

1 H.718

2 Introduced by Representative Ode of Burlington

3 Referred to Committee on

4 Date:

5 Subject: Alcoholic beverages; licensing; vinous beverages

6 Statement of purpose of bill as introduced: This bill proposes to permit
7 second-class licensees to purchase wine and beer on terms that require
8 payment within not more than 30 days, to permit second-class licensees to sell
9 wine and beer on consignment, to amend the amount of wine and beer that a
10 retail delivery permit holder can deliver to a Vermont resident, to make various
11 amendments to the provisions governing retail alcoholic beverage tastings, and
12 to permit wineries to obtain a second-class license and a wholesale dealer's or
13 packager's license.

14 An act relating to the sale, tasting, and distribution of vinous beverages

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

16 * * * Sales by Retail Licensees * * *

17 Sec. 1. 7 V.S.A. § 222 is amended to read:

18 § 222. SECOND-CLASS LICENSES

19 * * *

1 (b)(1) A second-class license permits the holder to export malt and vinous
2 beverages and to sell malt and vinous beverages to the public from the licensed
3 premises for consumption off the premises.

4 (2) The Division of Liquor Control may grant a second-class licensee a
5 fortified wine permit pursuant to section 225 of this chapter or a retail delivery
6 permit pursuant to section 226 of this chapter.

7 (3)(A) Except as otherwise provided pursuant to sections 225, 271, and
8 278 of this title and subsection (d) of this section, a second-class license holder
9 shall purchase all malt beverages and vinous beverages sold pursuant to its
10 license from Vermont wholesale dealers or packagers.

11 (B) A second-class licensee may purchase malt beverages and vinous
12 beverages from a licensed wholesale dealer or packager:

13 (i) for cash paid at the time of delivery; or

14 (ii) on terms that require the licensee to pay the full amount due
15 within a period ending not more than 30 days after the delivery date.

16 * * *

17 (d)(1) A second-class licensee may sell malt beverages or vinous
18 beverages, or both, on consignment:

19 (A) for an individual who is not licensed under this title; or

20 (B) on behalf of the executor or administrator of the estate of a
21 deceased individual.

1 (2)(A) A licensee shall provide written notice to the Division at least
2 five days before it commences selling malt beverages or vinous beverages, or
3 both, on behalf of an individual or the executor or administrator of the estate of
4 a deceased individual pursuant to the provisions of this subsection.

5 (B) The notice shall include:

6 (i) the name of the individual;

7 (ii) the name of the executor or administrator, if applicable; and

8 (iii) the quantity, type, brand, and sale price of the malt beverages

9 or vinous beverages, or both, that will be offered for sale.

10 Sec. 2. 7 V.S.A. § 226 is amended to read:

11 § 226. RETAIL DELIVERY PERMITS

12 * * *

13 (c)(1) A retail delivery permit holder may deliver to any one Vermont
14 resident in any calendar year:

15 (A) not more than 12 cases of malt beverages containing not more
16 than 36 gallons of malt beverages; and

17 (B) not more than 12 cases of vinous beverages containing not more
18 than 29 gallons of vinous beverages.

19 (2) A retail delivery permit holder may deliver the amounts set forth in
20 subdivision (1) of this subsection in one or more deliveries made during the
21 calendar year.

1 * * * Alcoholic Beverage Tasting Events * * *

2 Sec. 3. 7 V.S.A. § 255 is amended to read:

3 § 255. RETAIL ALCOHOLIC BEVERAGE TASTING PERMITS; DAILY;
4 ANNUAL

5 (a)(1) The Division of Liquor Control may grant a licensee a permit to
6 conduct an alcoholic beverage tasting event as provided in subsection (b) of
7 this section if:

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

12 ~~(B)~~ the Commissioner determines that the licensee is in good
13 standing.

14 (2) The application for a daily permit and the associated fee provided in
15 section 204 of this title shall be paid at least five days prior to the date of the
16 alcoholic beverage tasting event.

17 (b) The Division may grant the following alcoholic beverage tasting
18 permits to the following types of licensees:

19 (1) A second-class licensee may be granted a daily or an annual tasting
20 permit.

1 (A) ~~The~~ A daily permit and an annual permit authorizes shall
2 authorize the employees of the second-class licensee or of a designated
3 manufacturer or rectifier to dispense to each customer of legal age on the
4 licensee's premises malt or vinous beverages by the glass not to exceed two
5 ounces of each beverage with a total of eight ounces of malt or vinous
6 beverages.

7 (B)(i) Malt or vinous beverages dispensed at ~~the~~ each tasting event
8 shall be from the inventory of the licensee or purchased from a wholesale
9 dealer.

10 (ii) A total of not more than 16 beverages may be offered at each
11 tasting event.

12 (C) A second-class licensee may be granted up to 48 daily tasting
13 permits per year. In addition, a second-class licensee may be granted up to
14 five daily permits per week to conduct a tasting as part of an educational food
15 preparation class or course conducted by the licensee on the licensee's
16 premises.

17 (D) An annual tasting permit shall permit a second-class licensee to
18 hold not more than five tasting events per week and a total of not more than
19 260 tasting events per year. An annual permit holder shall not be required to
20 provide the Division with advanced notice of any individual tasting events.

1 (2) A licensed manufacturer or rectifier of malt or vinous beverages may
2 be granted a daily tasting permit.

3 * * *

4 (3) A licensed wholesale dealer may be granted a daily tasting permit.
5 The permit authorizes a licensed wholesale dealer to dispense malt or vinous
6 beverages for promotional purposes at the wholesale dealer's premises without
7 charge to invited employees of first-, second-, and third-class licensees,
8 provided the invited employees are of legal age.

9 (c) A vinous beverage or malt beverage tasting event held pursuant to
10 subsection (b) of this section, not including an alcoholic beverage tasting
11 conducted on the premises of the manufacturer or rectifier, shall comply with
12 the following:

13 (1) continue for ~~no~~ not more than six hours, with ~~no~~ not more than ~~six~~
14 16 beverages to be offered at a single event, and ~~no~~ not more than two ounces
15 of any single beverage and ~~no~~ not more than a total of eight ounces of malt or
16 vinous beverages to be dispensed to a customer;

17 * * *

1 Sec. 4. 7 V.S.A. § 204 is amended to read:

2 § 204. APPLICATION AND RENEWAL FEES FOR LICENSES AND
3 PERMITS; DISPOSITION OF FEES

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

6 * * *

7 (13) For ~~an~~ a daily alcoholic beverages tasting permit, \$25.00.

8 (14) For an annual alcoholic beverages tasting permit, \$1,000.00.

9 (15) For an educational sampling event permit, \$250.00.

10 ~~(15)~~(16) For an outside consumption permit, \$20.00.

11 ~~(16)~~(17) For a certificate of approval:

12 (A) For malt beverages, \$2,485.00.

13 (B) For vinous beverages, \$985.00.

14 ~~(17)~~(18) For a solicitor's license, \$70.00.

15 ~~(18)~~(19) For a vinous beverages storage license, \$235.00.

16 ~~(19)~~(20) For a promotional railroad tasting permit, \$20.00.

17 ~~(20)~~(21) For a special venue serving permit, \$20.00.

18 ~~(21)~~(22) For a fortified wine permit, \$100.00.

19 ~~(22)~~(23) For a retail delivery permit, \$100.00.

20 ~~(23)~~(24) For a destination resort master license, \$1,000.00.

21 * * *

1 provided the licensee at least five days before the event gives the Division
2 written notice of the event, including details required by the Division.

3 * * *

4 * * * Effective Date * * *

5 Sec. 6. EFFECTIVE DATE

6 This act shall take effect on July 1, 2020.