

1 H.180

2 Introduced by Representatives Shaw of Pittsford, Browning of Arlington,  
3 Burditt of West Rutland, Canfield of Fair Haven, Carr of  
4 Brandon, Cupoli of Rutland City, Devereux of Mount Holly,  
5 Dickinson of St. Albans Town, Fagan of Rutland City,  
6 Goodwin of Weston, Greshin of Warren, Hooper of Montpelier,  
7 Johnson of Canaan, Juskiewicz of Cambridge, Larocque of  
8 Barnet, Malcolm of Pawlet, Mitchell of Fairfax, Potter of  
9 Clarendon, Russell of Rutland City, Savage of Swanton, Shaw  
10 of Derby, South of St. Johnsbury, Stevens of Shoreham,  
11 Terenzini of Rutland Town, and Townsend of Randolph

12 Referred to Committee on

13 Date:

14 Subject: Alcoholic beverages; definitions; manufacturer's license

15 Statement of purpose of bill as introduced: This bill proposes to allow  
16 manufacturers of malt or vinous beverage to sell directly to retail dealers.

17 An act relating to the sale of malt or vinous beverages to retail dealers

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

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

2 § 2. DEFINITIONS

3 The following words as used in this title, unless a contrary meaning is  
4 required by the context, shall have the following meaning:

5 \* \* \*

6 (15) “Manufacturer’s or rectifier’s license”: a license granted by the  
7 ~~liquor control board~~ Liquor Control Board that permits the holder to  
8 manufacture or rectify spirituous liquors for export and sale to the ~~liquor~~  
9 ~~control board~~ Liquor Control Board, or malt beverages and vinous beverages  
10 for export and sale to bottlers, retail dealers, or wholesale dealers. This license  
11 permits a manufacturer of vinous beverages to receive from another  
12 manufacturer licensed in or outside this ~~state~~ State bulk shipments of vinous  
13 beverages to rectify with the licensee’s own product, provided that the vinous  
14 beverages produced by a Vermont manufacturer may contain no more than 25  
15 percent imported vinous beverage. The ~~liquor control board~~ Liquor Control  
16 Board may grant to a licensed manufacturer or rectifier a first class restaurant  
17 or cabaret license or first and third class restaurant or cabaret license  
18 permitting the licensee to sell alcoholic beverages to the public only at the  
19 manufacturer’s premises, which for the purposes of a manufacturer of malt  
20 beverages, includes up to two licensed establishments that are located on the  
21 contiguous real estate of the holder of the manufacturer’s license, provided the

1 manufacturer owns or has direct control over those establishments. A  
2 manufacturer of malt beverages who also holds a first class restaurant or  
3 cabaret license may serve to a customer malt beverage by the glass, not to  
4 exceed eight glasses at one time and not to exceed four ounces in each glass.  
5 The ~~liquor control board~~ Liquor Control Board may grant to a licensed  
6 manufacturer or a rectifier of malt beverages a second class license permitting  
7 the licensee to sell alcoholic beverages to the public anywhere on the  
8 manufacturer's or rectifier's premises. A licensed manufacturer or rectifier of  
9 vinous beverages may serve, with or without charge, at an event held on  
10 premises of the licensee or the vineyard property, spirits and vinous and malt  
11 beverages, provided the licensee gives the ~~department~~ Department written  
12 notice of the event, including details required by the ~~department~~ Department, at  
13 least five days before the event. Any beverages not manufactured by the  
14 licensee and served at the event shall be purchased on invoice from a licensed  
15 manufacturer or wholesale dealer or ~~liquor control board~~ Liquor Control  
16 Board.

17 \* \* \*

18 Sec. 2. 7 V.S.A. § 66 is amended to read:

19 § 66. VINOUS BEVERAGE SHIPPING LICENSE; IN STATE; OUT OF  
20 STATE; PROHIBITIONS; PENALTIES

21 \* \* \*

1 (c) A manufacturer or rectifier of malt or vinous beverages that is licensed  
2 in-state or out-of-state and holds valid state and federal permits and operates a  
3 winery or brewery in the United States may apply for a retail shipping license  
4 by filing with the ~~department of liquor control~~ Department of Liquor Control  
5 an application in a form required by the ~~department~~ Department accompanied  
6 by a copy of their in-state or out of state license and the fee as required by  
7 subdivision 231(7)(C) of this title. The retail shipping license may be renewed  
8 annually by filing the renewal fee as required by subdivision 231(7)(C) of this  
9 title accompanied by the licensee's current in-state or out-of-state  
10 manufacturer's license. This license permits the holder, which includes the  
11 holder's affiliates, franchises, and subsidiaries, to sell up to 5,000 gallons of  
12 malt or vinous beverages a year directly to first or second class licensees and  
13 deliver the beverages by common carrier or the manufacturer's or rectifier's  
14 own vehicles or the vehicle of an employee of a manufacturer or rectifier,  
15 provided that the beverages are sold on invoice, and no more than 100 gallons  
16 per month are sold to any single first or second class licensee. The retail  
17 shipping license holder shall report to the ~~department~~ Department  
18 documentation of the annual and monthly number of gallons sold.

19 \* \* \*

20 Sec. 3. EFFECTIVE DATE

21 This act shall take effect on July 1, 2013.