

1 H.695

2 Introduced by Representatives Scheuermann of Stowe, Baker of West Rutland,
3 Greshin of Warren, Howard of Cambridge, Komline of Dorset,
4 Obuchowski of Rockingham, Olsen of Jamaica, Savage of
5 Swanton and Smith of Mendon

6 Referred to Committee on

7 Date:

8 Subject: Alcoholic beverages; license; premises

9 Statement of purpose: This bill proposes to make changes so that “premises”
10 includes all establishments owned by the person who owns the property on
11 which the establishments are located.

12 An act relating to definition of premises for award of liquor license

13 It is hereby enacted by the General Assembly of the State of Vermont:

14 ~~Sec. 1. 7 V.S.A. § 2(15) is amended to read:~~

15 (15) “Manufacturer’s or rectifier’s license”: a license granted by the
16 liquor control board that permits the holder to manufacture or rectify, as the
17 case may be, malt beverages and vinous beverages for export and for sale to
18 bottlers or wholesale dealers, or spirituous liquors for export and for sale to the
19 liquor control board, upon application of a manufacturer or rectifier and the
20 ~~payment to the liquor control board of the license fee as required by~~

1 ~~subdivision 231(1) of this title for either license. The liquor control board may~~
2 grant to a licensed manufacturer or rectifier a first class restaurant or cabaret
3 license or first and third class restaurant or cabaret license permitting the
4 licensee to sell alcoholic beverages to the public only at the manufacturer's
5 premises, which for the purposes of a manufacturer of malt beverages includes
6 any establishment deemed appropriate by the liquor control board and located
7 on the contiguous real estate of the holder of the manufacturer's license
8 provided the manufacturer owns or has direct control over those
9 establishments. A manufacturer of malt beverages who also holds a first class
10 restaurant or cabaret license may serve to a customer malt beverages by the
11 glass, not to exceed eight glasses at one time and not to exceed four ounces in
12 each glass. The liquor control board may grant to a licensed manufacturer or a
13 rectifier of malt or vinous beverages a second class license permitting the
14 licensee to sell alcoholic beverages to the public only at the manufacturer's or
15 rectifier's premises. A licensed manufacturer or rectifier of vinous beverages
16 may serve, with or without charge, at an event held on premises of the licensee
17 or the vineyard property vinous and malt beverages, provided the licensee
18 gives the department written notice of the event, including details required by
19 the department, at least 15 days before the event. Any beverages not
20 manufactured by the licensee and served at the event shall be purchased on
21 invoice from a licensed manufacturer or wholesale dealer. Upon application

1 ~~and payment of the license fee as required by subdivision 231(11) of this title,~~
2 the liquor control board may grant to a licensed manufacturer or rectifier of
3 vinous beverages fourth class or farmers' market licenses permitting the
4 licensee to sell fortified wines and vinous beverages by the bottle to the public
5 at the licensed premises or at a farmers' market, provided that the beverages
6 were produced by the manufacturer or rectifier. No more than a combined
7 total of ten fourth class and farmers' market licenses may be granted to any
8 licensed manufacturer or rectifier. An application for a farmers' market
9 license shall include copies of the farmers' market regulations, the agreement
10 between the farmers' market and the applicant, and the location and dates of
11 operation of the farmers' market. A farmers' market license shall be valid for
12 all dates of operation for a specific farmers' market location. However, in no
13 case may a person with an interest in more than one manufacturer's or
14 rectifier's license have an interest in more than four fourth class licenses. The
15 manufacturer or rectifier shall pay directly to the commissioner of taxes the
16 sum of \$0.265 cents per gallon for every gallon of malt beverage and the sum
17 of \$0.55 cents per gallon for each gallon of vinous beverage manufactured by
18 the manufacturer or rectifier and provided for sale pursuant to the first class
19 license or the second class license or the fourth class license or combination
20 thereof held by the manufacturer or rectifier. Holders of a manufacturer's or
21 rectifier's second class license for malt beverages may distribute, with or

1 without charge, malt beverages by the glass, not to exceed two ounces per
2 product and eight ounces in total, to all persons of legal drinking age. The malt
3 beverages must be consumed upon the premises of the holder of the license. At
4 the request of a person holding a first class or second class license, a holder of
5 a manufacturer's or rectifier's license for malt beverages may distribute
6 without charge to the management and staff of the license holder, provided
7 they are of legal drinking age, no more than four ounces per person of a malt
8 beverage for the purpose of promoting the beverage. Written notice shall be
9 provided to the department of liquor control at least 10 days prior to the date of
10 the tasting. A licensed manufacturer or rectifier of spirits may do either or
11 both of the following only on the manufacturer's or rectifier's premises:
12 (A) Sell by the glass or bottle to the public spirits manufactured by
13 the licensee.
14 (B) Dispense by the glass, with or without charge, spirits
15 manufactured by the licensee, provided that no more than one quarter ounce
16 per product and no more than one ounce in total is dispensed to each individual
17 of legal age.

Sec. 1. 7 V.S.A. § 2(15) is amended to read:

(15) "Manufacturer's or rectifier's license": a license granted by the liquor control board that permits the holder to manufacture or rectify, as the case may be, malt beverages and vinous beverages for export and for sale to bottlers or wholesale dealers, or spirituous liquors for export and for sale to the liquor control board, upon application of a manufacturer or rectifier and the payment to the liquor control board of the license fee as required by subdivision 231(1) of this title for either license. The liquor control board may

grant to a licensed manufacturer or rectifier a first class restaurant or cabaret license or first and third class restaurant or cabaret license permitting the licensee to sell alcoholic beverages to the public only at the manufacturer's premises. A manufacturer of malt beverages who also holds a first class restaurant or cabaret license may serve to a customer malt beverages by the glass, not to exceed eight glasses at one time and not to exceed four ounces in each glass. The liquor control board may grant to a licensed manufacturer or a rectifier of malt or vinous beverages a second class license permitting the licensee to sell alcoholic beverages to the public only at the manufacturer's or rectifier's premises, which for the purposes of a manufacturer of malt beverages, includes any licensed establishment that is located on the contiguous real estate of the holder of the manufacturer's license, provided the manufacturer owns or has direct control over those establishments. A licensed manufacturer or rectifier of vinous beverages may serve, with or without charge, at an event held on premises of the licensee or the vineyard property vinous and malt beverages, provided the licensee gives the department written notice of the event, including details required by the department, at least 15 days before the event. Any beverages not manufactured by the licensee and served at the event shall be purchased on invoice from a licensed manufacturer or wholesale dealer. Upon application and payment of the license fee as required by subdivision 231(11) of this title, the liquor control board may grant to a licensed manufacturer or rectifier of vinous beverages fourth class or farmers' market licenses permitting the licensee to sell fortified wines and vinous beverages by the bottle to the public at the licensed premises or at a farmers' market, provided that the beverages were produced by the manufacturer or rectifier. No more than a combined total of ten fourth class and farmers' market licenses may be granted to any licensed manufacturer or rectifier. An application for a farmers' market license shall include copies of the farmers' market regulations, the agreement between the farmers' market and the applicant, and the location and dates of operation of the farmers' market. A farmers' market license shall be valid for all dates of operation for a specific farmers' market location. However, in no case may a person with an interest in more than one manufacturer's or rectifier's license have an interest in more than four fourth class licenses. The manufacturer or rectifier shall pay directly to the commissioner of taxes the sum of \$0.265 cents per gallon for every gallon of malt beverage and the sum of \$0.55 cents per gallon for each gallon of vinous beverage manufactured by the manufacturer or rectifier and provided for sale pursuant to the first class license or the second class license or the fourth class license or combination thereof held by the manufacturer or rectifier. Holders of a manufacturer's or rectifier's second class license for malt beverages may distribute, with or without charge, malt beverages by the glass, not to exceed two ounces per product and eight ounces

in total, to all persons of legal drinking age. The malt beverages must be consumed upon the premises of the holder of the license. At the request of a person holding a first class or second class license, a holder of a manufacturer's or rectifier's license for malt beverages may distribute without charge to the management and staff of the license holder, provided they are of legal drinking age, no more than four ounces per person of a malt beverage for the purpose of promoting the beverage. Written notice shall be provided to the department of liquor control at least 10 days prior to the date of the tasting. A licensed manufacturer or rectifier of spirits may do either or both of the following only on the manufacturer's or rectifier's premises:

(A) Sell by the glass or bottle to the public spirits manufactured by the licensee.

(B) Dispense by the glass, with or without charge, spirits manufactured by the licensee, provided that no more than one quarter ounce per product and no more than one ounce in total is dispensed to each individual of legal age.

Sec. 2. EFFECTIVE DATE

This bill shall take effect on passage.