs for sale on the premises to facilitate transition
51 from one fermenting tank to another.

52 (b) A brewpub may package in kegs light wine or beer
53 manufactured by it that is to be entered into beer competitions
54 that occur outside this state; however, the amount of light wine
55 or beer that may be taken to any one (1) competition shall not
56 exceed two (2) kegs.

57 (4) A brewpub shall be required to offer for sale light wine
58 or beer that is normally carried on the inventory of wholesalers
59 or distributors of light wine or beer.

60 (5) As used in this section, the following terms shall have
61 the meanings ascribed in this subsection:

62 (a) "Hospitality operator" means a business that
63 operates guest rooms that at any one time will accommodate



64 transient guests on a daily or weekly basis in conjunction with a
65 brewpub at one (1) location or facility.

66 (b) "Premises" means those areas where food is normally
67 sold and consumed and which are immediately adjacent and connected
68 to the brewing facility or brewpub operated by a hospitality
69 operator.

70 (c) "Room, food and beverage patron" means a patron who
71 receives from a hospitality operator lodging, food and beverages
72 at no cost to the patron.

73 **SECTION 2.** Section 67-3-28, Mississippi Code of 1972, is
74 amended as follows:

75 67-3-28. (1) Any person desiring to engage in business as a
76 brewpub shall file with the commissioner, along with the
77 application required by Section 67-3-17, Mississippi Code of 1972,
78 a certificate issued by a licensed testing laboratory indicating
79 that such laboratory has tested a sample of the applicant's beer
80 or light wine, or both, and that the alcohol content of such
81 sample does not exceed five percent (5%) by weight.

82 (2) Every brewpub shall be required to submit to random
83 testing by the commissioner to determine whether any beer or light
84 wine being manufactured, sold, kept, stored or secreted by the
85 license holder contains an alcohol content greater than five
86 percent (5%) by weight. The commissioner shall establish and
87 administer testing standards and procedures to be used in such
88 random testing. The brewpub licensee shall be responsible for all
89 costs incurred by the commissioner in conducting random testing
90 under this section.

91 **SECTION 3.** This act shall take effect and be in force from
92 and after July 1, 2003.

