

1 TO THE HONORABLE SENATE:

2 The Committee on Economic Development, Housing and General Affairs to  
3 which was referred House Bill No. 313 entitled “An act relating to  
4 miscellaneous amendments to alcoholic beverage laws” respectfully reports  
5 that it has considered the same and recommends that the Senate propose to the  
6 House that the bill be amended by striking out all after the enacting clause and  
7 inserting in lieu thereof the following:

8 Sec. 1. 7 V.S.A. § 204 is amended to read:

9 § 204. APPLICATION AND RENEWAL FEES FOR LICENSES AND  
10 PERMITS; DISPOSITION OF FEES

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

13 \* \* \*

14 (6) For a third-class license, \$1,095.00 for an annual license and  
15 \$550.00 for a six-month license. For a stand-alone third-class license, the  
16 issuing municipality may assess an additional \$50.00 local processing fee.

17 \* \* \*

18 (24) For a third-class license granted to the holder of a manufacturer’s  
19 or rectifier’s license, \$230.00.

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 stand-alone third-class licenses shall be retained by the issuing municipality.

8 \* \* \*

9 Sec. 2. 7 V.S.A. § 230 is added to read:

10 § 230. SALE OF ALCOHOLIC BEVERAGES FOR OFF-PREMISES

11 CONSUMPTION

12 (a) The Board of Liquor and Lottery and the local control commissioners  
13 may authorize:

14 (1) First- and third-class licensees to sell malt beverages, vinous  
15 beverages, and spirits-based prepared drinks for off-premises consumption.

16 All sales of alcoholic beverages for off-premises consumption must be  
17 accompanied by a food order.

18 (2) Second-class licensees to provide curbside pickup of unopened  
19 containers of the alcoholic beverages that the licensee is permitted to sell from  
20 the licensed premises pursuant to section 222 of this subchapter.

1           (3) Fourth-class licensees to provide curbside pickup of unopened  
2           containers of the alcoholic beverages that the licensee is permitted to sell from  
3           the licensed location pursuant to section 224 of this subchapter.

4           (b) For any alcoholic beverage sold pursuant to subdivision (a)(1) of this  
5           section, the first- or third-class licensee shall provide the alcoholic beverage in  
6           a container:

7                   (1) with a securely affixed tamper-evident seal; and

8                   (2) bearing a label that:

9                           (A) states that the beverage contains alcohol; and

10                          (B) lists the ingredients and serving size.

11           (c) A licensee may sell alcoholic beverages pursuant to this section  
12           between 10:00 a.m. and 11:00 p.m.

13           (d) The Board of Liquor and Lottery may adopt rules and forms necessary  
14           to implement this section.

15           Sec. 3. 7 V.S.A. § 253 is amended to read:

16           § 253. FESTIVAL PERMITS

17   \* \* \*

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

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

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

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

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

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

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

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

19           (E) Patrons attending a festival where combinations of malt, vinous,  
20        fortified wines, or spirits are mutually sampled shall not be served more than a

1 combined total of six U.S. standard drinks containing 3.6 fluid ounces or  
2 84 grams of pure ethyl alcohol.

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

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

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

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

17 ~~(d)~~(g) A person shall be granted ~~no~~ not more than four festival permits per  
18 year, and each permit shall be valid for ~~no~~ not more than four consecutive  
19 days.

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

2 § 256. PROMOTIONAL TASTINGS FOR LICENSEES

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

8 (2) At the request of a holder of a third-class license, a manufacturer or  
9 rectifier of spirits or fortified wines may distribute without charge to the third-  
10 class licensee's management and staff, provided they are of legal age ~~and are~~  
11 ~~off duty for the rest of the day~~, one-quarter ounce of each beverage and ~~no~~ not  
12 more than a total of one ounce to each individual for the purpose of promoting  
13 the beverage.

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

17 \* \* \*

18 Sec. 5. FEE REDUCTION FOR RENEWAL OF FIRST- AND THIRD-  
19 CLASS LICENSES BY CLUBS; TEMPORARY PROVISION

1        Notwithstanding 7 V.S.A. § 204(a)(4) and (6), in the year 2021, the first-  
2        and third-class license renewal fees shall be waived for any club as defined in  
3        7 V.S.A. § 2.

4        Sec. 6. REPORTS; SPORTS BETTING STUDY; IMPACTS OF SALE OF  
5        ALCOHOLIC BEVERAGES FOR OFF-PREMISES CONSUMPTION

6        (a) On or before October 15, 2021, the Office of Legislative Counsel and  
7        the Joint Fiscal Office shall submit a written report to the House Committee on  
8        General, Housing, and Military Affairs and the Senate Committee on  
9        Economic Development, Housing and General Affairs concerning the current  
10       state of the regulated sports betting market in the United States. In particular,  
11       the report shall examine and analyze:

12        (1) the sports betting laws in each state that has an active or proposed  
13        sports betting market;

14        (2) studies carried out by other states concerning the legalization,  
15        taxation, and regulation of sports betting;

16        (3) the models for regulation of sports betting that are currently  
17        operating in other states, including a summary of the tax or revenue sharing  
18        structures used in each state;

19        (4) for each state with an active sports betting market, the state revenue  
20        resulting from sports betting; and

1           (5) any reports or information concerning impacts on problem gaming in  
2           the states with regulated sports betting markets.

3           (b) In the preparation of the report, the Office of Legislative Counsel and  
4           the Joint Fiscal Office shall solicit input from the Department of Liquor and  
5           Lottery, the Department of Taxes, the Office of the Attorney General, and  
6           other stakeholders.

7           (c) On or before January 15, 2023, the Department of Liquor and Lottery  
8           shall submit a report to the Senate Committee on Economic Development,  
9           Housing and General Affairs and the House Committee on General, Housing,  
10           and Military Affairs concerning the sale of alcoholic beverages for delivery  
11           and curbside pickup by first-, second-, third-, and fourth-class licensees. The  
12           report shall include an analysis of:

13           (1) the economic impact on the licensees that were approved to sell  
14           alcoholic beverages pursuant to 7 V.S.A. § 230; and

15           (2) the impact on public safety and compliance with the State's  
16           alcoholic beverage laws.

17           (d) The Department shall collect data from licensees that is sufficient to  
18           demonstrate the economic impact of the authority granted to the licensees  
19           pursuant to 7 V.S.A. § 230.

20           Sec. 7. REPEAL

21           7 V.S.A. § 230 is repealed on July 1, 2023.



1       Sec. 8. EFFECTIVE DATES

2           This act shall take effect on July 1, 2021, except that this section and Sec. 5  
3           (fee reduction for first- and third-class licenses) shall take effect on passage.

4

5           (Committee vote: \_\_\_\_\_)

6

\_\_\_\_\_

7

Senator \_\_\_\_\_

8

FOR THE COMMITTEE