

AN ACT

ENTITLED, An Act to revise the prohibition against certain alcoholic beverage manufacturers engaging in retail business.

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

Section 1. That chapter 35-2 be amended by adding thereto a NEW SECTION to read as follows:

The provisions of § 35-2-6.4 do not prohibit any person, corporation, or other entity which owns, in whole or in part, directly or indirectly, or has any interest whatsoever in, a manufacturer from owning in whole or in part, directly or indirectly, or having any interest whatsoever in, a South Dakota retailer whose retail license is issued in conjunction with and as part of the operations of a hotel or motel if the following conditions are met:

- (1) Such hotel or motel has at least one hundred sleeping rooms with respect to which the relationship between the occupants thereof and the owner or operator of the establishment is that of innkeeper and guest;
- (2) No more than twenty percent of the total gross revenues of such hotel or motel are derived from the sale of alcoholic beverages by such hotel or motel;
- (3) Such hotel's or motel's total purchases of alcoholic beverage products produced and sold by such manufacturer to South Dakota wholesale licensees so not to exceed ten percent of such hotel's or motel's total purchases of all alcoholic beverage products in any calendar year;
- (4) Neither such manufacturer nor such retail licensee directly or indirectly owns or has any interest in a South Dakota wholesale licensee; and
- (5) Such retail licensee purchases alcoholic beverages only from South Dakota wholesale licensees.

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I certify that the attached Act originated in the

HOUSE as Bill No. 1166

Chief Clerk

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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1166
File No. _____
Chapter No. _____

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Received at this Executive Office this ____ day of _____ ,

19__ at ____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 19__

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 19__
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State