

By: Representative Simpson

To: Ways and Means

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1171

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 AND TO DELETE THE
4 REPEALER ON SUCH SECTION; TO AMEND SECTION 67-3-28, MISSISSIPPI
5 CODE OF 1972, TO INCREASE FROM FOUR PERCENT TO FIVE PERCENT THE
6 PERCENT OF ALCOHOL BY WEIGHT THAT CAN BE CONTAINED IN BEER AND
7 LIGHT WINE MANUFACTURED AND SOLD BY BREWPUBS; AND FOR RELATED
8 PURPOSES.

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

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

12 67-3-22. (1) The production limits for a brewpub shall be
13 based upon production as determined by the State Tax Commission
14 pursuant to Section 27-71-307, and shall be limited as follows:

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

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

24 (c) A restaurant operated by a hospitality operator
25 with five hundred (500) or more guest rooms in the aggregate but
26 less than one thousand (1,000) guest rooms in the aggregate shall
27 not manufacture more than seventy-five thousand (75,000) gallons
28 of light wine or beer per calendar year.

29 (d) A restaurant operated by a hospitality operator
30 with one thousand (1,000) or more guest rooms in the aggregate



shall not manufacture more than ninety-nine thousand (99,000) gallons of light wine or beer per calendar year.

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

(3) Light wine or beer manufactured by a brewpub shall not be sold away from the premises of such brewpub (as defined in Section 27-71-301, Mississippi Code of 1972) and shall not be packaged in any form that it may be carried away from the premises; provided, however, that the final one hundred (100) gallons of beer within a fermenting tank may be placed in kegs for sale on the premises to facilitate transition from one fermenting tank to another.

(4) A brewpub shall be required to offer for sale light wine or beer that is normally carried on the inventory of wholesaler or distributor of light wine or beer.

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

(a) "Hospitality operator" means a business that operates guest rooms that at any one (1) time will accommodate transient guests on a daily or weekly basis in conjunction with a brewpub at one (1) location or facility.

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

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

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

65 67-3-28. (1) Any person desiring to engage in business as a
66 brewpub shall file with the commissioner, along with the
67 application required by Section 67-3-17, Mississippi Code of 1972,
68 a certificate issued by a licensed testing laboratory indicating
69 that such laboratory has tested a sample of the applicant's beer
70 or light wine, or both, and that the alcohol content of such
71 sample does not exceed five percent (5%) by weight.

72 (2) Every brewpub shall be required to submit to random
73 testing by the commissioner to determine whether any beer or light
74 wine being manufactured, sold, kept, stored or secreted by the
75 license holder contains an alcohol content greater than five
76 percent (5%) by weight. The commissioner shall establish and
77 administer testing standards and procedures to be used in such
78 random testing. The brewpub licensee shall be responsible for all
79 costs incurred by the commissioner in conducting random testing
80 under this section.

81 **SECTION 3.** This act shall take effect and be in force from
82 and after July 1, 2002.

