

1 Introduced by Committee on General, Housing, and Military Affairs

2 Date:

3 Subject: Alcoholic Beverages

4 Statement of purpose of bill as introduced: This bill proposes to:

5 (1) require local agencies to list the per fluid ounce prices of spirits and
6 fortified wines;

7 (2) provide that permits, licenses, and certificates issued by the
8 Department of Liquor and Lottery shall expire one year after the date of
9 issuance;

10 (3) authorize the holder of a manufacturer’s or rectifier’s license to sell
11 beverages by the glass;

12 (4) include low alcohol spirits beverages and vermouths containing less
13 than 16 percent alcohol by volume in the definition of “vinous beverages;”

14 (5) define “outdoor festival” and authorize the Department of Liquor
15 and Lottery to contract to provide support for outdoor festivals;

16 (6) permit second-class licensees to purchase wine and beer on terms
17 that require payment within not more than 30 days and to sell wine and beer on
18 consignment;

19 (7) amend the amount of wine and beer that a retail delivery permit
20 holder can deliver to a Vermont resident;

- 1 (8) make various amendments to the provisions governing retail
2 alcoholic beverage tastings;
- 3 (9) permit wineries to obtain a second-class license and a wholesale
4 dealer’s or packager’s license;
- 5 (10) authorize municipalities to retain a local share of third-class license
6 fees;
- 7 (11) require quarterly reporting of break open ticket sales;
- 8 (12) repeal the State Lottery; and
- 9 (13) delay the repeal of the manufacturer grandfathering provision until
10 July 1, 2021.

11 An act relating to alcoholic beverages and the State Lottery

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

13 * * * Alcoholic Beverage Service and Licenses * * *

14 Sec. 1. 7 V.S.A. § 107 is amended to read:

15 § 107. DUTIES OF COMMISSIONER OF LIQUOR AND LOTTERY

16 * * *

17 (b) With respect to the laws relating to alcohol, the Commissioner shall:

18 * * *

19 (3) Recommend rules subject to approval and adoption by the Board
20 governing:

1 (A) the prices at which spirits shall be sold by local agencies, the
2 display of the per-fluid-ounce prices of spirits sold by local agencies, the
3 method for their delivery, and the quantities of spirits that may be sold to any
4 one person at any one time; and

5 (B) the minimum prices at which fortified wines shall be sold by
6 local agencies and second-class licensees that hold fortified wine permits, the
7 display of the per-fluid-ounce prices of fortified wines sold by local agencies
8 and second-class licensees that hold fortified wine permits, the method for
9 their delivery, and the quantities of fortified wines that may be sold to any one
10 person at any one time.

11 * * *

12 Sec. 2. 7 V.S.A. § 205 is amended to read:

13 § 205. TERMS OF PERMITS, LICENSES, AND CERTIFICATES

14 (a) All permits, licenses, and certificates shall expire ~~midnight, April 30, of~~
15 ~~each~~ one year after the date of issuance.

16 * * *

17 [Option 1 – H.717]

18 Sec. 3. 7 V.S.A. § 224 is amended to read:

19 § 224. FOURTH-CLASS LICENSES

20 * * *

1 (b) At each licensed location, a fourth-class licensee may sell by the
2 unopened container or distribute by the glass, with or without charge, alcoholic
3 beverages manufactured by the licensee.

4 * * *

5 (4) At a fourth-class license location at the licensee’s manufacturing
6 premises, the licensee may sell or distribute by the glass not more than three
7 servings of malt beverages, vinous beverages, or spirits to each customer for
8 consumption on the licensed premises.

9 * * *

10 **[Option 2]**

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

12 § 221. FIRST-CLASS LICENSES

13 (a)(1) With the approval of the Board of Liquor and Lottery, the control
14 commissioners may grant a first-class license to a retail dealer for the premises
15 where the dealer carries on business if the retail dealer submits an application
16 and pays the fee provided in section 204 of this title and satisfies the Board that
17 the premises:

18 (A) are leased, rented, or owned by the retail dealer;

19 (B) are devoted primarily to dispensing meals to the public, except in
20 the case of clubs or holders of a manufacturer’s or rectifier’s license; and

1 (C) have adequate and sanitary space and equipment for preparing
2 and serving meals.

3 * * *

4 Sec. 4. 7 V.S.A. § 256 is amended to read:

5 § 256. PROMOTIONAL TASTINGS FOR LICENSEES

6 (a)(1) At the request of a first- or second-class licensee, a holder of a
7 manufacturer's, rectifier's, or wholesale dealer's license may distribute without
8 charge to the first- or second-class licensee's management and staff, provided
9 they are of legal age and are off duty for the rest of the day, two ounces per
10 person of vinous or malt beverages for the purpose of promoting the beverage.

11 * * *

12 (3) No permit is required for a tasting pursuant to this subsection, ~~but~~
13 ~~written notice of the event shall be provided to the Division of Liquor Control~~
14 ~~at least two days prior to the date of the tasting.~~

15 * * *

16 * * * Festival Permits, Vermouths, and Low Alcohol Spirits Beverages * * *

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

18 § 2. DEFINITIONS

19 As used in this title:

20 * * *

1 (18) “Fortified wines” means vinous beverages, including those to
2 which spirits have been added during manufacture, containing at least
3 16 percent alcohol but not more than 23 percent alcohol by volume at
4 60 degrees Fahrenheit, and all vermouths containing at least 16 percent alcohol
5 but not more than 23 percent alcohol by volume at 60 degrees Fahrenheit.

6 * * *

7 (25) “Low-alcohol spirits beverage” means an alcoholic beverage
8 containing more than one percent alcohol by volume, but not more than
9 16 percent alcohol by volume; obtained by distillation, by chemical synthesis,
10 or through concentration by freezing; and mixed with nonalcoholic beverages
11 or flavoring or coloring materials. “Low-alcohol spirits beverages” may also
12 contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, preservatives,
13 and other ingredients. Spirits-based beverages containing more than
14 16 percent alcohol by volume shall be “spirits.”

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

20 ~~(26)~~(27) “Manufacturer’s or rectifier’s license” means a license granted
21 by the Board of Liquor and Lottery that permits the holder to manufacture or

1 rectify malt beverages, vinous beverages and fortified wines, or spirits and
2 fortified wines.

3 ~~(27)~~(28) “Minor” means an individual who has not attained 21 years of
4 age.

5 ~~(28)~~(29) “Outdoor festival” means any performance festival, at which
6 music is provided by prerecorded means or by paid, professional, or amateur
7 performers, that:

8 (A) is held at any place other than in a permanent building or
9 permanent installation that has been constructed for the purpose of conducting
10 festivals;

11 (B) members of the public are invited to or admitted to for a charge
12 or free of cost; and

13 (C) one thousand people or more are anticipated to attend.

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

18 ~~(29)~~(31) “Packager’s license” means a license granted by the Board of
19 Liquor and Lottery permitting a person to bottle or otherwise package
20 alcoholic beverages for sale and to distribute and sell alcoholic beverages at
21 wholesale in this State.

1 ~~(30)~~(32) “Person,” as applied to licensees, means an individual who is a
2 citizen, a lawful permanent resident of the United States, or a holder of an E-2
3 Visa; a partnership composed of individuals, a majority of whom are citizens,
4 lawful permanent residents of the United States, or holders of an E-2 Visa; a
5 corporation organized under the laws of this State or another state in which a
6 majority of the directors are citizens, lawful permanent residents of the United
7 States, or holders of an E-2 Visa; or a limited liability company organized
8 under the laws of this State or another state in which a majority of the members
9 or managers are citizens, lawful permanent residents of the United States, or
10 holders of an E-2 Visa.

11 ~~(31)~~(33) “Request-to-cater permit” means a permit granted by the
12 Division of Liquor Control authorizing a licensed caterer or commercial
13 caterer to cater individual events.

14 ~~(32)~~(34) “Retail dealer” means any person who sells or furnishes malt or
15 vinous beverages to the public.

16 ~~(33)~~(35) “Retail delivery permit” means a permit granted by the
17 Division of Liquor Control that permits a second-class licensee to deliver malt
18 beverages and vinous beverages sold from the licensed premises for
19 consumption off the premises to an individual who is 21 years of age or older
20 at a physical address in Vermont.

1 ~~(34)~~(36) “Sampler flight” means a flight, ski, paddle, or any similar
2 device by design or name intended to hold alcoholic beverage samples for the
3 purpose of comparison.

4 ~~(35)~~(37) “Second-class license” means a license permitting the licensee
5 to export and to sell malt beverages and vinous beverages to the public for
6 consumption off the premises for which the license is granted.

7 ~~(36)~~(38) “Special event permit” means a permit granted by the Division
8 of Liquor Control permitting a licensed manufacturer or rectifier to sell, by the
9 glass or by the unopened bottle, alcoholic beverages manufactured or rectified
10 by the license holder at an event open to the public that has been approved by
11 the local control commissioners.

12 ~~(37)~~(39) “Special venue serving permit” means a permit granted by the
13 Division of Liquor Control permitting an art gallery, bookstore, public library,
14 or museum to conduct an event at which malt or vinous beverages, or both, are
15 served by the glass to the public. As used in this section, “art gallery” means a
16 fixed establishment whose primary purpose is to exhibit or offer for sale works
17 of art; “bookstore” means a fixed establishment whose primary purpose is to
18 offer books for sale; “public library” has the same meaning as in 22 V.S.A.
19 § 101; and “museum” has the same meaning as in 27 V.S.A. § 1151.

1 ~~(38)~~(40) “Specialty beer” means a malt beverage that contains more
2 than eight percent alcohol and not more than 16 percent alcohol by volume at
3 60 degrees Fahrenheit.

4 ~~(39)~~(41) “Spirits” means beverages that contain more than one percent
5 alcohol obtained by distillation, by chemical synthesis, or through
6 concentration by freezing; vinous beverages containing more than 23 percent
7 alcohol; and malt beverages containing more than 16 percent alcohol by
8 volume at 60 degrees Fahrenheit. “Spirits” shall not include low-alcohol
9 spirits beverages.

10 ~~(40)~~(42) “Third-class license” means a license granted by the Board of
11 Liquor and Lottery permitting the licensee to sell spirits and fortified wines for
12 consumption only on the premises for which the license is granted.

13 ~~(41)~~(43) “Vinous beverages” means all fermented beverages of any
14 name or description manufactured or obtained for sale from the natural sugar
15 content of fruits or other agricultural product, containing sugar, the alcoholic
16 content of which is not less than one percent nor more than 16 percent by
17 volume at 60 degrees Fahrenheit. “Vinous beverages” shall include low-
18 alcohol spirits beverages and vermouths containing not more than 16 percent
19 alcohol by volume at 60 degrees Fahrenheit.

20 ~~(42)~~(44) “Wholesale dealer’s license” means a license granted by the
21 Board of Liquor and Lottery permitting the holder to sell or distribute malt and

1 vinous beverages to first- and second-class licensees, to educational sampling
2 event permit holders, and to agencies of the United States.

3 Sec. 6. 7 V.S.A. § 114 is added to read:

4 § 114. FESTIVAL AND EVENT SUPPORT; CONTRACT FOR SERVICES;

5 FUND

6 (a) The Commissioner of Liquor and Lottery may contract to provide
7 support to outdoor festivals and may receive reimbursement for reasonable
8 costs that shall include costs associated with providing personnel, benefits,
9 equipment, training, vehicles, insurances, and related expenses. The
10 reimbursements shall be credited to the Festival and Event Support Services
11 Special Fund.

12 (b) There is established the Festival and Event Support Services Special
13 Fund that shall be managed in accordance with 32 V.S.A. chapter 7,
14 subchapter 5. Monies collected pursuant to this section shall be deposited and
15 credited to this Fund. This Fund shall be available to the Department and
16 Liquor and Lottery to offset the cost of providing services pursuant to this
17 section.

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

19 § 253. FESTIVAL PERMITS

20 * * *

1 (b)(4) A festival required to be permitted under this section is any event
2 that is open to the public for which the primary purpose is to serve one or more
3 of the following: malt beverages, vinous beverages, fortified wines, or spirits.

4 (c) A festival permit holder is permitted to conduct an event that is open to
5 the public at which malt beverages, vinous beverages, fortified wines, spirits,
6 or all four are served.

7 (d) The permit holder shall ensure the following:

8 (1) Attendees at the festival shall be required to pay an entry fee of no
9 less than \$5.00.

10 (2)(A) Malt beverages for sampling shall be offered in glasses that
11 contain not more than 12 ounces with not more than 60 ounces served to any
12 patron at one event.

13 (B) Vinous beverages for sampling shall be offered in glasses that
14 contain not more than five ounces with not more than 25 ounces served to any
15 patron at one event.

16 (C) Fortified wines for sampling shall be offered in glasses that
17 contain not more than three ounces with not more than 15 ounces served to any
18 patron at one event.

19 (D) Spirits for sampling shall be offered in glasses that contain not
20 more than one ounce with not more than five ounces served to any patron at
21 one event.

1 (E) Patrons attending a festival where combinations of malt, vinous,
2 fortified wines, or spirits are mutually sampled shall not be served more than a
3 combined total of 6 U.S. standard drinks containing 3.6 fluid ounces or
4 84 grams of pure ethyl alcohol.

5 (3) The event shall be conducted in compliance with all the
6 requirements of this title.

7 (e)(1) A festival permit holder may purchase invoiced volumes of malt or
8 vinous beverages directly from a manufacturer or packager licensed in
9 Vermont, or a manufacturer or packager that holds a federal Basic Permit or
10 Brewers Notice or evidence of licensure in a foreign country that is satisfactory
11 to the Board.

12 (2) The invoiced volumes of malt or vinous beverages may be
13 transported to the site and sold by the glass to the public by the permit holder
14 or its employees and volunteers only during the event.

15 ~~(e)~~(f) A festival permit holder shall be subject to the provisions of this title,
16 including section 214 of this title, and the rules of the Board regarding the sale
17 of the alcoholic beverages and shall pay the tax on the malt or vinous
18 beverages pursuant to section 421 of this title.

19 ~~(d)~~(g) A person shall be granted no more than four festival permits per
20 year, and each permit shall be valid for no more than four consecutive days.

1 Sec. 8. 10 V.S.A. § 1521 is amended to read:

2 § 1521. DEFINITIONS

3 ~~For the purpose of~~ As used in this chapter:

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

8 * * *

9 * * * Annual Tasting Permit Fees and Local Share * * *

10 Sec. 9. 7 V.S.A. 204 is amended to read:

11 § 204. APPLICATION AND RENEWAL FEES FOR LICENSES AND
12 PERMITS; DISPOSITION OF FEES

13 (a) The following fees shall be paid when applying for a new license or
14 permit or to renew a license or permit:

15 * * *

16 (13) For ~~an~~ a daily alcoholic beverages tasting permit, \$25.00.

17 (14) For an annual alcoholic beverages tasting permit, \$1,000.00.

18 (15) For an educational sampling event permit, \$250.00.

19 ~~(15)~~(16) For an outside consumption permit, \$20.00.

20 ~~(16)~~(17) For a certificate of approval:

21 (A) For malt beverages, \$2,485.00.

- 1 (B) For vinous beverages, \$985.00.
- 2 ~~(17)(18)~~ For a solicitor’s license, \$70.00.
- 3 ~~(18)(19)~~ For a vinous beverages storage license, \$235.00.
- 4 ~~(19)(20)~~ For a promotional railroad tasting permit, \$20.00.
- 5 ~~(20)(21)~~ For a special venue serving permit, \$20.00.
- 6 ~~(21)(22)~~ For a fortified wine permit, \$100.00.
- 7 ~~(22)(23)~~ For a retail delivery permit, \$100.00.
- 8 ~~(23)(24)~~ For a destination resort master license, \$1,000.00.

9 * * *

10 (b) Except for fees collected for first-, second-, and third-class licenses, the
11 fees collected pursuant to subsection (a) of this section shall be deposited in the
12 Liquor Control Enterprise Fund. The other fees shall be distributed as follows:

13 (1) ~~Third-class license fees: 55 percent shall go to the Liquor Control~~
14 ~~Enterprise Fund, and 45 percent shall go to the General Fund and shall fund~~
15 ~~alcohol abuse prevention and treatment programs. [Repealed.]~~

16 (2) ~~First- and second-class, second-, and third-class~~ license fees: At
17 least 50 percent of ~~first-class and second-class~~ first-, second-, and third-class
18 license fees shall go to the respective municipalities in which the licensed
19 premises are located, and the remaining percentage of those fees shall go to the
20 Liquor Control Enterprise Fund. A municipality may retain more than
21 50 percent of the fees that the municipality collected for first- ~~and second-~~

1 ~~class, second-, and third-class~~ licenses to the extent that the municipality has
2 assumed responsibility for enforcement of those licenses pursuant to a contract
3 with the Division. The Board of Liquor and Lottery shall adopt rules regarding
4 contracts entered into pursuant to this subdivision.

5 Sec. 10. 7 V.S.A. § 222 is amended to read:

6 § 222. SECOND-CLASS LICENSES

7 * * *

8 (b)(1) A second-class license permits the holder to export malt and vinous
9 beverages and to sell malt and vinous beverages to the public from the licensed
10 premises for consumption off the premises.

11 (2) The Division of Liquor Control may grant a second-class licensee a
12 fortified wine permit pursuant to section 225 of this chapter or a retail delivery
13 permit pursuant to section 226 of this chapter.

14 (3)~~(A)~~ Except as otherwise provided pursuant to sections 225, 271,
15 and 278 of this title and subsection (d) of this section, a second-class license
16 holder shall purchase all malt beverages and vinous beverages sold pursuant to
17 its license from Vermont wholesale dealers or packagers.

18 (B) A second-class licensee may purchase malt beverages and vinous
19 beverages from a licensed wholesale dealer or packager:

20 (i) for cash paid at the time of delivery; or

1 (ii) on terms that require the licensee to pay the full amount due
2 within a period ending not more than 30 days after the delivery date.

3 * * *

4 (d)(1) A second-class licensee may sell malt beverages or vinous
5 beverages, or both, on consignment:

6 (A) for an individual who is not licensed under this title; or

7 (B) on behalf of the executor or administrator of the estate of a
8 deceased individual.

9 (2)(A) A licensee shall provide written notice to the Division at least
10 five days before it commences selling malt beverages or vinous beverages, or
11 both, on behalf of an individual or the executor or administrator of the estate of
12 a deceased individual pursuant to the provisions of this subsection.

13 (B) The notice shall include:

14 (i) the name of the individual;

15 (ii) the name of the executor or administrator, if applicable; and

16 (iii) the quantity, type, brand, and sale price of the malt beverages
17 or vinous beverages, or both, that will be offered for sale.

18 Sec. 11. 7 V.S.A. § 226 is amended to read:

19 § 226. RETAIL DELIVERY PERMITS

20 * * *

1 (c)(1) A retail delivery permit holder may deliver to any one Vermont
2 resident in any calendar year:

3 (A) not more than 12 cases of malt beverages containing not more
4 than 36 gallons of malt beverages; and

5 (B) not more than 12 cases of vinous beverages containing not more
6 than 29 gallons of vinous beverages.

7 (2) A retail delivery permit holder may deliver the amounts set forth in
8 subdivision (1) of this subsection in one or more deliveries made during the
9 calendar year.

10 * * * Alcoholic Beverage Tasting Events * * *

11 Sec. 12. 7 V.S.A. § 255 is amended to read:

12 § 255. RETAIL ALCOHOLIC BEVERAGE TASTING PERMITS; DAILY;
13 ANNUAL

14 (a)(1) The Division of Liquor Control may grant a licensee a permit to
15 conduct an alcoholic beverage tasting event as provided in subsection (b) of
16 this section if:

17 ~~(A)~~(A) the licensee has submitted a written application in a form
18 required by the Commissioner and paid the fee provided in section 204 of this
19 title ~~at least five days prior to the date of the alcoholic beverage tasting event;~~
20 and

1 ~~(2)~~(B) the Commissioner determines that the licensee is in good
2 standing.

3 (2) The application for a daily permit and the associated fee provided in
4 section 204 of this title shall be paid at least five days prior to the date of the
5 alcoholic beverage tasting event.

6 (b) The Division may grant the following alcoholic beverage tasting
7 permits to the following types of licensees:

8 (1) A second-class licensee may be granted a daily or an annual tasting
9 permit.

10 (A) ~~The~~ A daily permit and an annual permit ~~authorizes~~ shall
11 authorize the employees of the second-class licensee or of a designated
12 manufacturer or rectifier to dispense to each customer of legal age on the
13 licensee's premises malt or vinous beverages by the glass not to exceed two
14 ounces of each beverage with a total of eight ounces of malt or vinous
15 beverages.

16 (B)(i) Malt or vinous beverages dispensed at ~~the~~ each tasting event
17 shall be from the inventory of the licensee or purchased from a wholesale
18 dealer.

19 (ii) A total of not more than 16 beverages may be offered at each
20 tasting event.

1 (C) A second-class licensee may be granted up to 48 daily tasting
2 permits per year. In addition, a second-class licensee may be granted up to
3 five daily permits per week to conduct a tasting as part of an educational food
4 preparation class or course conducted by the licensee on the licensee’s
5 premises.

6 (D) An annual tasting permit shall permit a second-class licensee to
7 hold not more than five tasting events per week and a total of not more than
8 260 tasting events per year. An annual permit holder shall not be required to
9 provide the Division with advanced notice of any individual tasting events.

10 (2) A licensed manufacturer or rectifier of malt or vinous beverages may
11 be granted a daily tasting permit.

12 * * *

13 (3) A licensed wholesale dealer may be granted a daily tasting permit.
14 The permit authorizes a licensed wholesale dealer to dispense malt or vinous
15 beverages for promotional purposes at the wholesale dealer’s premises without
16 charge to invited employees of first-, second-, and third-class licensees,
17 provided the invited employees are of legal age.

18 (c) A vinous beverage or malt beverage tasting event held pursuant to
19 subsection (b) of this section, not including an alcoholic beverage tasting
20 conducted on the premises of the manufacturer or rectifier, shall comply with
21 the following:

1 (1) continue for ~~no~~ not more than six hours, with ~~no~~ not more than ~~six~~
2 16 beverages to be offered at a single event, and ~~no~~ not more than two ounces
3 of any single beverage and ~~no~~ not more than a total of eight ounces of malt or
4 vinous beverages to be dispensed to a customer;

5 * * *

6 * * * Vinous Beverage Manufacturer's Licenses * * *

7 Sec. 13. 7 V.S.A. § 271 is amended to read:

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

9 * * *

10 (e)(1) The Board of Liquor and Lottery may grant a licensed manufacturer
11 of malt beverages a second-class license permitting the licensee to sell
12 alcoholic beverages to the public anywhere on the premises of the licensed
13 manufacturing facility.

14 (2) The Board of Liquor and Lottery may grant a licensed manufacturer
15 of vinous beverages and fortified wines a second-class license permitting the
16 licensee to sell alcoholic beverages to the public from either a location on the
17 premises of the licensed manufacturing facility or from a location that is
18 separate from the licensed manufacturing facility.

19 (f) The Board of Liquor and Lottery may grant a licensed manufacturer of
20 vinous beverages and fortified wines a packager's or wholesale dealer's
21 license.

1 (g)(1) A licensed manufacturer or rectifier may serve alcoholic beverages
2 with or without charge at an event held at the licensed manufacturing or
3 rectifying facility or at a location on property that is owned by the licensee and
4 is contiguous with the parcel of land on which the licensed facility is located,
5 provided the licensee at least five days before the event gives the Division
6 written notice of the event, including details required by the Division.

7 * * *

8 * * * Break-Open Ticket Sales Reports and Repeal of State Lottery * * *

9 Sec. 14. 31 V.S.A. 1203 is amended to read:

10 § 1203. DISTRIBUTION; RETAIL PURCHASE AND SALE

11 * * *

12 (f) A nonprofit organization that sells break-open tickets, ~~other than a club~~
13 ~~as defined in 7 V.S.A. § 2,~~ shall report to the Department of Liquor and Lottery
14 on a quarterly basis the number of tickets purchased and distributed, and the
15 corresponding serial numbers of those tickets, the amount of revenue realized
16 by the nonprofit organization, and the amounts accounted for under
17 subdivisions (e)(2)(A)-(D) of this section. The nonprofit organization shall
18 also identify an individual from the organization responsible for the reporting
19 requirements under this subsection. If the Department of Liquor and Lottery
20 determines that a nonprofit organization has failed to comply with the
21 requirements of this subsection, the Department of Liquor and Lottery shall

1 notify the nonprofit organization and any licensed distributors of this failure,
2 and any licensed distributor that continues to sell break-open tickets to that
3 nonprofit organization after notice shall be considered in violation of the
4 requirements of this chapter until the Department of Liquor and Lottery has
5 determined the nonprofit organization is back in compliance with this
6 subsection.

7 * * *

8 Sec. 15. REPEAL

9 31 V.S.A. chapter 14 (State Lottery) is repealed.

10 * * * Delayed Repeal of Manufacturer Grandfather Provision * * *

11 Sec. 16. 2019 Acts and Resolves No. 73, Sec. 51 is amended to read:

12 Sec. 51. EFFECTIVE DATES

13 (a) Sec. 47 (special event permits) and Sec. 50 (repeal of manufacturer
14 grandfather provision) shall take effect on ~~July 1, 2020~~ July 1, 2021.

15 (b) All remaining sections shall take effect on July 1, 2019.

16 * * * Effective Date * * *

17 Sec. 17. EFFECTIVE DATE

18 This act shall take effect on July 1, 2020.