

1 Introduced by Committee on Government Operations and Military Affairs

2 Date:

3 Subject: Alcoholic beverages; lottery; miscellaneous amendments

4 Statement of purpose of bill as introduced: This bill proposes to allow the
5 holder of first- and second- or second- and third-class licenses to operate both
6 licenses from within the same contiguous premises; authorize retail
7 establishments to acquire special venue serving permits; allow a sampling
8 event permit holder to purchase invoiced volumes of alcoholic beverages from
9 wholesale dealers; increase the limit on special event permits that may be
10 acquired by an individual licensee from 10 to 20; amend provisions related to
11 the annual report concerning the State Lottery; extend the effective date for
12 required liquor liability insurance to July 1, 2026; authorize manufacturers of
13 any alcoholic beverage to import bulk shipments of alcoholic beverages to
14 rectify with their own products; and to allow licensed entities that have merged
15 and formed a parent corporation to operate under unified payroll and
16 administrative systems.

17 An act relating to miscellaneous amendments to the laws governing
18 alcoholic beverages and the Board of Liquor and Lottery

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

2 * * * Licensed Premises * * *

3 Sec. 1. 7 V.S.A. § 221 is amended to read:

4 § 221. FIRST-CLASS LICENSES

5 * * *

6 (b)(1) A first-class license permits the holder to sell malt beverages, vinous
7 beverages, and ready-to-drink spirits beverages for consumption only on those
8 premises. This subsection shall not be construed to prohibit the holder of both
9 a first- and second-class license from operating both licenses from within the
10 same contiguous premises. The holder of a first- and second-class license may
11 sell alcoholic beverages, for off-premises consumption, anywhere on the first-
12 class licensed premises.

13 * * *

14 Sec. 2. 7 V.S.A. § 223 is amended to read:

15 § 223. THIRD-CLASS LICENSES

16 * * *

17 (b) A third-class license holder may sell spirits and fortified wines for
18 consumption only on the licensed premises, boat, or railroad dining car. This
19 subsection shall not be construed to prohibit the holder of both a second- and
20 third-class license from operating both licenses from within the same
21 contiguous premises. The holder of a second- and third-class license may sell

1 alcoholic beverages, for off-premises consumption, anywhere on the third-
2 class licensed premises.

3 * * *

4 * * * Special Venue Serving Permit; Retail Establishments * * *

5 Sec. 3. 7 V.S.A. § 2 is amended to read:

6 § 2. DEFINITIONS

7 As used in this title:

8 * * *

9 (38) “Special venue serving permit” means a permit granted by the
10 Division of Liquor Control permitting an art gallery, ~~bookstore~~ retail
11 establishment, public library, or museum to conduct an event at which malt or
12 vinous beverages, or both, are served by the glass to the public. As used in this
13 section, “art gallery” means a fixed establishment whose primary purpose is to
14 exhibit or offer for sale works of art; ~~“bookstore” means a fixed establishment~~
15 ~~whose primary purpose is to offer books for sale~~; “public library” has the same
16 meaning as in 22 V.S.A. § 101; and “museum” has the same meaning as in
17 27 V.S.A. § 1151.

18 * * *

1 Sec. 4. 7 V.S.A. § 254 is amended to read:

2 § 254. SPECIAL VENUE SERVING PERMITS

3 (a) The Division of Liquor Control may grant an art gallery, ~~bookstore~~
4 retail establishment, public library, or museum a special venue serving permit
5 if the applicant has:

6 * * *

7 * * * Sampling Event Permits * * *

8 Sec. 5. 7 V.S.A. § 253 is amended to read:

9 § 253. SAMPLING EVENT PERMITS

10 * * *

11 (e)(1) A sampling event permit holder may purchase invoiced volumes of
12 malt beverages, vinous beverages, or ready-to-drink spirits beverages directly
13 from a manufacturer, wholesale dealer, or packager licensed in Vermont or a
14 manufacturer, wholesale dealer, or packager that holds a federal Basic Permit
15 or Brewers Notice or evidence of licensure in a foreign country that is
16 satisfactory to the Board.

17 * * *

18 * * * Special Event Permits * * *

19 Sec. 6. 7 V.S.A. § 252 is amended to read:

20 § 252. SPECIAL EVENT PERMITS

21 * * *

1 (c) A licensed manufacturer or rectifier may be issued not more than ~~10~~ 20
2 special event permits for the same physical location in a calendar year.

3 * * * Liquor and Lottery Annual Report * * *

4 Sec. 7. 31 V.S.A. § 657 is amended to read:

5 § 657. REPORT OF THE ~~BOARD~~ DEPARTMENT

6 The ~~Board~~ Department of Liquor and Lottery shall make an annual report to
7 the Governor and to the General Assembly on or before the 10th day of
8 ~~January~~ March in each year. The report shall include an account of the
9 Board's actions and the receipts derived under the provisions of this chapter,
10 the practical effects of the application of the proceeds of the Lottery, and any
11 recommendation for legislation that the Board deems advisable.

12 * * * Extension of Liquor Liability Insurance Requirement * * *

13 Sec. 8. 2023 Acts and Resolves No. 17, Sec. 4 is amended to read:

14 Sec. 4. EFFECTIVE DATES

15 (a) This section and Secs. 1 and 3 shall take effect on July 1, 2023.

16 (b) Sec. 2 shall take effect on July 1, ~~2024~~ 2026.

17 * * * Manufacturer's License; Authority * * *

18 Sec. 9. 7 V.S.A. § 271 is amended to read:

19 § 271. MANUFACTURER'S OR RECTIFIER'S LICENSE

20 * * *

1 (c) A licensed manufacturer of ~~vinous beverages or fortified wines, or both,~~
2 alcoholic beverages may receive from another manufacturer licensed in or
3 outside this State bulk shipments of ~~vinous beverages~~ alcoholic beverages to
4 rectify with the licensee’s own product, provided that the ~~vinous beverages or~~
5 ~~fortified wines~~ alcoholic beverages produced by the licensed manufacturer may
6 contain not more than 25 percent imported ~~vinous beverages~~ alcoholic
7 beverages.

8 * * *

9 * * * Merger of Licensed Entities * * *

10 * * * Effective Date * * *

11 Sec. 10. EFFECTIVE DATE

12 This act shall take effect on July 1, 2024.