

WALKTHROUGH OF H.13 AS AMENDED:

AN ACT RELATING TO ALCOHOLIC BEVERAGES

Sec. 1 – Definitions

- Amends the definition of “person” for purposes of retail licenses, so that the holder of an E-2 Visa can obtain a license to operate a store or restaurant that sells alcohol.

Sec. 2 – Importation or Transportation of Alcohol; Prohibitions;

Personal Import Limit; Penalty

- Increases the fine that may be imposed when someone illegally imports spirits or fortified wines into the State, from \$1,000 to \$5,000.

Sec. 3 – Sale of Malt Beverages and Vinous Beverages in Kegs

- Decreases the maximum imprisonment time that may be imposed when someone, other than a wholesale dealer or manufacturer, intentionally defaces the label attached to a keg, from two years to one year

Sec. 4 – Purchase of Kegs

- Amends the fine that is imposed when someone takes longer than 60 days to return a keg to a fixed amount fine of \$200.
 - Currently the fine may be up to \$200.

Sec. 5 – Suspension or Revocation of License or Permit; Administrative

Penalty

- When the holder of a wholesale dealer’s license or of a first-, second-, or third-class license violates the conditions of the license, Title 7, or any rule adopted by the Board:

- Fine could be imposed in addition to the suspension or revocation of permit or license, rather than as an alternative penalty in lieu of suspension or revocation.
- Increases the administrative penalty that may be imposed per violation from \$2,500 to \$7,500.
- When a tobacco license holder violates the conditions of the license, Title 7, or any rule adopted by the Board:
 - Increases administrative penalty from \$100 to \$250 for first violation, and from \$1,000 to \$2,500 for subsequent violations.

Sec. 6 – Licensee Education

- Failure to comply with alcohol licensee education requirements could, in addition to currently available suspension of license, lead to a fine of not more than \$100, or both.

Sec. 7 – Certificate of Approval for Distribution of Malt or Vinous Beverages

- Increases maximum fine that may be imposed when someone violates the provisions concerning certificates of approval, from \$300 to \$750.
 - These certificates are granted to manufacturers or distributors of beer and wine that are not licensed in Vermont, so that they may export products or sell them to licensed packagers or wholesale dealers.

Sec. 8 – Prohibitions

- Increases the maximum fine that may be imposed when someone violates the sections related to retail delivery permits and shipping licenses, from \$1,000 to \$2,500.

Sec. 9 – Soliciting Orders

- Eliminates lower limit of prison term that may be imposed when someone solicits without a license.
 - Lower limit is currently set at three months.

Sec. 10 – Transportation

- Increases maximum fine limit that may be imposed when someone unlawfully transports alcohol, from \$500 to \$2,500.

Sec. 11 – Barter

- Modifies penalties that that may be imposed for bartering for alcoholic beverages:
 - Lowers prison terms from maximum of 12 months and minimum of six months to maximum of six months and minimum of 30 days.
 - Increases fine range from between \$300 and \$1,000, to range of \$500 to \$1,500.

Sec. 12 – Sale or Furnishing to Minors; Enabling Consumption by Minors; Minors Causing Death or Serious Bodily Injury

- Modifies civil penalty that is imposed on employees who sell or furnish alcoholic beverages to a minor during a compliance check, increasing maximum from \$500 to \$1,000 for second violation that occurs within one year of first violation.

Sec. 13 – Violations of Title

- Modifies fine that may be imposed on someone who violates Title 7:
 - Increases maximum fine for first violation from \$1,000 to \$2,500.

- Increases maximum fine from \$2,000 to \$5,000 for subsequent violation within one year of first violation.
- Increases fine range that may be imposed when someone willfully violates Title 7 when no other penalty is prescribed or when someone willfully violates the Board's rules, from between \$50 and \$200 to a range of \$100 to \$500.

Sec. 14 – Licensee Education

- Adds fine of not more than \$100, as alternative to, or in combination with, suspension of tobacco license, for violations to tobacco licensee education requirements.

Sec. 15 – Persons Under 18 Years of Age; Possession of Tobacco Products; Misrepresenting Age or Purchasing Tobacco Products; Penalty

- Changes civil penalties that are imposed on minors who possess tobacco products (currently just \$25):
 - First violation –\$75.00 or up to 10 hours of community service, or both.
 - Second violation –\$100.00 or up to 10 hours of community service, or both.
 - Subsequent violations –\$200.00 or up to 10 hours of community service, or both.
- Changes civil penalties for knowingly misrepresenting age with false identification to purchase tobacco (currently \$50 or 10 hours of community service, or both):
 - First violation – \$75.00 or up to 10 hours of community service, or both.

- Second or subsequent violations –\$100.00 or up to 10 hours of community service, or both.
- These actions are brought in the same manner as a traffic violation.

Sec. 16 – Furnishing Tobacco to Persons under 18 Years of Age; Report

- Increases minimum tobacco license suspension term imposed for multiple violations that occur within six months of each other, be they during compliance checks or not:
 - Two violations: from one weekday to two weekdays.
 - Three violations: from two weekdays to a 15-day suspension.
 - Four violations: from three weekdays to a 90-day suspension.
 - Five violations: from three weekend days, Friday through Sunday to one-year suspension.

Sec. 17 – Contraband and Seizure

- Adds fine that is imposed on someone who possesses tobacco contraband, of between \$500 and \$1,000.
- Also adds seizure, forfeiture, and condemnation of vehicle, aircraft, or watercraft that is used to transport tobacco contraband.

Sec. 18 – Solicitor’s License

- Expands application of solicitor’s license to solicitors of spirits and fortified wines.
- Solicitors of spirits and fortified wines would be able to promote or attempt to promote spirits or fortified wines.

Secs. 19 to 44 – Technical Corrections

- Revision of entity and officer names, due to the creation of the Department of Liquor and Lottery.
- Elimination of obsolete reference to cigarette or tobacco product vending machines within definition of wholesale dealer.

Sec. 45 – Effective Date

- July 1, 2019