

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) authorize the Department of Liquor and Lottery to contract to
6 provide support for festivals and events;

7 (2) authorize municipalities to assess a \$50.00 local fee for standalone
8 third-class licenses;

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

12 (4) authorize the holder of a manufacturer's or rectifier's license to
13 apply for a first- or third-class license without meeting the requirement that the
14 first- or third-class establishment be primarily dedicated to dispensing meals to
15 the public;

16 (5) require a festival permit for any event that is open to the public for
17 the purpose of serving alcoholic beverages and enumerate the requirements for
18 issuance of a festival permit;

19 (6) repeal the notice requirement for promotional tasting events at first-
20 or second-class license locations.

1 An act relating to miscellaneous amendments to alcoholic beverage laws

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

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

4 § 2. DEFINITIONS

5 As used in this title:

6 * * *

7 (18) “Fortified wines” means vinous beverages, including those to
8 which spirits have been added during manufacture, containing at least
9 16 percent alcohol but not more than 23 percent alcohol by volume at
10 60 degrees Fahrenheit, and all vermouths containing at least 16 percent alcohol
11 but not more than 23 percent alcohol by volume at 60 degrees Fahrenheit.

12 * * *

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

20 * * *

21 Sec. 2. 7 V.S.A. § 114 is added to read:

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

4 (1) Third-class license fees: 55 percent shall go to the Liquor Control
5 Enterprise Fund, and 45 percent shall go to the General Fund and shall fund
6 alcohol abuse prevention and treatment programs. The local processing fee for
7 standalone third-class licenses shall be retained by the issuing municipality.

8 * * *

9 Sec. 4. 7 V.S.A. § 205 is amended to read:

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

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

13 * * *

14 Sec. 5. TRANSITIONAL PROVISION; STAGGERED LICENSE

15 RENEWAL

16 The Department of Liquor and Lottery may stagger the issuance or renewal
17 of permits, licenses, and certificates that are set to expire midnight, April 30,
18 2021. Permits, licenses, and certificates that are renewed on April 30, 2020
19 shall remain valid for one year or until a later renewal date designated by the
20 Department.

21 **Sec. 6.** 7 V.S.A. § 221 is amended to read:

1 § 221. FIRST-CLASS LICENSES

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

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

8 (B) are devoted primarily to dispensing meals to the public and have
9 adequate and sanitary space and equipment for preparing and serving meals,
10 except in the case of clubs or holders of a manufacturer's or rectifier's license;
11 and

12 ~~(C) have adequate and sanitary space and equipment for preparing~~
13 ~~and serving meals.~~

14 * * *

15 Sec. 7. 7 V.S.A. § 223 is amended to read:

16 § 223. THIRD-CLASS LICENSES

17 (a) The Board of Liquor and Lottery may grant to a person who operates a
18 hotel, restaurant, club, boat, or railroad dining car, or who holds a
19 manufacturer's or rectifier's license, a third-class license if:

20 * * *

21 (3) the applicant satisfies the Board that:

1 (A) the applicant is the bona fide owner or lessee of the premises,
2 boat, or railroad dining car;

3 (B) except in the case of clubs or holders of a manufacturer's or
4 rectifier's license, the premises, boat, or railroad dining car has adequate and
5 sanitary space and equipment for preparing and serving meals to the public;
6 and

7 (C) the premises, boat, or railroad dining car is operated for the
8 purpose covered by the license.

9 * * *

10 Sec. 8. 7 V.S.A. § 253 is amended to read:

11 § 253. FESTIVAL PERMITS

12 * * *

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

16 (c) A festival permit holder is permitted to conduct an event that is open to
17 the public at which one or more of the following are served: malt beverages,
18 vinous beverages, fortified wines, or spirits.

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

20 (1) Attendees at the festival shall be required to pay an entry fee of not
21 less than \$5.00.

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

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

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

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

13 (E) Patrons attending a festival where combinations of malt, vinous,
14 fortified wines, or spirits are mutually sampled shall not be served more than a
15 combined total of 6 U.S. standard drinks containing 3.6 fluid ounces or
16 84 grams of pure ethyl alcohol.

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

19 (e)(1) A festival permit holder may purchase invoiced volumes of malt or
20 vinous beverages directly from a manufacturer or packager licensed in
21 Vermont, or a manufacturer or packager that holds a federal Basic Permit or

