TO THE HONORABLE SENATE:

The Committee on Economic Development, Housing and General Affairs to which was referred House Bill No. 571 entitled “An act relating to creating the Department of Liquor and Lottery and the Board of Liquor and Lottery” respectfully reports that it has considered the same and recommends that the Senate propose to the House that the bill be amended as follows:

First: In Sec. 28, 7 V.S.A. § 205, before subsection (b) by striking out the ellipsis and inserting in lieu thereof the following:

(a) All permits, licenses, and certificates shall expire at midnight, April 30, of each year one year after the last day of the calendar quarter in which they are issued or renewed.

Second: In Sec. 63, 7 V.S.A. § 278, by striking out subsection (a) in its entirety and inserting in lieu thereof the following:

(a) A manufacturer or rectifier of vinous beverages that is licensed in state the State or out of state outside the State and holds valid state and federal permits and operates a winery in the United States may apply for a retail shipping license by filing with the Department Division of Liquor Control an application in a form required by the Commissioner accompanied by a copy of its in-state or out-of-state license and the fee provided in section 204 of this title.
Third: In Sec. 82, 7 V.S.A. § 1002, by striking out Sec. 82 in its entirety and inserting in lieu thereof a new Sec. 82 to read:

Sec. 82. 7 V.S.A. § 1002 is amended to read:

§ 1002. LICENSE REQUIRED; APPLICATION; FEE; ISSUANCE

(a)(1) No person shall engage in the retail sale of tobacco products, tobacco substitutes, or tobacco paraphernalia in his or her place of business without a tobacco license obtained from the Department Division of Liquor Control.

(2) No person shall engage in the retail sale of tobacco substitutes without also obtaining a tobacco substitute endorsement from the Department Division of Liquor Control.

(3) Tobacco licenses and tobacco substitute endorsements shall expire at midnight, April 30, of each year one year after the last day of the calendar quarter in which they are issued or renewed.

* * *

(d)(1) For a license or endorsement required under this section, a person shall apply to the legislative body of the municipality and shall pay the following fees:

(A) to the Department Division of Liquor Control, the applicable liquor license fee provided in section 204 of this title for a liquor license and to the legislative body of the municipality, a fee of $110.00 for a tobacco license;
(B) to the legislative body of the municipality, a fee of $110.00 for a tobacco license or renewal; and

(C) to the legislative body of the municipality, a fee of $50.00 for a tobacco substitute endorsement as provided in subdivision (a)(2) of this section.

(2) The municipal clerk shall forward the application to the Department Division, and the Department Division shall issue the tobacco license and the tobacco substitute endorsement, as applicable, and shall forward all fees to the Commissioner for deposit in the Liquor Control Enterprise Fund.

* * *

Fourth: In Sec. 90, 31 V.S.A. § 654a, redesignated § 652, in subdivision (2)(C), after the words “A procedure adopted pursuant to this section shall” by inserting the following: have the force of law and

Fifth: In Sec. 94, 31 V.S.A. § 650, redesignated § 656, in subsection (b), in the second sentence before the second occurrence of the phrase “percent of gross receipts,” by striking out the number “1” and inserting in lieu thereof the following: + one
Sixth: After Sec. 111, by inserting new Secs. 112, 113, and 114 to read:

Sec. 112. 7 V.S.A. § 660 is amended to read:

§ 660. ADVERTISING

(a) A person shall not display on any outside billboards or signs erected on the highway any that contain an advertisement of any kind relating to alcoholic beverages, or indicate where alcoholic beverages may be procured shall comply with the requirements of 10 V.S.A. chapter 21. A person who violates any provision of this section shall be fined not more than $100.00 nor less than $10.00, for each offense, and a conviction for a violation shall be cause for revoking the person’s license issued under this title.

* * *

Sec. 113. 13 V.S.A. § 2143 is amended to read:

§ 2143. NONPROFIT ORGANIZATIONS

(a)(1) Notwithstanding the provisions of this chapter, a:

(A) A nonprofit organization, as defined in 31 V.S.A. § 1201(5), may organize and execute, and an individual may participate in lotteries, raffles, or other games of chance for the purpose of raising funds to be used in charitable, religious, educational, and civic undertakings or used by fraternal organizations to provide direct support to charitable, religious, educational, or civic undertakings with which they are affiliated.
(B) A nonprofit organization, as defined in 31 V.S.A. § 1201(5), may organize and execute, and a member of that organization may participate in, lotteries, raffles, or other games of chance in which all of the proceeds are awarded as prizes to the members who participated. An individual who is not a member of the nonprofit organization shall not be allowed to participate in a lottery, raffle, or other game of chance organized under this subdivision (B).

(2) Except as provided in subsection (d) of this section, gambling machines and other mechanical devices described in section 2135 of this title shall not be utilized under authority of this section.

* * *

(d) Casino events shall be limited as follows:

* * *

(4) As used in this subsection, “casino event” means an event held during any 24-hour period at which any game of chance is a card tournament or casino table games, such as baccarat, blackjack, craps, poker, or roulette, or both are conducted except those Games of chance prohibited by subdivision 2135(a)(1) or (2) of this title, shall not be permitted at a “casino event.” A “casino event” shall not include a fair, bazaar, field days, agricultural exposition, or similar event that utilizes a wheel of fortune, chuck-a-luck, or other such games commonly conducted at such events, or break-open tickets, bingo, a lottery, or a raffle. “Card tournament” means an event during
which participants, as individual players or members of a team, pay a fixed
entry fee to play a series of card games, with the tournament winners
determined based on the cumulative results of the games and the winners’
prizes determined as a portion of the proceeds from the entry fees.

(e) Games of chance shall be limited as follows:

(1) All Except as otherwise provided pursuant to subdivision (a)(1)(B)
of this section, all proceeds raised by a game of chance shall be used
exclusively for charitable, religious, educational, and civic undertakings after
deducting:

* * *

Sec. 114. EDUCATION AND OUTREACH

On or before November 15, 2018, the Attorney General shall update the
gambling page on the Attorney General’s website to include the amendments
to 13 V.S.A. § 2143 made pursuant to this act,

and by renumbering the remaining section to be numerically correct.

(Committee vote: ____________)

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Senator ________________

FOR THE COMMITTEE