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SECOND REPRINT

A.B. 375

ASSEMBLY BILL NO. 375—ASSEMBLYMEMBERS YEAGER AND GURR

MARCH 6, 2025

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to intoxicating liquor.  
(BDR 32-1049)FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to intoxicating liquor; authorizing the board of county commissioners of a county and the governing body of an incorporated city to enact an ordinance authorizing certain food establishments to sell or deliver alcoholic beverages for consumption off the premises of the establishment under certain circumstances; requiring the Department of Taxation to adopt regulations imposing a surcharge on such sales; revising provisions relating to craft distilleries; designating the Picon Punch as the official state drink of the State of Nevada; expanding the functions of the Ignition Interlock Program established by the Director of the Department of Public Safety; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law authorizes certain establishments to sell alcoholic beverages by the drink for consumption on the premises of the establishment. (NRS 369.090, 369.620) Existing law also authorizes a retail liquor store, or a delivery support service acting on behalf of a retail liquor store, to deliver liquor, in its original package, to a consumer in connection with a retail sale of such liquor under certain circumstances. (NRS 369.489)

**Section 1** of this bill defines “covered food establishment” to mean, in general, a food establishment that prepares and serves food on the premises and which is licensed to sell at retail alcoholic beverages for consumption on the premises.

**Section 1** authorizes the board of county commissioners of a county or the governing body of an incorporated city to enact an ordinance authorizing, under such conditions as may be imposed by the ordinance, a covered food establishment to sell at retail an alcoholic beverage in a container sealed by the establishment for consumption off the premises of the establishment. **Section 1** also authorizes the



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ordinance to authorize a covered food establishment, or a delivery support service acting on behalf of such an establishment, to deliver alcoholic beverages in a container sealed by the establishment to a consumer in connection with the retail sale of such an alcoholic beverage. **Sections 1 and 2** of this bill exempt such deliveries from certain provisions of law governing the transport of liquor.

Existing law requires the Director of the Department of Public Safety to establish the Ignition Interlock Program. Existing law creates the Account for the Ignition Interlock Program. Permissible uses of money in the Account include treatment assistance, outreach programs, educational programs and training and enforcement activities relating to driving under the influence of alcohol or a prohibited substance. (NRS 484C.454) **Section 5.5** of this bill changes the name of the Program to the Ignition Interlock and DUI Reduction Program and expands the purposes for which money in the Account may be used.

**Section 1** requires the Department of Taxation to adopt regulations that provide for the imposition and collection of a surcharge, not to exceed 50 cents for each retail sale of an alcoholic beverage pursuant to **section 1**. **Section 1** requires the revenues collected from the surcharge to be distributed: (1) to the Department in an amount determined to be necessary by the Department to pay the costs of the Department in carrying out the provisions of **section 1**, which must not exceed \$250,000 each year; and (2) if any money remains, to the Account for the Ignition Interlock and DUI Reduction Program to be used for the purposes for which the money in the Account is used.

Existing law requires the Department to prescribe by regulation certain requirements for the issuance of a permissible person's certificate to any person or representative of any institution, school, hospital or church desiring to import liquor for industrial, medical, scientific or sacramental purposes. (NRS 369.440) **Section 1.5** of this bill provides for the issuance of a permissible person's certificate to a person who operates a craft distillery, who has a contractual right that was created before January 1, 2025, to exclusively manufacture a particular formula of distilled spirit and who is desiring to import neutral or distilled spirits for the purpose of manufacturing that distilled spirit. **Section 5.7** of this bill designates such a distilled spirit manufactured by a person who has been issued a permissible person's certificate as an "exclusive distilled spirit."

Existing law sets forth the activities in which a person who operates a craft distillery is authorized to engage. Existing law limits the amount of distilled spirits that such a person may manufacture for exportation to another state to not more than 40,000 cases in any calendar year. (NRS 597.235) **Section 5.7** authorizes a person who operates a craft distillery and who has obtained a permissible person's certificate to manufacture an additional 40,000 cases of an exclusive distilled spirit of the person for exportation to another state.

Existing law requires a person who operates a craft distillery to ensure that none of the spirits manufactured at the craft distillery are derived from neutral or distilled spirits manufactured by another manufacturer. (NRS 597.235) **Section 5.7** authorizes a person who operates a craft distillery and who has obtained a permissible person's certificate to manufacture an exclusive distilled spirit of the person using neutral or distilled spirits manufactured by another manufacturer.

Existing law establishes various symbols of the State of Nevada. (NRS 235.020-235.140) **Section 5** of this bill designates the traditional Basque drink known as the Picon Punch as the official state drink of the State of Nevada.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Chapter 369 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. The board of county commissioners of a county and the governing body of an incorporated city may enact an ordinance authorizing, under such conditions as may be imposed by the ordinance:*

*(a) A covered food establishment to sell at retail an alcoholic beverage in a container sealed by the covered food establishment for consumption off the premises; and*

*(b) A covered food establishment, or a delivery support service acting on behalf of an establishment, to deliver an alcoholic beverage in a container sealed by the covered food establishment to a consumer in this State in connection with a retail sale of such an alcoholic beverage.*

*2. The Department shall adopt regulations that provide for the imposition and collection of a surcharge, not to exceed 50 cents for each retail sale of an alcoholic beverage pursuant to subsection 1. The revenues collected from the surcharge must be distributed:*

*(a) To the Department in an amount determined to be necessary by the Department to pay the costs of the Department in carrying out the provisions of this section, which must not exceed \$250,000 each year; and*

*(b) If any money remains after the revenues are distributed pursuant to paragraph (a), to the Account for the Ignition Interlock and DUI Reduction Program created by NRS 484C.454 to be used for the purposes specified in that section.*

*3. Except as otherwise provided in an ordinance enacted pursuant to subsection 1, the provisions of this chapter governing the transport of liquor, including, without limitation, the provisions which authorize the transport of liquor for delivery only by a person who holds a license issued under this chapter, do not apply to a delivery made pursuant to an ordinance enacted pursuant to subsection 1.*

*4. The provisions of this section do not:*

*(a) Require the Commission on Postsecondary Education created by NRS 394.383 to alter the curriculum developed pursuant to NRS 369.625 or any requirements relating to the certification of an alcoholic beverage awareness program pursuant to that section.*

*(b) Abrogate, alter or otherwise affect any requirement set forth in NRS 369.489 or the regulations adopted pursuant thereto*



governing the delivery of liquor in its original package by a retail liquor store or a delivery support service acting on behalf of a retail liquor store.

5. As used in this section:

(a) "Alcoholic beverage" has the meaning ascribed to it in NRS 202.015.

(b) "Covered food establishment" means a food establishment, as defined in NRS 446.020, that:

(1) Prepares and serves food on the premises for consumption on or off the premises; and

(2) Is licensed to sell at retail alcoholic beverages for consumption on the premises.

**Sec. 1.5.** NRS 369.440 is hereby amended to read as follows:

369.440 By regulation, the Department shall prescribe the form of and conditions for obtaining a permissible person's certificate, which ~~[shall]~~ **must** be printed and distributed on request to ~~[any]~~ :

1. Any person or representative of any institution, school, hospital, or church desiring to import liquor for industrial, medical, scientific or sacramental purposes.

2. Any person who operates a craft distillery pursuant to NRS 597.235, who has a contractual right that was created before January 1, 2025, to exclusively manufacture a particular formula of distilled spirit and who is desiring to import neutral or distilled spirits for the purpose of manufacturing that distilled spirit.

**Sec. 2.** NRS 369.490 is hereby amended to read as follows:

369.490 1. Except as otherwise provided in subsection 2 and NRS 369.176 and 369.489, **and section 1 of this act**, a person shall not directly or indirectly, himself or herself or by his or her clerk, agent or employee, offer, keep or possess for sale, furnish or sell, or solicit the purchase or sale of any liquor in this State, or transport or import or cause to be transported or imported any liquor in or into this State for delivery, storage, use or sale therein, unless the person:

(a) Has complied fully with the provisions of this chapter;

(b) Holds an appropriate, valid license, permit or certificate issued by the Department; and

(c) Has been duly designated by the supplier of that liquor pursuant to NRS 369.386 or purchased the liquor in compliance with NRS 369.486.

2. Except as otherwise provided in subsection 3, the provisions of this chapter do not apply to a person:

(a) Entering this State with a quantity of alcoholic beverage for household or personal use which is exempt from federal import duty;



(b) Entering this State with 1 gallon or less of alcoholic beverage per month from another state for his or her own household or personal use;

(c) Who:

(1) Is a resident of this State;

(2) Is 21 years of age or older; and

(3) Imports 12 cases or less of wine per year for his or her own household or personal use; or

(d) Who is lawfully in possession of wine produced on the premises of an instructional wine-making facility for his or her own household or personal use and who is acting in a manner authorized by NRS 597.245.

3. The provisions of subsection 2 do not apply to a supplier, wholesaler or retailer while he or she is acting in his or her professional capacity.

4. A person who accepts wine shipped into this State pursuant to paragraph (c) of subsection 2 must be 21 years of age or older.

**Sec. 3.** (Deleted by amendment.)

**Sec. 4.** (Deleted by amendment.)

**Sec. 5.** Chapter 235 of NRS is hereby amended by adding thereto a new section to read as follows:

*The traditional Basque drink known as the Picon Punch is hereby designated as the official state drink of the State of Nevada.*

**Sec. 5.5.** NRS 484C.454 is hereby amended to read as follows:

484C.454 1. The Director of the Department of Public Safety shall:

(a) Establish the Ignition Interlock *and DUI Reduction* Program; and

(b) Adopt rules and regulations which are necessary to carry out the Program.

2. The Director may contract for the provision of services necessary for the Program.

3. The Account for the Ignition Interlock *and DUI Reduction* Program is hereby created as a special account in the State Highway Fund. The Director, or his or her designee, shall administer the Account.

4. The Account must be funded through the fees established by regulation pursuant to subsection 7 ~~and~~ *and the revenues from the surcharge imposed pursuant to section 1 of this act.* The money in the Account may only be used to pay the expenses of the Program, including, without limitation:

(a) Enforcement activities relating to driving under the influence of alcohol or a prohibited substance ~~and~~ *, including, without limitation, the conducting of any testing necessary to determine*



*whether a person is driving under the influence of alcohol or a prohibited substance;*

(b) The creation ~~[and maintenance of a case management statistical tracking system;]~~ *and support of information systems and systems for the collection of data relating to driving under the influence of alcohol or a prohibited substance;*

(c) An on-site audit program ~~[;]~~ *for those aspects of the Program relating to ignition interlock devices;*

(d) Treatment assistance;

(e) Educational programs and training for law enforcement officers; and

(f) Outreach programs.

5. The interest and income earned on the money in the Account, after deducting any applicable charges, must be credited to the Account.

6. Any money remaining in the Account at the end of each fiscal year does not revert to the State Highway Fund but must be carried over into the next fiscal year.

7. The Department of Public Safety shall adopt regulations to establish a fee schedule that includes reasonable fees for:

(a) The certification of manufacturers and vendors of ignition interlock devices;

(b) The annual recertification of manufacturers and vendors of ignition interlock devices;

(c) The reinstatement of the certification of manufacturers and vendors of ignition interlock devices;

(d) The installation of an ignition interlock device by manufacturers and vendors of ignition interlock devices; and

(e) Repeat violations relating to an ignition interlock device.

**Sec. 5.7.** NRS 597.235 is hereby amended to read as follows:

597.235 1. A person may operate a craft distillery if the person:

(a) Obtains a license for the facility pursuant to chapter 369 of NRS;

(b) Complies with the requirements of this chapter; and

(c) Complies with any other applicable governmental requirements.

2. A person who operates a craft distillery pursuant to this section may:

(a) In addition to manufacturing spirits from agricultural raw materials through distillation, blend, age, store and bottle the spirits so manufactured. ~~[The]~~ *Except as otherwise provided in this paragraph, the* person operating the craft distillery shall ensure that none of the spirits manufactured at the craft distillery are derived from neutral or distilled spirits manufactured by another



1 manufacturer. *If the person operating the craft distillery has*  
2 *obtained a permissible person's certificate pursuant to subsection*  
3 *2 of NRS 369.440, the person may manufacture an exclusive*  
4 *distilled spirit of the person using neutral or distilled spirits*  
5 *manufactured by another manufacturer.*

6 (b) Except as otherwise provided in paragraphs (f) and (g), in  
7 any calendar year, sell and transport in Nevada not more than a  
8 combined total of 10,000 cases of spirits , *including, without*  
9 *limitation, an exclusive distilled spirit*, at all the craft distilleries  
10 that the person operates to a person who holds a license to engage in  
11 business as a wholesale dealer of liquor pursuant to chapter 369 of  
12 NRS.

13 (c) In any calendar year, manufacture for exportation to another  
14 state ~~[-not]~~:

15 (1) *Except as otherwise provided in subparagraph (2), not*  
16 *more than a combined total of 40,000 cases of spirits at all the craft*  
17 *distilleries the person operates* ~~[-]~~; *and*

18 (2) *In addition to the cases of spirits authorized by*  
19 *subparagraph (1), if the person operating the craft distillery has*  
20 *obtained a permissible person's certificate pursuant to subsection*  
21 *2 of NRS 369.440, not more than a combined total of 40,000 cases*  
22 *of an exclusive distilled spirit of the person at all the craft*  
23 *distilleries the person operates.*

24 (d) On the premises of the craft distillery, serve samples of the  
25 spirits manufactured at the craft distillery ~~[-]~~ , *including, without*  
26 *limitation, an exclusive distilled spirit*. Any such samples must not  
27 exceed, per person, per day, 4 fluid ounces in volume.

28 (e) On the premises of the craft distillery, sell the spirits  
29 manufactured at the craft distillery , *including, without limitation,*  
30 *an exclusive distilled spirit*, at retail for consumption on or off the  
31 premises. Any such spirits sold at retail for off-premises  
32 consumption must not exceed, per person, per month, 1 case of  
33 spirits and not exceed, per person, per year, 6 cases of spirits. Spirits  
34 purchased on the premises of a craft distillery must not be resold by  
35 the purchaser or any retail liquor store.

36 (f) Donate for charitable or nonprofit purposes and transport  
37 neutral or distilled spirits manufactured at the craft distillery ,  
38 *including, without limitation, an exclusive distilled spirit*, in  
39 accordance with the terms and conditions of a special permit for the  
40 transportation of the neutral or distilled spirits obtained from the  
41 Department of Taxation pursuant to subsection 4 of NRS 369.450.

42 (g) Transfer in bulk neutral or distilled spirits manufactured at  
43 the craft distillery , *including, without limitation, an exclusive*  
44 *distilled spirit*, to a supplier. Any such transfer:



(1) Is taxable only when the neutral or distilled spirits are rectified and bottled in original packages for sale within this State; and

(2) Is not a sale for the purposes of paragraph (b) or manufacturing for exportation for the purposes of paragraph (c).

*3. As used in this section, “exclusive distilled spirit” means a distilled spirit:*

*(a) That is manufactured by a person who holds a permissible person’s certificate obtained pursuant to subsection 2 of NRS 369.440; and*

*(b) Whose particular formula the person has a contractual right created before January 1, 2025 to manufacture.*

**Sec. 6.** 1. This section and section 5 of this act become effective upon passage and approval.

2. Sections 1 to 4, inclusive, 5.5 and 5.7 of this act become effective:

(a) Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On October 1, 2025, for all other purposes.

