

H.571

An act relating to creating the Department of Liquor and Lottery and the Board of Liquor and Lottery

The Senate proposes to the House to amend the bill as follows:

First: 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.

Second: 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

Third: In Sec. 94, 31 V.S.A. § 658, 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

Fourth: After Sec. 111, by inserting new Secs. 112, 113, 114 and 115
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.

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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~~ or civic undertakings or used by fraternal organizations to provide direct support to charitable, religious, educational, or civic undertakings with which they are affiliated.

(B)(i) 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, except as otherwise provided pursuant to subdivision (ii)(IV) of this subdivision (B), all of the proceeds are awarded as prizes to the members who participated.

(ii) Lotteries, raffles, and other games of chance organized under this subdivision (B) shall be limited as follows:

(I) an individual who is not a member of the nonprofit organization shall not be allowed to participate;

(II) a nonprofit organization shall not charge more than \$100.00 for an entry or ticket;

(III) a member of the nonprofit organization shall not purchase more than one entry or ticket per day; and

(IV) a nonprofit organization shall not offer or award any prize worth more than \$250.00 unless not less than 25 percent of the proceeds raised is used in charitable, religious, educational, or civic undertakings or used by fraternal organizations to provide direct support to charitable, religious, educational, or civic undertakings with which they are affiliated.

(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~~ used under authority of this section.

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(d) Casino events shall be limited as follows:

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(4) As used in this subsection, “casino event” means an event held during any 24-hour period at which ~~any game of chance is~~ casino table games, such as baccarat, blackjack, craps, poker, or roulette 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~~ uses 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.

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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.

Sec. 115. LOTTERY AGENT SALES PRACTICES; INTEGRITY;

REVIEW; REPORT

(a) The Commissioner of Liquor and Lottery shall conduct a review of:

(1) lottery prize winners by agency location to determine whether a disproportionate number of winning tickets sold by each lottery agent was

purchased by the owner or of an employee of the agent, or by an immediate family member of the owner or of an employee of the agent; and

(2) the sales, fraud prevention, and security practices of each lottery agent to determine whether those practices are sufficient to preserve the integrity of the Lottery and to avoid the occurrence or appearance of illegitimate winnings by the owner or an employee of the agent, or by an immediate family member of the owner or of an employee of the agent.

(b) On or before October 1, 2018, the Commissioner shall submit a written report on the findings of the review conducted pursuant to subsection (a) of this section to the Joint Fiscal Committee.

And by renumbering the remaining section to be numerically correct.