

A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend Title 25 of the District of Columbia Code to allow breweries, wineries, and distilleries to own and operate satellite tavern locations that primarily sell alcohol produced by the manufacturer.

BE IT ENACTED BY THE COUNCIL FOR THE DISTRICT OF COLUMBIA, That this act may be cited as the "Manufacturer's Satellite Taverns Amendment Act of 2019".

Sec. 2. Title 25 of the District of Columbia Code is amended as follows:

(a) Section 25-110 is amended as follows:

(1) Subsection (c) is amended to read as follows:

"(c) A holder of a manufacturer's license, class A or B, that owns 2 or more breweries, wineries, distilleries, or tavern, class S/T, in the District shall be permitted to transport alcoholic beverages manufactured at one brewery, winery, or distillery to another brewery, winery, distillery, or tavern, class S/T."

(b) Section 25-113(c) is amended as follows:

(1) Paragraph (3) is amended as follows:

(A) The lead-in language is amended by striking the number "2" and inserting the number "3" in its place.

(B) Subparagraph (A) is amended by striking the phrase “; and” and inserting a semicolon in its place.

(C) Subparagraph (B) is amended by striking the period and inserting the phrase “; and” in its place.

(D) A new subparagraph (C) is added to read as follows:

“(C) Class S/T (satellite location, spirits, wine, and beer).”.

(2) A new paragraph (3-A) is added to read as follows:

“(3-A)(A) A class S/T license may be issued to the holder of a manufacture’s license, class A or B, to operate a satellite tavern separate and apart from the location for which the manufacturer’s license was issued; provided that:

“(i) A single manufacturer may hold no more than 2 S/T licenses; and

“(ii) A satellite tavern’s sale of beverages containing beer, wine, or spirits produced by other manufacturers constitutes no more than 25% of the total gross receipts from alcoholic beverages sold at the satellite tavern on an annual basis.

“(B) A tavern with a class S/T license may sell at retail beer, wine, or spirits produced at the location for which the manufacture’s license was issued in a sealed bottle or closed container for off-premises consumption.”.

(c) A new paragraph (5) is added to read as follows:

“(5) The Board shall issue rules to implement the provisions of the Manufacturer's Satellite Taverns Amendment Act of 2019, introduced on ____, 2019 (Bill 23-____).”.

(c) Section 25-113a is amended as follows:

(1) Subsection (b)(1) is amended by striking the phrase “D/T, C/N” and inserting the phrase “D/T, S/T, C/N” in its place.

(2) Subsection (c) is amended by striking the phrase “D/T, C/N” and inserting the phrase “D/T, S/T, C/N” in its place.

(d) Section 25-303(a)(1A) is amended by striking the period and inserting the phrase “or up to 2 tavern licenses, class S/T” in its place.

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 4a of the General Legislative Procedures Act of 1975, approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

Sec. 4. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.