An Act to exempt from alcoholic beverage regulations certain uses of alcohol by postsecondary institutions.

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

Section 1. That a NEW SECTION be added:


As used in this section, the term, postsecondary institution, includes any postsecondary institution, technical institute, or private college or university located within this state.

A postsecondary institution may produce and securely store up to two hundred gallons of distilled spirits, up to two hundred gallons of malt beverage, and up to two hundred gallons of wine each year for purposes of research and offering bona fide educational courses instructing students in the production and serving of distilled spirits, malt beverage, or wine. A postsecondary institution is not deemed a manufacturer or retailer under this title. Only students enrolled in a course, faculty, researchers, or research participants directly involved in the purposes of this section may consume alcohol produced under this section.

The production and storage of alcohol under this section is exempt from any licensing required by this title, or any tax or fee imposed by this title. Any distilled spirits, malt beverage, or wine produced under this section may only be consumed for classroom instruction or research and may not be donated, sold, or offered for sale.

No person under age twenty-one may be a student in a course offered under this section, nor may any person under the age of twenty-one consume distilled spirits, malt beverage, or wine produced under this section. No person may, while consuming alcohol as permitted by this section, have a blood alcohol content that is at or above 0.08 percent, by weight.