

Introduced by Committee on Government Operations and Military Affairs

Date:

Subject: Alcoholic beverages, cannabis, and tobacco; Board of Liquor and
Lottery; licensing; fourth-class licenses; manufacturers and rectifiers;
special events permits; special venue serving permits

Statement of purpose of bill as introduced: This bill proposes to amend
various provisions of Title 7 related to the Board of Liquor and Lottery, fourth-
class licenses, manufacturers of alcoholic beverages, special events permits,
and special venue serving permits.

An act relating to alcoholic beverages

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

* * * Term Length for Members of Board of Liquor and Lottery * * *

Sec. 1. 7 V.S.A. § 101 is amended to read:

§ 101. COMPOSITION OF DEPARTMENT; COMMISSIONER OF
LIQUOR AND LOTTERY; BOARD OF LIQUOR AND LOTTERY

* * *

(b)(1) The Board of Liquor and Lottery shall consist of five persons. Not
all members of the Board shall belong to the same political party.

(2)(A) With the advice and consent of the Senate, the Governor shall
appoint the members of the Board for staggered ~~three-year~~ four-year terms.

* * *

* * * Fourth Class Licenses; Serving and Other License Limits * * *

Sec. 2. 7 V.S.A. § 224 is amended to read:

§ 224. FOURTH-CLASS LICENSES

* * *

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

(1) A licensee may, for consumption at the licensed premises or location, distribute the following amounts of alcoholic beverages to a retail customer:

(A) at a farmer's market location, not more than:

(i) two ounces of malt beverages, vinous beverages, or ready-to-drink spirits beverages with a total of eight ounces; and

~~(B)(ii) no more than~~ one-quarter ounce of spirits or fortified wine with a total of one ounce; or

(B) at a tasting room and retail shop, not more than:

(i) an aggregate total of 16 ounces of malt beverages or hard cider;

(ii) an aggregate total of 12 ounces of vinous beverages or ready-to-drink spirits beverages; and

(iii) one-quarter ounce of spirits or fortified wine with a total of two ounces.

* * *

(c)(1) At ~~only one~~ not more than 10 fourth-class license ~~location~~ locations, a licensed manufacturer or rectifier may sell by the unopened container or distribute by the glass, with or without charge, ~~alcoholic beverages;~~

(A) malt beverages, vinous beverages, or ready-to-drink spirits beverages produced by no other licensed manufacturers or rectifiers; and

(B) spirits or fortified wines produced by not more than five seven additional licensed manufacturers or rectifiers, provided these beverages are purchased on invoice from the manufacturer or rectifier.

(2) A licensed manufacturer or rectifier may sell its product to ~~no more than five additional manufacturers or rectifiers~~ any fourth-class licensee.

* * *

* * * Removal of Permit-Specific Hours of Sale * * *

Sec. 3. 7 V.S.A. § 230 is amended to read:

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

* * *

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

* * *

* * * Conforming Revision; Local Control Requirements in 7 V.S.A. § 252 * *

*

Sec. 4. 7 V.S.A. § 252 is amended to read:

§ 252. SPECIAL EVENT PERMITS

(a)(1) The Division of Liquor Control may issue a special event permit for an event open to the public that has been approved by the local control commissioners if the application is submitted to the Division of Liquor Control with the fee provided in section 204 of this title at least five days prior to the date of the event.

* * *

* * * Notice Period for Retail Tasting Permits * * *

Sec. 5. 7 V.S.A. § 255 is amended to read:

§ 255. RETAIL ALCOHOLIC BEVERAGE TASTING PERMITS

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

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

* * *

* * * Distribution by Malt Beverage Manufacturers; 2028 Sunset * * *

Sec. 6. 7 V.S.A. § 271 is amended to read:

§ 271. MANUFACTURER’S OR RECTIFIER’S LICENSE

* * *

(d)(1) The Board of Liquor and Lottery may grant to a licensed manufacturer or rectifier a first-class license or a third-class license, or both, permitting the licensee to sell alcoholic beverages to the public at an establishment located at the manufacturer’s or rectifier’s licensed facility, provided the manufacturer or rectifier owns or has direct control over that establishment.

(2) A licensed manufacturer of malt beverages or vinous beverages may operate up to two licensed establishments pursuant to this subsection that are located at the licensed manufacturing facility or on property that is owned by the licensee and is contiguous with the parcel of land on which the licensed manufacturing facility is located, provided the manufacturer owns or has direct control over both establishments.

* * *

(g) A licensed manufacturer of malt beverages may distribute an annual total of not more than 3,000 barrels of the manufacturer’s malt beverages directly to holders of first- or second-class licenses.

§ 271. MANUFACTURER'S OR RECTIFIER'S LICENSE

(g) ~~A licensed manufacturer of malt beverages may distribute an annual~~

* * * Removing Certified Check Requirement * * *

§ 275. SOLICITOR'S LICENSE

(3) Pays the fee provided in section 204 of this title to the Division of

*** Deleting 2026 Sunset of Special Venue Serving Permits for Retail

Sec. 9. 2024 Acts and Resolves No. 156, Secs. 3 and 4 are amended to read:

VT LEG #387294 v.2

1 for Retail Establishments * * *

2 Sec. 3. ~~7 V.S.A. § 254 is amended to read:~~

3 ~~§ 254. SPECIAL VENUE SERVING PERMITS~~

4 ~~(a) The Division of Liquor Control may grant an art gallery, retail~~
5 ~~establishment, public library, or museum a special venue serving permit if the~~
6 ~~applicant has:~~

7 ~~* * *~~

8 ~~(e) An art gallery, retail establishment, public library, or museum may be~~
9 ~~issued not more than 12 special venue serving permits in a calendar year.~~

10 ~~(f) As used in this section, “retail establishment” does not include a~~
11 ~~Vermont agency liquor store or a cannabis establishment as that term is~~
12 ~~defined in section 861 of this title. [Deleted.]~~

13 Sec. 4. ~~7 V.S.A. § 2 is amended to read:~~

14 ~~§ 2. DEFINITIONS~~

15 ~~As used in this title:~~

16 ~~* * *~~

17 ~~(38) “Special venue serving permit” means a permit granted by the~~
18 ~~Division of Liquor Control permitting an art gallery, retail establishment,~~
19 ~~public library, or museum to conduct an event at which malt or vinous~~
20 ~~beverages, or both, are served by the glass to the public. As used in this~~
21 ~~section, “art gallery” means a fixed establishment whose primary purpose is to~~

1 ~~exhibit or offer for sale works of art; “public library” has the same meaning as~~
2 ~~in 22 V.S.A. § 101; and “museum” has the same meaning as in 27 V.S.A.~~
3 ~~§ 1151. As used in this section, “retail establishment” does not include a~~
4 ~~Vermont agency liquor store or a cannabis establishment as that term is~~
5 ~~defined in section 861 of this title.~~

6 * * *

7 [Deleted.]

8 Sec. 10. 2024 Acts and Resolves No. 156, Sec. 11 is amended to read:

9 Sec. 11. EFFECTIVE DATES

10 (a) This section and Sec. 5 shall take effect on passage.

11 (b) ~~Secs. 3 and 4 shall take effect on July 1, 2026.~~ [Deleted.]

12 (c) All other sections shall take effect on July 1, 2024.

13 * * * Effective Dates * * *

14 Sec. 11. EFFECTIVE DATES

15 (a) This section and Secs. 9 and 10 (deleting 2026 sunset of special venue
16 serving permits for retail establishments) shall take effect on passage.

17 (b) Sec. 7 shall take effect on July 1, 2028.

18 (c) All other sections shall take effect on July 1, 2026.