

1 H.613

2 Introduced by Representative Birong of Vergennes

3 Referred to Committee on

4 Date:

5 Subject: Alcoholic beverages; farm-crafted alcoholic beverages

6 Statement of purpose of bill as introduced: This bill proposes to create a farm-  
7 based manufacturer's license for alcoholic beverage manufacturers that are  
8 located on a farm and produce alcoholic beverages that are made a majority by  
9 weight from ingredients produced by that farm.

10 An act relating to farm-based manufacturers of alcoholic beverages

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

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

13 § 2. DEFINITIONS

14 As used in this title:

15 \* \* \*

16 (43) "Farm" has the same meaning as in 10 V.S.A. § 6001(31).

17 (44) "Farm-based manufacturer's license" means a license granted by  
18 the Board of Liquor and Lottery that permits the holder to manufacture and sell  
19 farm-crafted beverages on a manufacturing premises that is located on a parcel  
20 that is contiguous with a farm.

1           (45) “Farm-crafted beverages” means farm-crafted malt beverages,  
2           farm-crafted vinous beverages, and farm-crafted spirits.

3           (46) “Farm-crafted malt beverages” means a malt beverage that is made  
4           with not less than 51 percent by weight of all ingredients, excluding water,  
5           produced by a farm that is contiguous with the farm-based manufacturer’s  
6           licensed premises.

7           (47) “Farm-crafted vinous beverages” means a vinous beverage that is  
8           fermented a minimum of 51 percent by weight of all ingredients, excluding  
9           water, produced by a farm that is contiguous with the farm-based  
10          manufacturer’s licensed premises.

11          (48) “Farm-crafted spirits” means a spirit manufactured a minimum of  
12          51 percent by weight of all ingredients, excluding water, produced by a farm  
13          that is contiguous with the farm-based manufacturer’s licensed premises.

14          Sec. 2. 7 V.S.A. § 204 is amended to read:

15          § 204. APPLICATION AND RENEWAL FEES FOR LICENSES AND

16                          PERMITS; DISPOSITION OF FEES

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

19    \* \* \*

20                  (24) For a farm-based manufacturer’s license, \$140.00.

21    \* \* \*

1 Sec. 3. 7 V.S.A. § 227 is amended to read:

2 § 227. OUTSIDE CONSUMPTION PERMITS; FIRST-, THIRD-, AND  
3 FOURTH-CLASS LICENSES

4 Pursuant to the rules of the Board of Liquor and Lottery, the Division of  
5 Liquor Control may grant an outside consumption permit to the holder of a  
6 first-class, first- and third-class, ~~or~~ fourth-class, or farm-based manufacturer's  
7 license for all or part of the outside premises of the license holder if the permit  
8 is approved by the local control commissioners and the Board.

9 Sec. 4. 7 V.S.A. § 271a is added to read:

10 § 271a. FARM-BASED MANUFACTURER'S LICENSE

11 (a) The Board of Liquor and Lottery may grant a farm-based  
12 manufacturer's license upon application and the fee provided in section 204 of  
13 this title that permits the license holder to operate a facility that manufactures:

- 14 (1) farm-crafted malt beverages;  
15 (2) farm-crafted vinous beverages; or  
16 (3) farm-crafted spirits.

17 (b) Except as otherwise provided in this section:

- 18 (1) farm-crafted spirits and fortified wine may be manufactured for sale  
19 to the Board of Liquor and Lottery or first-class licensees or for export, or  
20 both; and

1           (2) farm-crafted malt beverages and farm-crafted vinous beverages may  
2           be manufactured or rectified for sale to packagers, wholesale dealers, or first-  
3           class licensees or for export, or both.

4           (c) A licensed farm-based manufacturer of farm-crafted vinous beverages  
5           or fortified wines may receive from another manufacturer licensed in or  
6           outside this State bulk shipments of vinous beverages to rectify with the  
7           licensee's own product, provided that the farm-crafted vinous beverages or  
8           fortified wines produced by the licensed farm-based manufacturer may contain  
9           not more than 25 percent imported vinous beverages.

10          (d) A farm-based manufacturer's license permits the holder to sell farm-  
11          crafted beverages:

12               (1) by the glass for consumption on the licensed premises; and

13               (2) in sealed containers for consumption off the premises.

14          (e) Rules applicable to second-class licenses and pertaining to financial  
15          responsibility, age of employees, the selling and furnishing to apparently  
16          intoxicated persons, and leases of businesses shall all apply to farm-based  
17          manufacturers.

18          (f) A licensed farm-based manufacturer of farm-crafted malt beverages or  
19          farm-crafted vinous beverages may be granted an in-state consumer shipping  
20          license pursuant to section 277 of this title.

1 Sec. 5. 7 V.S.A. § 284 is added to read:

2 § 284. VERMONT FARM BREWERY LABEL AND ADVERTISING

3 The holder of a farm-based manufacturer’s license who manufactures farm-  
4 crafted beverages may apply to the Commissioner of Liquor and Lottery for  
5 permission to use the words “Vermont Farm Winery,” “Vermont Farm  
6 Brewery,” “Vermont Farm Cidery,” “Vermont Farm Distillery,” or  
7 substantially similar words, as approved by the Commissioner, when labeling,  
8 advertising, or otherwise promoting the farm-crafted beverage.

9 Sec. 6. EFFECTIVE DATE

10 This act shall take effect on January 1, 2022.