

1 H.570

2 Introduced by Representatives Obuchowski of Rockingham and Partridge of

3 Windham

4 Referred to Committee on

5 Date:

6 Subject: Alcoholic beverages; special events permit; duration

7 Statement of purpose: This bill proposes to increase to 36 the number of  
8 special events permits that may be issued to a manufacturer or rectifier and to  
9 have each special event permit be valid for the duration of the event or four  
10 days, whichever period is shorter. The bill also proposes to permit  
11 manufacturers of spirits to hold tastings and sales of their product at other  
12 locations.

13 An act relating to sales and tastings of Vermont-made spirits

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

15 Sec. 1. 7 V.S.A. § 2(15), (27), and (28) are amended to read:

16 (15) "Manufacturer's or rectifier's license": a license granted by the  
17 liquor control board that permits the holder to manufacture or rectify, ~~as the~~  
18 ~~case may be,~~ spirituous liquors for export and sale to the liquor control board,  
19 or malt beverages and vinous beverages for export and for sale to bottlers or  
20 ~~wholesale dealers, or spirituous liquors for export and for sale to the liquor~~

1 ~~control board, upon application of a manufacturer or rectifier and the payment~~  
2 ~~to the liquor control board of the license fee as required by subdivision 231(1)~~  
3 ~~of this title for either license.~~ The liquor control board may grant to a licensed  
4 manufacturer or rectifier a first class restaurant or cabaret license or first and  
5 third class restaurant or cabaret license permitting the licensee to sell alcoholic  
6 beverages to the public only at the manufacturer's premises. A manufacturer  
7 of malt beverages who also holds a first class restaurant or cabaret license may  
8 serve to a customer malt beverages by the glass, not to exceed eight glasses at  
9 one time and not to exceed four ounces in each glass. The liquor control board  
10 may grant to a licensed manufacturer or a rectifier of malt or vinous beverages  
11 a second class license permitting the licensee to sell alcoholic beverages to the  
12 public only at the manufacturer's or rectifier's premises. A licensed  
13 manufacturer or rectifier of vinous beverages may serve, with or without  
14 charge, at an event held on premises of the licensee or the vineyard property  
15 spirits and vinous and malt beverages, provided the licensee gives the  
16 department written notice of the event, including details required by the  
17 department, at least ~~15~~ five days before the event. Any beverages not  
18 manufactured by the licensee and served at the event shall be purchased on  
19 invoice from a licensed manufacturer or wholesale dealer or the liquor control  
20 board. ~~Upon application and payment of the license fee as required by~~  
21 ~~subdivision 231(11) of this title, the liquor control board may grant to a~~

1 ~~licensed manufacturer or rectifier of vinous beverages fourth class or farmers'~~  
2 ~~market licenses permitting the licensee to sell fortified wines and vinous~~  
3 ~~beverages by the bottle to the public at the licensed premises or at a farmers'~~  
4 ~~market, provided that the beverages were produced by the manufacturer or~~  
5 ~~rectifier. No more than a combined total of ten fourth class and farmers'~~  
6 ~~market licenses may be granted to any licensed manufacturer or rectifier. An~~  
7 ~~application for a farmers' market license shall include copies of the farmers'~~  
8 ~~market regulations, the agreement between the farmers' market and the~~  
9 ~~applicant, and the location and dates of operation of the farmers' market. A~~  
10 ~~farmers' market license shall be valid for all dates of operation for a specific~~  
11 ~~farmers' market location. However, in no case may a person with an interest in~~  
12 ~~more than one manufacturer's or rectifier's license have an interest in more~~  
13 ~~than four fourth class licenses. The manufacturer or rectifier shall pay directly~~  
14 ~~to the commissioner of taxes the sum of \$0.265 cents per gallon for every~~  
15 ~~gallon of malt beverage and the sum of \$0.55 cents per gallon for each gallon~~  
16 ~~of vinous beverage manufactured by the manufacturer or rectifier and provided~~  
17 ~~for sale pursuant to the first class license or the second class license or the~~  
18 ~~fourth class license or combination thereof held by the manufacturer or~~  
19 ~~rectifier. Holders of a manufacturer's or rectifier's second class license for~~  
20 ~~malt beverages may distribute, with or without charge, malt beverages by the~~  
21 ~~glass, not to exceed two ounces per product and eight ounces in total, to all~~

1 persons of legal drinking age. The malt beverages must be consumed upon the  
2 premises of the holder of the license. At the request of a person holding a first  
3 class or second class license, a holder of a manufacturer's or rectifier's license  
4 for malt beverages may distribute without charge to the management and staff  
5 of the license holder, provided they are of legal drinking age, no more than  
6 four ounces per person of a malt beverage for the purpose of promoting the  
7 beverage. Written notice shall be provided to the department of liquor control  
8 at least ~~10~~ five days prior to the date of the tasting. ~~A licensed manufacturer or~~  
9 ~~rectifier of spirits may do either or both of the following only on the~~  
10 ~~manufacturer's or rectifier's premises:~~

11 ~~(A) Sell by the glass or bottle to the public spirits manufactured by~~  
12 ~~the licensee.~~

13 ~~(B) Dispense by the glass, with or without charge, spirits~~  
14 ~~manufactured by the licensee, provided that no more than one quarter ounce~~  
15 ~~per product and no more than one ounce in total is dispensed to each individual~~  
16 ~~of legal age.~~

17 (27) "Special events permit": a permit granted by the liquor control  
18 board permitting a person holding a manufacturer's or rectifier's license to  
19 attend an event open to the public, which has been approved by the local  
20 licensing authority, to sell by the glass or by unopened bottle spirits, malt, or  
21 vinous beverages manufactured or rectified by the license holder. For the

1 purposes of tasting only, the permit holder may distribute, with or without  
2 charge, beverages manufactured by the permit holder, provided that the permit  
3 holder distributes no more than two ounces per product and eight ounces total  
4 of malt or vinous beverages and no more than one ounce in total of spirits to  
5 individuals of legal age. No more than ~~12~~ 36 special events' permits ~~shall~~ may  
6 be issued to a holder of a manufacturer's or rectifier's license during a year.  
7 A special event permit shall be valid for the duration of each public event or  
8 four days, whichever is shorter. The fee for the permit is as required by  
9 subdivision 231(13) of this title, and shall be paid to the department of liquor  
10 control. Requests for a special events' permit shall be submitted to the  
11 department of liquor control and received by the department at least ~~15~~ five  
12 days prior to the date of the event. Each manufacturer or rectifier planning to  
13 attend a single special event under this permit may be listed on a single permit.  
14 However, each attendance at a special event shall count toward the  
15 manufacturer's or rectifier's 12 special-event-permit limitation.

16 (28) "Fourth class license" or "farmers' market license": the license  
17 granted by the liquor control board permitting a manufacturer or rectifier of  
18 vinous beverages or spirits to sell vinous beverages, fortified wines, or spirits  
19 manufactured by the licensed manufacturer or rectifier ~~and vinous beverages~~  
20 by the bottle and distribute, with or without charge, those beverages by the  
21 glass for consumption on the licensed premises or at a farmers' market,

1 provided that no more than two ounces of each vinous beverage with a total of  
2 eight ounces of vinous beverage and no more than one-quarter ounce with a  
3 total of one ounce of spirits are distributed to each customer. No more than a  
4 combined total of ten fourth class and farmers' market licenses may be granted  
5 to any licensed manufacturer or rectifier. A farmers' market license shall be  
6 valid for all dates of operation for each farmers' market location.

7 Sec. 2. EFFECTIVE DATE

8 This act shall take effect on passage.