H.563

Introduced by Representatives Walz of Barre City, Harrison of Chittenden, and Marcotte of Coventry

Referred to Committee on

Date:

Subject: Alcoholic beverages; general provisions; definitions

Statement of purpose of bill as introduced: This bill proposes to define “low-alcohol spirits beverage” and include low-alcohol spirits beverages in the regulatory structure of “vinous beverages” under Title 7.

An act relating to low-alcohol spirits beverages

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

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

§ 2. DEFINITIONS

As used in this title:

* * *

(25) “Low-alcohol spirits beverage” means an alcoholic beverage containing more than one percent alcohol by volume, but not more than 16 percent alcohol by volume, obtained by distillation, by chemical synthesis, or through concentration by freezing and mixed with nonalcoholic beverages or flavoring or coloring materials. “Low-alcohol spirits beverages” may also
contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, preservatives,

and other ingredients. Spirits-based beverages containing more than

16 percent alcohol by volume shall be “spirits.”

(26) “Malt beverages” means all fermented beverages of any name or
description manufactured for sale from malt, wholly or in part, or from any
substitute therefor, known as, among other things, beer, ale, or lager,
containing not less than one percent nor more than 16 percent alcohol by
volume at 60 degrees Fahrenheit.

(26)(27) “Manufacturer’s or rectifier’s license” means a license granted
by the Board of Liquor and Lottery that permits the holder to manufacture or
rectify malt beverages, vinous beverages and fortified wines, or spirits and
fortified wines.

(27)(28) “Minor” means an individual who has not attained 21 years of
age.

(28)(29) “Outside consumption permit” means a permit granted by the
Division of Liquor Control allowing the holder of a first-class, first- and third-
class, or fourth-class license to allow for consumption of alcoholic beverages
in a delineated outside area.

(29)(30) “Packager’s license” means a license granted by the Board of
Liquor and Lottery permitting a person to bottle or otherwise package
alcoholic beverages for sale and to distribute and sell alcoholic beverages at
wholesale in this State.

(30)(31) “Person,” as applied to licensees, means an individual who is a
citizen, a lawful permanent resident of the United States, or a holder of an E-2
Visa; a partnership composed of individuals, a majority of whom are citizens,
lawful permanent residents of the United States, or holders of an E-2 Visa; a
corporation organized under the laws of this State or another state in which a
majority of the directors are citizens, lawful permanent residents of the United
States, or holders of an E-2 Visa; or a limited liability company organized
under the laws of this State or another state in which a majority of the members
or managers are citizens, lawful permanent residents of the United States, or
holders of an E-2 Visa.

(31)(32) “Request-to-cater permit” means a permit granted by the
Division of Liquor Control authorizing a licensed caterer or commercial
caterer to cater individual events.

(32)(33) “Retail dealer” means any person who sells or furnishes malt or
vinous beverages to the public.

(33)(34) “Retail delivery permit” means a permit granted by the
Division of Liquor Control that permits a second-class licensee to deliver malt
beverages and vinous beverages sold from the licensed premises for
consumption off the premises to an individual who is 21 years of age or older
at a physical address in Vermont.

(34)(35) “Sampler flight” means a flight, ski, paddle, or any similar
device by design or name intended to hold alcoholic beverage samples for the
purpose of comparison.

(35)(36) “Second-class license” means a license permitting the licensee
to export and to sell malt beverages and vinous beverages to the public for
consumption off the premises for which the license is granted.

(36)(37) “Special event permit” means a permit granted by the Division
of Liquor Control permitting a licensed manufacturer or rectifier to sell, by the
glass or by the unopened bottle, alcoholic beverages manufactured or rectified
by the license holder at an event open to the public that has been approved by
the local control commissioners.

(37)(38) “Special venue serving permit” means a permit granted by the
Division of Liquor Control permitting an art gallery, bookstore, public library,
or museum to conduct an event at which malt or vinous beverages, or both, are
served by the glass to the public. As used in this section, “art gallery” means a
fixed establishment whose primary purpose is to exhibit or offer for sale works
of art; “bookstore” means a fixed establishment whose primary purpose is to
offer books for sale; “public library” has the same meaning as in 22 V.S.A.
§ 101; and “museum” has the same meaning as in 27 V.S.A. § 1151.
"Specialty beer" means a malt beverage that contains more than eight percent alcohol and not more than 16 percent alcohol by volume at 60 degrees Fahrenheit.

"Spirits" means beverages that contain more than one percent alcohol obtained by distillation, by chemical synthesis, or through concentration by freezing; vinous beverages containing more than 23 percent alcohol; and malt beverages containing more than 16 percent alcohol by volume at 60 degrees Fahrenheit. "Spirits" shall not include low-alcohol spirits beverages.

"Third-class license" means a license granted by the Board of Liquor and Lottery permitting the licensee to sell spirits and fortified wines for consumption only on the premises for which the license is granted.

"Vinous beverages" means all fermented beverages of any name or description manufactured or obtained for sale from the natural sugar content of fruits or other agricultural product, containing sugar, the alcoholic content of which is not less than one percent nor more than 16 percent by volume at 60 degrees Fahrenheit. "Vinous beverages" shall include low-alcohol spirits beverages.

"Wholesale dealer’s license" means a license granted by the Board of Liquor and Lottery permitting the holder to sell or distribute malt and
vinous beverages to first- and second-class licensees, to educational sampling event permit holders, and to agencies of the United States.

Sec. 2. 10 V.S.A. § 1521 is amended to read:

§ 1521. DEFINITIONS

For the purpose of As used in this chapter:

(1) “Beverage” means beer or other malt beverages and mineral waters, mixed wine drink, soda water, and carbonated soft drinks in liquid form and intended for human consumption. As of January 1, 1990 “beverage” also “Beverage” shall also mean liquor and low-alcohol spirits beverage.

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Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2020.