

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on General, Housing and Military Affairs to which was
3 referred House Bill No. 526 entitled “An act relating to the Commissioner of
4 Liquor Control and the Liquor Control Board” respectfully reports that it has
5 considered the same and recommends that the bill be amended by striking out
6 all after the enacting clause and inserting in lieu thereof the following:

7 Sec. 1. 7 V.S.A. § 101 is amended to read:

8 § 101. COMPOSITION OF DEPARTMENT; COMMISSIONER OF
9 LIQUOR CONTROL; LIQUOR CONTROL BOARD

10 (a) The Department of Liquor Control, created by 3 V.S.A. § 212, shall
11 include the Commissioner of Liquor Control and the Liquor Control Board.

12 (b)(1) The Liquor Control Board shall consist of five persons, not more
13 than three members of which shall belong to the same political party.

14 (2)(A) ~~Biennially, with~~ With the advice and consent of the Senate, the
15 Governor shall appoint a ~~person as a member~~ members of ~~such~~ the Board for a
16 ~~staggered five-year term, whose~~ staggered five-year terms.

17 (B) The Governor shall fill a vacancy occurring during a term by
18 appointment for the unexpired term in accordance with the provisions of
19 3 V.S.A. § 257(b).

20 (C) A member's term of office shall commence on February 1 of the
21 year in which such appointment is made the member is appointed.

1 (3) A member of the Board may serve for no more than two consecutive
2 terms.

3 (4) The Governor shall biennially designate a member of such the Board
4 to be its Chair.

5 Sec. 2. 7 V.S.A. § 106 is amended to read:

6 § 106. COMMISSIONER OF LIQUOR CONTROL; REPORTS;

7 RECOMMENDATIONS

8 ~~The board shall employ an executive officer, who shall be the secretary of~~
9 ~~the board and shall be called the commissioner of liquor control. The~~
10 ~~commissioner shall be appointed for an indefinite period and shall be subject to~~
11 ~~removal upon the majority vote of the entire board. At such times and in such~~
12 ~~detail as the board directs, the commissioner shall make reports to the board~~
13 ~~concerning the liquor distribution system of the state, together with such~~
14 ~~recommendations as he deems proper for the promotion of the general good of~~
15 ~~the state.~~

16 (a)(1) With the advice and consent of the Senate, the Governor shall
17 appoint from among no fewer than three candidates proposed by the Liquor
18 Control Board a Commissioner of Liquor Control for a term of four years.

19 (2) The Board shall review the applicants for the position of
20 Commissioner of Liquor Control and by a vote of the majority of the members
21 of the Board shall select candidates to propose to the Governor. The Board

1 shall consider each applicant's administrative expertise and his or her
2 knowledge regarding the business of distributing and selling alcoholic
3 beverages.

4 (3) If a vacancy occurs for a reason other than the expiration of a term,
5 the Governor, in consultation with the Liquor Control Board, shall fill the
6 vacancy by appointing a Commissioner for the unexpired portion of the term in
7 accordance with the provisions of 3 V.S.A. § 257(b).

8 (b) The Commissioner shall serve at the pleasure of the Governor until the
9 end of the term for which he or she is appointed or until a successor is
10 appointed.

11 Sec. 3. 7 V.S.A. § 107 is amended to read:

12 § 107. DUTIES OF COMMISSIONER OF LIQUOR CONTROL

13 The Commissioner of Liquor Control shall:

14 (1) In towns ~~which~~ that vote to permit the sale of spirits and fortified
15 wines, establish ~~such number of~~ local agencies ~~therein~~ as the Board shall
16 determine, ~~enter into agreements for the rental of necessary and adequate~~
17 ~~quarters, and employ suitable assistants for the operation thereof.~~ However, it
18 ~~shall not be obligatory upon~~ the Liquor Control Board shall not be obligated to
19 establish an agency in every town ~~which~~ that votes to permit the sale of spirits
20 and fortified wines.

1 (2) ~~Make regulations~~ Recommend rules subject to ~~the approval of and~~
2 adoption by the Board governing the hours during which ~~such~~ local agencies
3 shall be open for the sale of spirits and fortified wines ~~and governing~~, the
4 qualifications, ~~department, and salaries~~ of the agencies' employees, and the
5 business, operational, financial, and revenue standards that must be met for the
6 establishment of an agency and its continued operation.

7 (3) ~~Make regulations~~ Recommend rules subject to ~~the approval of and~~
8 adoption by the Board governing:

9 (A) the prices at which spirits shall be sold by local agencies, the
10 method for their delivery, and the quantities of spirits that may be sold to any
11 one person at any one time; and

12 (B) the minimum prices at which fortified wines shall be sold by
13 local agencies and second-class licensees that hold fortified wine permits, the
14 method for their delivery, and the quantities of fortified wines that may be sold
15 to any one person at any one time.

16 (4) Supervise the quantities and qualities of spirits and fortified wines to
17 be kept as stock in local agencies and ~~make regulations~~ recommend rules
18 subject to ~~the approval of and~~ adoption by the Board regarding the filling of
19 requisitions therefor on the Commissioner of Liquor Control.

20 (5) Purchase through the Commissioner of Buildings and General
21 Services spirits and fortified wines for and in behalf of the Liquor Control

1 Board, supervise ~~the~~ their storage ~~thereof~~ and ~~the~~ distribution to local agencies,
2 druggists ~~and, licensees of the third class,~~ third-class licensees, and holders of
3 fortified wine permits, and ~~make regulations~~ recommend rules subject to ~~the~~
4 approval ~~of~~ and adoption by the Board regarding the sale and delivery from the
5 central storage plant.

6 (6) Check and audit the income and disbursements of all local agencies,
7 and the central storage plant.

8 (7) Report to the Board regarding the State's liquor control system and
9 make recommendations for the promotion of the general good of the State.

10 (8) Devise methods and plans for eradicating intemperance and
11 promoting the general good of the ~~state~~ State and make effective such methods
12 and plans as part of the administration of this title.

13 Sec. 4. RULEMAKING

14 On or before July 1, 2017, the Commissioner shall prepare and submit to
15 the Liquor Control Board for its approval and adoption his or her
16 recommendation for rules to govern the business, operational, financial, and
17 revenue standards for local agencies as necessary to implement this act.

18 Sec. 5. LEGISLATIVE COUNCIL; DRAFT LEGISLATION

19 On or before January 15, 2017, the Legislative Council, in consultation with
20 the Commissioner of Liquor Control, the Liquor Control Board, and the Office
21 of the Attorney General, shall prepare and submit a draft bill to the House

1 Committee on General, Housing and Military Affairs and the Senate
2 Committee on Economic Development, Housing and General Affairs that
3 makes statutory amendments of a technical nature to improve the clarity of
4 Title 7 through the reorganization of its provisions and the modernization of its
5 statutory language. The draft bill shall also identify all statutory sections of
6 Title 7 that the General Assembly must amend substantively in order to
7 remove out-of-date and obsolete provisions or to more accurately reflect the
8 current practices and programs of the Liquor Control Board and the
9 Department of Liquor Control.

10 Sec. 6. 7 V.S.A. § 102 is amended to read:

11 § 102. REMOVAL

12 ~~After~~ Notwithstanding any provision of 3 V.S.A. § 2004 to the contrary,
13 after notice and hearing, the ~~governor~~ Governor may remove a member of the
14 ~~liquor control board~~ Liquor Control Board for incompetency, failure to
15 discharge his or her duties, malfeasance, immorality, or other cause inimical to
16 the general good of the ~~state~~ State. In case of such removal, the ~~governor~~
17 Governor shall appoint a person to fill the unexpired term.

18 Sec. 7. COMMISSIONER OF LIQUOR CONTROL; CURRENT TERM;

19 APPOINTMENT OF SUCCESSOR

20 The Commissioner of Liquor Control in office on the effective date of this
21 act shall be deemed to have commenced a four-year term pursuant to 7 V.S.A.

1 § 106(a)(1) on February 1, 2016. The Commissioner shall serve until the end
2 of the four-year term, or until a successor is appointed as provided pursuant to
3 7 V.S.A. § 106. Notwithstanding any provision of 3 V.S.A. § 2004 or
4 7 V.S.A. § 106(b) to the contrary, during this current term, the Governor may
5 remove the Commissioner for cause after notice and a hearing.

6 Sec. 8. EFFECTIVE DATE

7 This act shall take effect on July 1, 2016.

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10 (Committee vote: _____)

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Representative _____

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FOR THE COMMITTEE