State of South Dakota

NINETY-THIRD SESSION
LEGISLATIVE ASSEMBLY, 2018

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SENATE LOCAL GOVERNMENT

ENGROSSED NO. SB 187 - 2/21/2018

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This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

Introduced by: Senators Solano and Rusch and Representative Johnson

1 FOR AN ACT ENTITLED, An Act to accommodate legislation authorizing the issuance of

2   wine manufacturer licenses.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4   Section 1. That the code be amended by adding a NEW SECTION to read:

5   For the purposes of this Act the term, wine manufacturer, means any manufacturer located

6 in this state producing, blending, filtering, clarifying, aging and bottling wine, as defined in

7 § 35-1-1, that is not a farm winery.

8   Section 2. That the code be amended by adding a NEW SECTION to read:

9   The fee for a wine manufacturer license is two thousand five hundred dollars.

10   Section 3. That the code be amended by adding a NEW SECTION to read:

11   Except as provided in this Act, all provisions of title 35 apply to the production, sale,

12 possession, transportation, and consumption of alcoholic beverages produced by any person

13 licensed pursuant to this Act.

14   Section 4. That the code be amended by adding a NEW SECTION to read:

Insertions into existing statutes are indicated by <u>underscores</u>. Deletions from existing statutes are indicated by ~~overstrikes~~.

1   There is hereby levied on all alcoholic beverages produced by any person licensed pursuant

2   to this Act an excise tax at the same rates and collected and administered in the same manner

3   as the taxes imposed on alcoholic beverages in chapter 35-5. Notwithstanding any other

4   provision of law, the taxes imposed on a wine manufacturer shall be deposited in the general

5   fund.

6   Section 5. That the code be amended by adding a NEW SECTION to read:

7   A licensed wine manufacturer may sell on the licensed premises alcoholic beverages

8   produced by the licensee for on-sale or off-sale consumption. A licensed wine manufacturer may

9   sell alcoholic beverages produced by the licensee to any wholesaler authorized to receive the

10   alcoholic beverages.

11   Section 6. That the code be amended by adding a NEW SECTION to read:

12   The holder of any license issued under this Act shall register labels for each type or brand

13   produced with the department in the same manner as prescribed for alcoholic beverages in

14   chapter 39-13, before sale. If the label or brand states or implies in a false or misleading manner

15   a connection with an actual living or dead Native American leader, the department shall reject

16   the registration of the label.

17   Section 7. That the code be amended by adding a NEW SECTION to read:

18   The secretary may promulgate rules, pursuant to chapter 1-26, establishing the criteria and

19   procedures for obtaining a license pursuant to this Act, and procedures for collecting the excise

20   taxes pertaining to the licenses.

21   Section 8. That the code be amended by adding a NEW SECTION to read:

22   A licensed wine manufacturer may operate up to one additional location in this state by

23   obtaining a license pursuant to this Act for each location if the licensed wine manufacturer

24   performs at least one manufacturing process at each site.

1   Section 9. That the code be amended by adding a NEW SECTION to read:

2   The Department of Revenue shall promulgate rules pursuant to chapter 1-26 to create a

3   South Dakota certified wine.

4   Section 10. That the code be amended by adding a NEW SECTION to read:

5   The quantity of bulk wine in any wine manufacturer's annual production shall not exceed

6   fifty percent of that winery's annual production. The bulk wine must be blended and not bottled.

7   Bulk wine as used in this section means fermented juice from grapes and other fruit bases or

8   honey. If the name and address section of the label states anything other than, Estate Bottled,

9   pursuant to 27 CFR 4.26 as of January 1, 2018, and, Produced and Bottled, or, Made and

10   Bottled, pursuant to 27 CFR 4.35 as of January 1, 2018, the department shall reject the

11   registration of the label.