

AN ACT

ENTITLED, An Act to prohibit the manufacture, sale, or possession of alcohol in a powdered, condensed, or other concentrated form under most circumstances.

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

Section 1. That § 35-1-1 be amended to read:

35-1-1. Terms used in this title mean:

- (1) "Alcoholic beverage," any distilled spirits, wine and malt beverages as defined in this title;
- (2) "Bulk container," any package, or any container within which container are one or more packages;
- (3) "Carrier," a person who for hire transports passengers and who sells or furnishes to passengers for consumption alcoholic beverages aboard any means of conveyance;
- (3A) "Cider," any alcoholic beverage obtained by the fermentation of the juice of apples or pears that contains not less than one-half of one percent of alcohol by volume and not more than ten percent of alcohol by weight, including flavored, sparkling, or carbonated cider;
- (3B) "Controlling interest in," a controlling interest in the licensee is an ownership interest of ten percent or more;
- (4) "Department," the Department of Revenue of the State of South Dakota;
- (5) "Dispenser," a duly licensed physician, dentist, veterinarian, osteopath, podiatrist, chiropractor, or pharmacist; or a druggist, sanitarium, hospital, clinic, educational institution, industrial company, or industrial corporation who purchases alcohol for scientific and medicinal purposes only;
- (6) "Distilled spirits," ethyl alcohol, hydrated oxide of ethyl, spirits of wine, whiskey, rum,

- brandy, gin, and other distilled spirits, including all dilutions and mixtures thereof, for nonindustrial use containing not less than one-half of one percent of alcohol by weight;
- (7) "Distiller," any person who owns, has a controlling interest in, operates, or aids in operating any distillery or other establishment for the production, rectifying, blending, or bottling of distilled spirits;
- (8) "Malt beverage," a beverage made by the alcoholic fermentation of an infusion or decoction, or combination of both, in potable brewing water, of malted barley with hops, or their parts, or their products, and with or without other malted cereals, and with or without the addition of unmalted or prepared cereals, other carbohydrates or products prepared therefrom, and with or without the addition of carbon dioxide, and with or without other wholesome products suitable for human consumption containing not less than one-half of one percent of alcohol by weight;
- (9) "Manufacturer," any person who owns, has a controlling interest in, operates, or aids in operating any establishment for the brewing, production, bottling, or blending of malt beverages or wine;
- (10) "Minibar," any closed container, either refrigerated or nonrefrigerated, access to the interior of which is restricted by means of a locking device which requires the use of a key, magnetic card, or similar device, or controlled by the licensee at all times;
- (11) "Municipality," any incorporated city or town, and any unincorporated platted town having a United States post office. However, the subsequent withdrawal of a United States post office does not affect the right of established liquor licenses to be continued, renewed, or transferred and does not prevent the owner or bona fide lessee of the licensed premises from receiving a renewal or reissuance of such license;
- (12) "Off-sale," the sale of any alcoholic beverage, for consumption off the premises where

sold;

- (13) "On-sale," the sale of any alcoholic beverage for consumption only upon the premises where sold;
- (14) "On-sale dealer," any person who sells, or keeps for sale, any alcoholic beverage for consumption on the premises where sold;
- (15) "Package," the bottle or immediate container of any alcoholic beverage;
- (16) "Package dealer," any person other than a distiller, manufacturer, or wholesaler, who sells, or keeps for sale, any alcoholic beverage for consumption off the premises where sold;
- (17) "Population," number of inhabitants as determined by the last preceding federal census;
- (17A) "Powdered, condensed, or concentrated alcohol," an alcoholic product that is created using a process that reduces the alcohol to a concentrated form and that allows the alcohol to be reconstituted with water or other liquid;
- (17B) "Relative," any person who is a husband, wife, son, daughter, brother, sister, father, mother, uncle, aunt, nephew, niece, brother-in-law, sister-in-law, father-in-law, mother-in-law, son-in-law, or daughter-in-law;
- (18) "Retail license," an on- or off-sale license issued under the provisions of this title;
- (19) "Retailer," or "retail dealer," any person who sells alcoholic beverages for other than resale;
- (20) "Sale," the transfer, for a consideration, of title to any alcoholic beverage;
- (21) "Secretary," the secretary of revenue of the State of South Dakota;
- (22) "Solicitor," any person employed by a licensed wholesaler within this state, or by any distiller or manufacturer within or without this state, who contacts a wholesaler or retail dealer within this state for the purpose of selling, promoting, or advertising alcoholic beverages or for any other reason connected with the alcoholic beverage industry but does

not include employees of wholesale or transporter licensees who only deliver such beverages;

- (23) "Transportation company," or "transporter," any common carrier or operator of a private vehicle transporting or accepting for transportation any alcoholic beverages, but not including transportation by carriers in interstate commerce where the shipment originates outside of the state and is destined to a point outside of the state;
- (24) "Wholesaler," any person who sells alcoholic beverages to retailers for resale;
- (25) "Wine," any liquid either commonly used, or reasonably adapted to use, for beverage purposes, and obtained by the fermentation of the natural sugar content of fruits or other agricultural products containing sugar and containing not less than one-half of one percent of alcohol by weight but not more than twenty-four percent of alcohol by weight.

Section 2. That chapter 35-4 be amended by adding a NEW SECTION to read:

Unless specifically allowed in this section, the manufacture, sale or possession of alcohol in a powdered, condensed, or other concentrated form as defined in § 35-1-1 or the sale or possession of an alcoholic beverage that is reconstituted from alcohol in a powdered, condensed, or other concentrated form is prohibited.

The provisions of this section do not apply to the following:

- (1) Any hospital that possesses a product defined in subdivision 35-1-1(17A) and that possession is primarily used for conducting scientific research; or
- (2) Any state institution, private college or university, or pharmaceutical or biotechnical company that possesses a product defined in subdivision 35-1-1(17A) and that possession is primarily used for conducting bona fide research.

A violation of this section is a Class 1 misdemeanor.

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I certify that the attached Act originated in the

SENATE as Bill No. 81

Secretary of the Senate

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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 81
File No. _____
Chapter No. _____

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Received at this Executive Office this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State