

# State of South Dakota

SEVENTY-FIFTH SESSION  
LEGISLATIVE ASSEMBLY, 2000

708D0700

## SENATE BILL NO. 165

Introduced by: Senators Reedy, Albers, Flowers, and Lawler and Representatives Brown  
(Richard), Clark, and Engbrecht

1 FOR AN ACT ENTITLED, An Act to provide farm wineries certain privileges related to the  
2 purchase, sale, and service of certain alcoholic beverages and to permit farm wineries to  
3 obtain on-sale liquor licenses.

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

5 Section 1. That chapter 35-12 be amended by adding thereto a NEW SECTION to read as  
6 follows:

7 In addition to the provisions of § 35-12-5 and notwithstanding the provisions of § 35-2-6.4  
8 and subdivisions 35-2-6.7(1), (2), (3), (4), a farm winery license allows the licensee to:

- 9 (1) Import, bottle, produce, blend, store, transport, or export wines or cider;
- 10 (2) Sell malt beverages produced by the licensee at retail for consumption on or off the  
11 licensed premises;
- 12 (3) Purchase from distillers brandy or other distilled liquors for fortifying wines;
- 13 (4) Conduct the activities allowed pursuant to this section at a second or third premises  
14 as may be designated by the Department of Revenue;
- 15 (5) Obtain an on-sale license. If a person holds a winery license and an on-sale license,  
16 nothing in this title prevents the licensee from selling distilled liquor and wine obtained

1 from a South Dakota licensed distributor and wine or cider produced and bottled  
2 under the winery license; and

3 (6) Ship not more than one case of wine per month for personal use and not for resale,  
4 containing not more than nine liters per case to any resident of this state who is at  
5 least twenty-one years of age. The shipping shall be clearly labeled to indicate that a  
6 signature is required from the person receiving the container before delivery may be  
7 made and the age shall be verified by a valid photo identification such as a South  
8 Dakota driver's license. Orders for shipments under this subdivision subsequently may  
9 be taken by telephone, mail, or any other form of communication. The licensee shall  
10 pay the sales tax on any wines shipped for consumption in South Dakota.

11 Section 2. That § 35-4-11.4 be amended to read as follows:

12 35-4-11.4. Any municipality or county may issue a special malt beverage retailers' license and  
13 a special retail on-sale wine dealers' license to any civic, charitable, educational, or fraternal  
14 organization or farm winery licensed pursuant to § 35-12-2 in conjunction with a special event  
15 within the municipality or within the county. Educational does not include any elementary,  
16 secondary, or higher educational institution in the public school system of this state. Any license  
17 issued pursuant to this section may be issued for a period of time established by the municipal  
18 governing body or board of county commissioners. However, such period may not exceed fifteen  
19 consecutive days. If an organization receiving a license pursuant to this section conducts a street  
20 dance in conjunction with the special event, the organization shall provide qualified security  
21 personnel as deemed necessary by the governing body which issued the license to maintain order  
22 during the street dance.

23 Section 3. More than one winery licensee may exercise the privileges of a winery license at  
24 a single location. The Department of Revenue may not refuse to issue a winery license to a  
25 person for the production of wine or cider on specified premises based on the fact that another

- 1 winery licensee also produces wine or cider on the same premises.