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SYNOPSIS: Currently, there is no specific license of the Alcoholic Beverage Control (ABC) Board relating to direct shipping of limited quantities of wine to Alabama residents for their personal use.

 This bill would allow a currently licensed wine producer, supplier, importer, wholesaler, distributor, or retailer to obtain a wine direct shipper license from the ABC Board to allow the licensee to ship limited quantities of wine directly to Alabama residents for their personal use, under certain circumstances.

 A violation of the requirements of this bill would constitute a Class C misdemeanor.

 Amendment 621 of the Constitution of Alabama of 1901, now appearing as Section 111.05 of the Official Recompilation of the Constitution of Alabama of 1901, as amended, prohibits a general law whose purpose or effect would be to require a new or increased expenditure of local funds from becoming effective with regard to a local governmental entity without enactment by a 2/3 vote unless: it comes within one of a number of

1 specified exceptions; it is approved by the
2 affected entity; or the Legislature appropriates
3 funds, or provides a local source of revenue, to
4 the entity for the purpose.

5 The purpose or effect of this bill would be
6 to require a new or increased expenditure of local
7 funds within the meaning of the amendment. However,
8 the bill does not require approval of a local
9 governmental entity or enactment by a 2/3 vote to
10 become effective because it comes within one of the
11 specified exceptions contained in the amendment.

12
13 A BILL
14 TO BE ENTITLED
15 AN ACT
16

17 To provide for a wine direct shipper license; to
18 allow the licensee to ship a limited amount of wine directly
19 to an Alabama resident who is 21 years of age or older for
20 personal use only; to provide the licensing procedure; to
21 provide restrictions and requirements on the direct shipment
22 of wine; to provide for issuance and renewal fees for the wine
23 direct shipper license; to provide that an unlicensed direct
24 shipment of wine constitutes a Class C misdemeanor; and in
25 connection therewith would have as its purpose or effect the
26 requirement of a new or increased expenditure of local funds
27 within the meaning of Amendment 621 of the Constitution of
28 Alabama of 1901, now appearing as Section 111.05 of the

1 Official Recompilation of the Constitution of Alabama of 1901,
2 as amended.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. (a) Notwithstanding any law or
5 administrative rule to the contrary, any person currently
6 licensed in this or any other state as a wine producer,
7 supplier, importer, wholesaler, distributor, or retailer who
8 obtains a wine direct shipper license, as provided in this
9 section, may ship annually up to 24 cases of wine, each case
10 not exceeding nine liters of wine, directly to a resident of
11 Alabama who is at least 21 years of age for such resident's
12 personal use and not for resale.

13 (b) Before sending any shipment to an Alabama
14 resident, the wine direct shipper licensee must first:

15 (1) File an application with the Alcoholic Beverage
16 Control Board.

17 (2) Pay a one hundred dollar (\$100) registration
18 fee.

19 (3) Provide to the board a true copy of its current
20 alcoholic beverage license issued in this or any other state.

21 (4) Obtain from the board a wine direct shipper
22 license.

23 (c) A wine direct shipper licensee:

24 (1) May not ship more wine than is specified in
25 subsection (a).

26 (2) Shall ensure that all containers of wine shipped
27 directly to a resident in this state are conspicuously labeled
28 with the words: "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21
29 OR OLDER REQUIRED FOR DELIVERY."

1 (3) If located outside of this state, shall report
2 to the board annually the total amount of wine shipped into
3 the state the preceding calendar year.

4 (4) If located outside of this state, shall annually
5 pay to the Department of Revenue all sales taxes and excise
6 taxes due on sales to Alabama residents in the preceding
7 calendar year, the amount of such taxes to be calculated as if
8 the sale were made in Alabama.

9 (5) If located within this state, shall provide the
10 Department of Revenue any additional information deemed
11 necessary beyond that already required for retail sales from
12 the winery tasting room to ensure compliance with this
13 section.

14 (6) Shall permit the ABC Board or the Department of
15 Revenue to perform an audit of the wine direct shipper
16 licensees records upon request.

17 (7) Shall be deemed to have consented to the
18 jurisdiction of the board or any other state law enforcement
19 agency and the Alabama courts concerning enforcement of this
20 section and any related laws or administrative rules.

21 (d) A wine direct shipper licensee may renew its
22 license with the ABC Board by paying a fifty dollar (\$50)
23 renewal fee annually and providing the board a true copy of
24 its current alcoholic beverage license issued in this or any
25 other state.

26 (e) The ABC Board and the Department of Revenue may
27 jointly promulgate rules pursuant to the Alabama
28 Administrative Procedure Act to implement this section.

1 (f) The ABC Board may enforce the requirements of
2 this section by administrative proceedings to suspend or
3 revoke a wine direct shipper license, and the board may accept
4 payment of an offer in compromise in lieu of suspension, such
5 payments to be determined by rule promulgated by the board.

6 (g) Shipments of wine direct to consumers in Alabama
7 from persons who do not possess a current wine direct shipper
8 license from the ABC Board are prohibited and any person who
9 knowingly makes, participates in, transports, imports, or
10 receives such a shipment is guilty of a Class C misdemeanor.

11 Section 2. Although this bill would have as its
12 purpose or effect the requirement of a new or increased
13 expenditure of local funds, the bill is excluded from further
14 requirements and application under Amendment 621, now
15 appearing as Section 111.05 of the Official Recompilation of
16 the Constitution of Alabama of 1901, as amended, because the
17 bill defines a new crime or amends the definition of an
18 existing crime.

19 Section 3. This act shall become effective on the
20 first day of the third month following its passage and
21 approval by the Governor, or its otherwise becoming law.