1	SENATE BILL NO. 657
2	AMENDMENT IN THE NATURE OF A SUBSTITUTE
3	(Proposed by the House Committee on General Laws
4	on)
5	(Patron Prior to SubstituteSenator Reeves)
6	A BILL to amend and reenact §§ 4.1-100, 4.1-103, 4.1-206.3, as it is currently effective and as it shall
7	become effective, 4.1-209, 4.1-231.1, as it is currently effective and as it shall become effective,
8	4.1-233.1, 4.1-309, and 4.1-325 of the Code of Virginia, relating to alcoholic beverage control;
9	annual mixed beverage performing arts facility licenses; on-and-off premises wine and beer
10	licenses.
11	Be it enacted by the General Assembly of Virginia:
12	1. That §§ 4.1-100, 4.1-103, 4.1-206.3, as it is currently effective and as it shall become effective, 4.1-
13	209, 4.1-231.1, as it is currently effective and as it shall become effective, 4.1-233.1, 4.1-309, and 4.1-
14	325 of the Code of Virginia are amended and reenacted as follows:
15	§ 4.1-100. Definitions.
16	As used in this subtitle unless the context requires a different meaning:
17	"Alcohol" means the product known as ethyl or grain alcohol obtained by distillation of any
18	fermented liquor, rectified either once or more often, whatever the origin, and shall include synthetic ethyl
19	alcohol, but shall not include methyl alcohol and alcohol completely denatured in accordance with
20	formulas approved by the government of the United States.
21	"Alcohol vaporizing device" means any device, machine, or process that mixes any alcoholic
22	beverages with pure oxygen or other gas to produce a vaporized product for the purpose of consumption
23	by inhalation.
24	"Alcoholic beverages" includes alcohol, spirits, wine, and beer, and any one or more of such
25	varieties containing one-half of one percent or more of alcohol by volume, including mixed alcoholic

26 beverages, and every liquid or solid, powder or crystal, patented or not, containing alcohol, spirits, wine,

2/16/2024 10:21 AM

27 or beer and capable of being consumed by a human being. Any liquid or solid containing more than one 28 of the four varieties shall be considered as belonging to that variety which has the higher percentage of 29 alcohol, however obtained, according to the order in which they are set forth in this definition; except that 30 beer may be manufactured to include flavoring materials and other nonbeverage ingredients containing 31 alcohol, as long as no more than 49 percent of the overall alcohol content of the finished product is derived 32 from the addition of flavors and other nonbeverage ingredients containing alcohol for products with an 33 alcohol content of no more than six percent by volume; or, in the case of products with an alcohol content 34 of more than six percent by volume, as long as no more than one and one-half percent of the volume of 35 the finished product consists of alcohol derived from added flavors and other nonbeverage ingredients 36 containing alcohol.

37 "Arts venue" means a commercial or nonprofit establishment that is open to the public and in38 which works of art are sold or displayed.

39 "Authority" means the Virginia Alcoholic Beverage Control Authority created pursuant to this40 subtitle.

41 "Barrel" means any container or vessel having a capacity of more than 43 ounces.

42 "Bed and breakfast establishment" means any establishment (i) having no more than 15 bedrooms; 43 (ii) offering to the public, for compensation, transitory lodging or sleeping accommodations; and (iii) 44 offering at least one meal per day, which may but need not be breakfast, to each person to whom overnight 45 lodging is provided. For purposes of the licensing requirements of this subtitle, "bed and breakfast 46 establishment" includes any property offered to the public for short-term rental, as that term is defined in 47 § 15.2-983, other than a hotel as defined in this section, regardless of whether a meal is offered to each 48 person to whom overnight lodging is provided.

"Beer" means any alcoholic beverage obtained by the fermentation of an infusion or decoction of
barley, malt, and hops or of any similar products in drinkable water and containing one-half of one percent
or more of alcohol by volume.

52

"Board" means the Board of Directors of the Virginia Alcoholic Beverage Control Authority.

54

"Bottle" means any vessel intended to contain liquids and having a capacity of not more than 43 ounces.

"Bus" means a motor vehicle that (i) is operated by a common carrier licensed under Chapter 20 (§ 46.2-2000 et seq.) of Title 46.2 to transport passengers for compensation over the highways of the Commonwealth on regular or irregular routes of not less than 100 miles, (ii) seats no more than 24 passengers, (iii) is 40 feet in length or longer, (iv) offers wireless Internet services, (v) is equipped with charging stations at every seat for cellular phones or other portable devices, and (vi) during the transportation of passengers, is staffed by an attendant who has satisfied all training requirements set forth in this subtitle or Board regulation.

62 "Club" means any private nonprofit corporation or association which is the owner, lessee, or 63 occupant of an establishment operated solely for a national, social, patriotic, political, athletic, or other 64 like purpose, but not for pecuniary gain, the advantages of which belong to all of the members. It also 65 means the establishment so operated. A corporation or association shall not lose its status as a club because 66 of the conduct of charitable gaming conducted pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 67 8 of Title 18.2 in which nonmembers participate frequently or in large numbers, provided that no alcoholic 68 beverages are served or consumed in the room where such charitable gaming is being conducted while 69 such gaming is being conducted and that no alcoholic beverages are made available upon the premises to 70 any person who is neither a member nor a bona fide guest of a member.

Any such corporation or association which has been declared exempt from federal and state income
taxes as one which is not organized and operated for pecuniary gain or profit shall be deemed a nonprofit
corporation or association.

"Commercial lifestyle center" means a mixed-use commercial development covering a minimum of 10 acres of land and having at least 100,000 square feet of retail space featuring national specialty chain stores and a combination of dining, entertainment, office, residential, or hotel establishments located in a physically integrated outdoor setting that is pedestrian friendly and that is governed by a commercial owners' association that is responsible for the management, maintenance, and operation of the common areas thereof.

81

"Container" means any barrel, bottle, carton, keg, vessel, or other receptacle used for holding alcoholic beverages.

82 "Contract winemaking facility" means the premises of a licensed winery or farm winery that 83 obtains grapes, fruits, and other agricultural products from a person holding a winery or farm winery 84 license and crushes, processes, ferments, bottles, or provides any combination of such services pursuant 85 to an agreement with the winery or farm winery licensee. For all purposes of this subtitle, wine produced 86 by a contract winemaking facility for a winery or farm winery shall be considered to be wine owned and 87 produced by the winery or farm winery that supplied the grapes, fruits, or other agricultural products used 88 in the production of the wine. The contract winemaking facility shall have no right to sell the wine so 89 produced, unless the terms of payment have not been fulfilled in accordance with the contract. The contract 90 winemaking facility may charge the winery or farm winery for its services. A winery licensee may utilize 91 contract winemaking services only for the manufacture or processing of wine of which no less than 90 92 percent of the grapes, fruits, and other agricultural products used to make such wine are grown in the 93 Commonwealth.

94 "Convenience grocery store" means an establishment that (i) has an enclosed room in a permanent
95 structure where stock is displayed and offered for sale and (ii) maintains an inventory of edible items
96 intended for human consumption consisting of a variety of such items of the types normally sold in grocery
97 stores.

98 "Culinary lodging resort" means a facility (i) having not less than 13 overnight guest rooms in a 99 building that has at least 20,000 square feet of indoor floor space; (ii) located on a farm in the 100 Commonwealth with at least 1,000 acres of land zoned agricultural; (iii) equipped with a full-service 101 kitchen; and (iv) offering to the public, for compensation, at least one meal per day, lodging, and 102 recreational and educational activities related to farming, livestock, and other rural activities.

103 "Delicatessen" means an establishment that sells a variety of prepared foods or foods requiring104 little preparation, such as cheeses, salads, cooked meats, and related condiments.

**105** "Designated area" means a room or area approved by the Board for on-premises licensees.

106 "Dining area" means a public room or area in which meals are regularly served.

108

"Drugstore" means an establishment that sells medicines prepared by a licensed pharmacist pursuant to a prescription and other medicines and items for home and general use.

109

"Establishment" means any place where alcoholic beverages of one or more varieties are lawfully 110 manufactured, sold, or used.

111 "Farm winery" means (i) an establishment or cooperative located in the Commonwealth on land 112 zoned agricultural that has (a) a vineyard, orchard, or similar growing area that produces fruits or other 113 agricultural products used to manufacture the wine of such farm winery, subject to the requirements set 114 forth in § 4.1-219, and (b) facilities for fermenting and bottling wine on the premises where such farm 115 winery manufactures wine that contains not more than 21 percent alcohol by volume or (ii) an accredited 116 public or private institution of higher education, provided that (a) no wine manufactured by the institution 117 shall be sold, (b) the wine manufactured by the institution shall be used solely for research and educational 118 purposes, (c) the wine manufactured by the institution shall be stored on the premises of such farm winery 119 that shall be separate and apart from all other facilities of the institution, and (d) such farm winery is 120 operated in strict conformance with the requirements of this clause (ii) and Board regulations. As used in 121 this definition, the term "cooperative" means a cooperative formed by an association of individuals for the 122 purpose of manufacturing wine. In determining whether a cooperative licensed as a farm winery has met 123 the requirements set forth in clause (i), the Board shall consider all land in the Commonwealth that is 124 owned or leased by a member of the cooperative. For purposes of this definition, "land zoned agricultural" 125 means (1) land zoned as an agricultural district or classification or (2) land otherwise permitted by a 126 locality for farm winery use. For purposes of this definition, "land zoned agricultural" does not include 127 land zoned "residential conservation." Except for the limitation on land zoned "residential conservation," 128 nothing in the definition of "land zoned agricultural" shall otherwise limit or affect local zoning authority.

129 "Gift shop" means any bona fide retail store selling, predominantly, gifts, books, souvenirs, 130 specialty items relating to history, original and handmade arts and products, collectibles, crafts, and floral 131 arrangements, which is open to the public on a regular basis. Such shop shall be a permanent structure 132 where stock is displayed and offered for sale and which has facilities to properly secure any stock of wine 133 or beer. Such shop may be located (i) on the premises or grounds of a government registered national,

134 state or local historic building or site or (ii) within the premises of a museum. The Board shall consider 135 the purpose, characteristics, nature, and operation of the shop in determining whether it shall be considered 136 a gift shop.

137 "Gourmet brewing shop" means an establishment which sells to persons to whom wine or beer may lawfully be sold, ingredients for making wine or brewing beer, including packaging, and rents to such 138 139 persons facilities for manufacturing, fermenting and bottling such wine or beer.

140 "Gourmet oyster house" means an establishment that (i) is located on the premises of a commercial 141 marina, (ii) is permitted by the Department of Health to serve oysters and other fresh seafood for 142 consumption on the premises, and (iii) offers to the public events for the purpose of featuring and 143 educating the consuming public about local oysters and other seafood products.

144 "Gourmet shop" means an establishment provided with adequate inventory, shelving, and storage 145 facilities, where, in consideration of payment, substantial amounts of domestic and imported wines and 146 beers of various types and sizes and related products such as cheeses and gourmet foods are habitually 147 furnished to persons.

148 "Government store" means a store established by the Authority for the sale of alcoholic beverages. 149 "Grocery store" means an establishment that sells food and other items intended for human 150

151 "Historic cinema house" means a nonprofit establishment exempt from taxation under § 501(c)(3) 152 of the Internal Revenue Code that was built prior to 1970 and that exists for the primary purpose of

consumption, including a variety of ingredients commonly used in the preparation of meals.

153 showing motion pictures to the public.

154 "Hotel" means any duly licensed establishment, provided with special space and accommodation, 155 where, in consideration of payment, food and lodging are habitually furnished to persons, and which has 156 four or more bedrooms. It shall also mean the person who operates such hotel.

157 "Interdicted person" means a person to whom the sale of alcoholic beverages is prohibited by order 158 pursuant to this subtitle.

159 "Internet wine and beer retailer" means a person who owns or operates an establishment with 160 adequate inventory, shelving, and storage facilities, where, in consideration of payment, Internet or

telephone orders are taken and shipped directly to consumers and which establishment is not a retail storeopen to the public.

163 "Intoxicated" means a condition in which a person has drunk enough alcoholic beverages to164 observably affect his manner, disposition, speech, muscular movement, general appearance, or behavior.

165 "Licensed" means the holding of a valid license granted by the Authority.

166 "Licensee" means any person to whom a license has been granted by the Authority.

167 "Liqueur" means any of a class of highly flavored alcoholic beverages that do not exceed an168 alcohol content of 25 percent by volume.

"Low alcohol beverage cooler" means a drink containing one-half of one percent or more of alcohol by volume, but not more than seven and one-half percent alcohol by volume, and consisting of spirits mixed with nonalcoholic beverages or flavoring or coloring materials; it may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, preservatives or other similar products manufactured by fermenting fruit or fruit juices. Low alcohol beverage coolers shall be treated as wine for all purposes of this subtitle, except that low alcohol beverage coolers may be manufactured by a licensed distiller or a distiller located outside the Commonwealth.

176 "Marina store" means an establishment that is located on the same premises as a marina, is operated177 by the owner of such marina, and sells food and nautical and fishing supplies.

178 "Meals" means, for a mixed beverage license, an assortment of foods commonly ordered in bona
179 fide, full-service restaurants as principal meals of the day. Such restaurants shall include establishments
180 specializing in full course meals with a single substantial entree.

181 "Member of a club" means (i) a person who maintains his membership in the club by the payment 182 of monthly, quarterly, or annual dues in the manner established by the rules and regulations thereof or (ii) 183 a person who is a member of a bona fide auxiliary, local chapter, or squadron composed of direct lineal 184 descendants of a bona fide member, whether alive or deceased, of a national or international organization 185 to which an individual lodge holding a club license is an authorized member in the same locality. It shall 186 also mean a lifetime member whose financial contribution is not less than 10 times the annual dues of 187 resident members of the club, the full amount of such contribution being paid in advance in a lump sum.

189

"Mixed beverage" or "mixed alcoholic beverage" means a drink composed in whole or in part of spirits.

"Mixer" means any prepackaged ingredients containing beverages or flavoring or coloring
materials, and which may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, or
preservatives which are not commonly consumed unless combined with alcoholic beverages, whether or
not such ingredients contain alcohol. Such specialty beverage product shall be manufactured or distributed
by a Virginia corporation.

195 "Municipal golf course" means any golf course that is owned by any town incorporated in 1849196 and which is the county seat of Smyth County.

197 "Performing arts facility" means an indoor or outdoor amphitheater, arena, multipurpose theater,
198 or similar facility at which live musical, dance, theatre, or similar performances, the types of which are
199 approved by the Authority, are performed, provided that the facility has stationary stadium or similar
200 seating for more than 500 persons.

201 "Place or premises" means the real estate, together with any buildings or other improvements
202 thereon, designated in the application for a license as the place at which the manufacture, bottling,
203 distribution, use or sale of alcoholic beverages shall be performed, except that portion of any such building
204 or other improvement actually and exclusively used as a private residence.

205 "Principal stockholder" means any person who individually or in concert with his spouse and 206 immediate family members beneficially owns or controls, directly or indirectly, five percent or more of 207 the equity ownership of any person that is a licensee of the Authority, or who in concert with his spouse 208 and immediate family members has the power to vote or cause the vote of five percent or more of any 209 such equity ownership. "Principal stockholder" does not include a broker-dealer registered under the 210 Securities Exchange Act of 1934, as amended, that holds in inventory shares for sale on the financial 211 markets for a publicly traded corporation holding, directly or indirectly, a license from the Authority.

212 "Public place" means any place, building, or conveyance to which the public has, or is permitted213 to have, access, including restaurants, soda fountains, hotel dining areas, lobbies and corridors of hotels,

and any park, place of public resort or amusement, highway, street, lane, or sidewalk adjoining anyhighway, street, or lane.

216 "Public place" does not include (i) hotel or restaurant dining areas or ballrooms while in use for 217 private meetings or private parties limited in attendance to members and guests of a particular group, 218 association or organization; (ii) restaurants licensed by the Authority in office buildings or industrial or 219 similar facilities while such restaurant is closed to the public and in use for private meetings or parties 220 limited in attendance to employees and nonpaying guests of the owner or a lessee of all or part of such 221 building or facility; (iii) offices, office buildings or industrial facilities while closed to the public and in 222 use for private meetings or parties limited in attendance to employees and nonpaying guests of the owner 223 or a lessee of all or part of such building or facility; or (iv) private recreational or chartered boats which 224 are not licensed by the Board and on which alcoholic beverages are not sold.

"Residence" means any building or part of a building or structure where a person resides, but does
not include any part of a building that is not actually and exclusively used as a private residence, nor any
part of a hotel or club other than a private guest room thereof.

228 "Resort complex" means a facility (i) with a hotel owning year-round sports and recreational 229 facilities located contiguously on the same property; (ii) owned by a nonstock, nonprofit, taxable 230 corporation with voluntary membership which, as its primary function, makes available golf, ski, and 231 other recreational facilities both to its members and to the general public; or (iii) operated by a corporation 232 that operates as a management company which, as its primary function, makes available (a) vacation 233 accommodations, guest rooms, or dwelling units and (b) golf, ski, and other recreational facilities to 234 members of the managed entities and the general public. The hotel or corporation shall have or manage a 235 minimum of 140 private guest rooms or dwelling units contained on not less than 50 acres, whether or not 236 contiguous to the licensed premises; if the guest rooms or dwelling units are located on property that is 237 not contiguous to the licensed premises, such guest rooms and dwelling units shall be located within the 238 same locality. The Authority may consider the purpose, characteristics, and operation of the applicant 239 establishment in determining whether it shall be considered as a resort complex. All other pertinent 240 qualifications established by the Board for a hotel operation shall be observed by such licensee.

241 "Restaurant" means, for a wine and beer license or a limited mixed beverage restaurant license,
242 any establishment provided with special space and accommodation, where, in consideration of payment,
243 meals or other foods prepared on the premises are regularly sold.

"Restaurant" means, for a mixed beverage license other than a limited mixed beverage restaurant
license, an established place of business (i) where meals with substantial entrees are regularly sold and
(ii) which has adequate facilities and sufficient employees for cooking, preparing, and serving such meals
for consumption at tables in dining areas on the premises, and includes establishments specializing in full
course meals with a single substantial entree.

249 "Sale" and "sell" includes soliciting or receiving an order for; keeping, offering or exposing for
250 sale; peddling, exchanging or bartering; or delivering otherwise than gratuitously, by any means, alcoholic
251 beverages.

252 "Sangria" means a drink consisting of red or white wine mixed with some combination of
253 sweeteners, fruit, fruit juice, soda, or soda water that may also be mixed with brandy, triple sec, or other
254 similar spirits.

255 "Special agent" means an employee of the Virginia Alcoholic Beverage Control Authority whom256 the Board has designated as a law-enforcement officer pursuant to § 4.1-105.

257 "Special event" means an event sponsored by a duly organized nonprofit corporation or association258 and conducted for an athletic, charitable, civic, educational, political, or religious purpose.

259 "Spirits" means any beverage that contains alcohol obtained by distillation mixed with drinkable
260 water and other substances, in solution, and includes, among other things, brandy, rum, whiskey, and gin,
261 or any one or more of the last four named ingredients, but shall not include any such liquors completely
262 denatured in accordance with formulas approved by the United States government.

263 <u>"Sports facility" means a coliseum, stadium, racetrack, or similar facility at which professional</u>
 264 sports, as defined in § 58.1-4030, or similar events, the types of which are approved by the Authority, are
 265 conducted.

266 "Wine" means any alcoholic beverage, including cider, obtained by the fermentation of the natural267 sugar content of fruits or other agricultural products containing (i) sugar, including honey and milk, either

268 with or without additional sugar; (ii) one-half of one percent or more of alcohol by volume; and (iii) no 269 product of distillation. "Wine" includes any wine to which wine spirits have been added, as provided in 270 the Internal Revenue Code, to make products commonly known as "fortified wine" which do not exceed 271 an alcohol content of 21 percent by volume.

272 "Wine cooler" means a drink containing one-half of one percent or more of alcohol by volume, 273 and not more than three and two-tenths percent of alcohol by weight or four percent by volume consisting 274 of wine mixed with nonalcoholic beverages or flavoring or coloring materials, and which may also contain 275 water, fruit juices, fruit adjuncts, sugar, carbon dioxide, or preservatives and shall include other similar 276 products manufactured by fermenting fruit or fruit juices. Wine coolers and similar fermented fruit juice 277 beverages shall be treated as wine for all purposes except for taxation under § 4.1-236.

278 "With or without meals" means the selling and serving of alcoholic beverages by retail licensees 279 for on-premises consumption whether or not accompanied by food so long as the total food-beverage ratio 280 required by § 4.1-206.3, or the monthly food sale requirement established by Board regulation, is met by 281 such retail licensee.

282

§ 4.1-103. General powers of Board.

283 The Board shall have the power to:

284 1. Sue and be sued, implead and be impleaded, and complain and defend in all courts;

285 2. Adopt, use, and alter at will a common seal;

286 3. Fix, alter, charge, and collect rates, rentals, fees, and other charges for the use of property of, 287 the sale of products of, or services rendered by the Authority at rates to be determined by the Authority 288 for the purpose of providing for the payment of the expenses of the Authority;

289 4. Make and enter into all contracts and agreements necessary or incidental to the performance of 290 its duties, the furtherance of its purposes, and the execution of its powers under this subtitle, including 291 agreements with any person or federal agency;

292 5. Employ, at its discretion, consultants, researchers, architects, engineers, accountants, financial 293 experts, investment bankers, superintendents, managers, and such other employees and special agents as 294 may be necessary and fix their compensation to be payable from funds made available to the Authority.

Legal services for the Authority shall be provided by the Attorney General in accordance with Chapter 5
(§ 2.2-500 et seq.) of Title 2.2;

297 6. Receive and accept from any federal or private agency, foundation, corporation, association, or 298 person grants or other aid to be expended in accomplishing the objectives of the Authority, and receive 299 and accept from the Commonwealth or any state and any municipality, county, or other political 300 subdivision thereof or from any other source aid or contributions of either money, property, or other things 301 of value, to be held, used, and applied only for the purposes for which such grants and contributions may 302 be made. All federal moneys accepted under this section shall be accepted and expended by the Authority 303 upon such terms and conditions as are prescribed by the United States and as are consistent with state law, 304 and all state moneys accepted under this section shall be expended by the Authority upon such terms and 305 conditions as are prescribed by the Commonwealth;

306 7. Adopt, alter, and repeal bylaws, rules, and regulations governing the manner in which its 307 business shall be transacted and the manner in which the powers of the Authority shall be exercised and 308 its duties performed. The Board may delegate or assign any duty or task to be performed by the Authority 309 to any officer or employee of the Authority. The Board shall remain responsible for the performance of 310 any such duties or tasks. Any delegation pursuant to this subdivision shall, where appropriate, be 311 accompanied by written guidelines for the exercise of the duties or tasks delegated. Where appropriate, 312 the guidelines shall require that the Board receive summaries of actions taken. Such delegation or 313 assignment shall not relieve the Board of the responsibility to ensure faithful performance of the duties 314 and tasks;

315 8. Conduct or engage in any lawful business, activity, effort, or project consistent with the
316 Authority's purposes or necessary or convenient to exercise its powers;

317 9. Develop policies and procedures generally applicable to the procurement of goods, services,318 and construction, based upon competitive principles;

319 10. Develop policies and procedures consistent with Article 4 (§ 2.2-4347 et seq.) of Chapter 43
320 of Title 2.2;

321 11. Buy, import and sell alcoholic beverages other than beer and wine not produced by farm 322 wineries, and to have alcoholic beverages other than beer and wine not produced by farm wineries in its 323 possession for sale; 324 12. Buy and sell any mixers; 325 13. Buy and sell products licensed by the Virginia Tourism Corporation that are within 326 international trademark classes 16 (paper goods and printer matters), 18 (leather goods), 21 (housewares 327 and glass), and 25 (clothing); 328 14. Control the possession, sale, transportation, and delivery of alcoholic beverages; 329 15. Determine, subject to § 4.1-121, the localities within which government stores shall be 330 established or operated and the location of such stores; 331 16. Maintain warehouses for alcoholic beverages and control the storage and delivery of alcoholic 332 beverages to and from such warehouses; 333 17. Acquire, purchase, hold, use, lease, or otherwise dispose of any property, real, personal or 334 mixed, tangible or intangible, or any interest therein necessary or desirable for carrying out the purposes 335 of the Authority; lease as lessee any property, real, personal or mixed, tangible or intangible, or any interest 336 therein, at such annual rental and on such terms and conditions as may be determined by the Board; lease 337 as lessor to any person any property, real, personal or mixed, tangible or intangible, or any interest therein, 338 at any time acquired by the Authority, whether wholly or partially completed, at such annual rental and 339 on such terms and conditions as may be determined by the Board; sell, transfer, or convey any property, 340 real, personal or mixed, tangible or intangible, or any interest therein, at any time acquired or held by the 341 Authority on such terms and conditions as may be determined by the Board; and occupy and improve any

342 land or building required for the purposes of this subtitle;

343 18. Purchase, lease, or acquire the use of, by any manner, any plant or equipment that may be
344 considered necessary or useful in carrying into effect the purposes of this subtitle, including rectifying,
345 blending, and processing plants. The Board may purchase, build, lease, and operate distilleries and
346 manufacture alcoholic beverages;

347 19. Determine the nature, form and capacity of all containers used for holding alcoholic beverages
348 to be kept or sold under this subtitle, and prescribe the form and content of all labels and seals to be placed
349 thereon; however, no container sold in or shipped into the Commonwealth shall include powdered or
350 crystalline alcohol;

351 20. Appoint every agent and employee required for its operations; require any or all of them to
352 give bonds payable to the Commonwealth in such penalty as shall be fixed by the Board; and engage the
353 services of experts and professionals;

354 21. Hold and conduct hearings; issue subpoenas requiring the attendance of witnesses and the 355 production of records, memoranda, papers and other documents before the Board or any agent of the 356 Board; and administer oaths and take testimony thereunder. The Board may authorize any Board member 357 or agent of the Board to hold and conduct hearings, issue subpoenas, administer oaths and take testimony 358 thereunder, and decide cases, subject to final decision by the Board, on application of any party aggrieved. 359 The Board may enter into consent agreements and may request and accept from any applicant or licensee 360 a consent agreement in lieu of proceedings on (i) objections to the issuance of a license or (ii) disciplinary 361 action. Any such consent agreement shall include findings of fact and may include an admission or a 362 finding of a violation. A consent agreement shall not be considered a case decision of the Board and shall 363 not be subject to judicial review under the provisions of the Administrative Process Act (§ 2.2-4000 et 364 seq.), but may be considered by the Board in future disciplinary proceedings;

365 22. Make a reasonable charge for preparing and furnishing statistical information and compilations
366 to persons other than (i) officials, including court and police officials, of the Commonwealth and of its
367 subdivisions if the information requested is for official use and (ii) persons who have a personal or legal
368 interest in obtaining the information requested if such information is not to be used for commercial or
369 trade purposes;

370 23. Promulgate regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.)
371 and § 4.1-111;

372 24. Grant, suspend, and revoke licenses for the manufacture, bottling, distribution, importation,373 and sale of alcoholic beverages;

374	25. Assess and collect civil penalties and civil charges for violations of this subtitle and Board
375	regulations;
376	26. Maintain actions to enjoin common nuisances as defined in § 4.1-317;
377	27. Establish minimum food sale requirements for all retail licensees;
378	28. Review and approve any proposed legislative or regulatory changes suggested by the Chief
379	Executive Officer as the Board deems appropriate;
380	29. Report quarterly to the Secretary of Public Safety and Homeland Security on the law-
381	enforcement activities undertaken to enforce the provisions of this subtitle;
382	30. Establish and collect fees for all permits set forth in this subtitle, including fees associated with
383	applications for such permits;
384	31. Impose a requirement that a mixed beverage casino licensee pursuant to subdivision A- $15$ 14
385	of § 4.1-206.3 pay for any cost incurred by the Board to enforce such license in excess of the applicable
386	state license fee; and
387	32. Do all acts necessary or advisable to carry out the purposes of this subtitle.
388	§ 4.1-206.3. (Effective until July 1, 2024) Retail licenses.
389	A. The Board may grant the following mixed beverages licenses:
390	1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed
391	beverages for on-premises consumption in dining areas and other designated areas of such restaurant or
392	off-premises consumption. Such license may be granted only to persons (i) who operate a restaurant and
393	(ii) whose gross receipts from the sale of food cooked, or prepared, and consumed on the premises and
394	nonalcoholic beverages served on the premises, after issuance of such license, amount to at least 45 percent
395	of the gross receipts from the sale of mixed beverages and food. For the purposes of this subdivision, other
396	designated areas shall include outdoor dining areas, whether or not contiguous to the licensed premises,
397	which outdoor dining areas may have more than one means of ingress and egress to an adjacent public
398	thoroughfare, provided such areas are under the control of the licensee and approved by the Board. Such
399	noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision
400	A 5 of § 4.1-201.

2/16/2024 10:21 AM

401 If the restaurant is located on the premises of a hotel or motel with no fewer than four permanent 402 bedrooms where food and beverage service is customarily provided by the restaurant in designated areas, 403 bedrooms, and other private rooms of such hotel or motel, such licensee may (a) sell and serve mixed 404 beverages for on-premises consumption in such designated areas, bedrooms, and other private rooms or 405 off-premises consumption and (b) sell spirits packaged in original closed containers purchased from the 406 Board for on-premises consumption to registered guests and at scheduled functions of such hotel or motel 407 only in such bedrooms or private rooms. However, with regard to a hotel classified as a resort complex, 408 the Board may authorize the sale and on-premises consumption of alcoholic beverages in all areas within 409 the resort complex deemed appropriate by the Board. Nothing herein shall prohibit any person from 410 keeping and consuming his own lawfully acquired spirits in bedrooms or private rooms.

411 If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club 412 exclusively for its members and their guests, or members of another private, nonprofit, or profit club in 413 another city with which it has an agreement for reciprocal dining privileges, such license shall also 414 authorize the licensees to (1) sell and serve mixed beverages for on-premises or off-premises consumption 415 and (2) sell spirits that are packaged in original closed containers with a maximum capacity of two fluid 416 ounces or 50 milliliters and purchased from the Board for on-premises consumption. Where such club 417 prepares no food in its restaurant but purchases its food requirements from a restaurant licensed by the 418 Board and located on another portion of the premises of the same hotel or motel building, this fact shall 419 not prohibit the granting of a license by the Board to such club qualifying in all other respects. The club's 420 gross receipts from the sale of nonalcoholic beverages consumed on the premises and food resold to its 421 members and guests and consumed on the premises shall amount to at least 45 percent of its gross receipts 422 from the sale of mixed beverages and food. The food sales made by a restaurant to such a club shall be 423 excluded in any consideration of the qualifications of such restaurant for a license from the Board.

If the restaurant is located on the premises of and operated by a municipal golf course, the Board shall recognize the seasonal nature of the business and waive any applicable monthly food sales requirements for those months when weather conditions may reduce patronage of the golf course, provided that prepared food, including meals, is available to patrons during the same months. The gross receipts

428 from the sale of food cooked, or prepared, and consumed on the premises and nonalcoholic beverages
429 served on the premises, after the issuance of such license, shall amount to at least 45 percent of the gross
430 receipts from the sale of mixed beverages and food on an annualized basis.

431 If the restaurant is located on the premises of and operated by a culinary lodging resort, such license 432 shall authorize the licensee to (A) sell alcoholic beverages, without regard to the amount of gross receipts 433 from the sale of food prepared and consumed on the premises, for off-premises consumption or for on-434 premises consumption in areas upon the licensed premises approved by the Board and other designated 435 areas of the resort, including outdoor areas under the control of the licensee, and (B) permit the possession 436 and consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is being 437 provided in bedrooms and private guest rooms.

438 If the restaurant is located on the premises of a mixed beverage casino licensee owned by an 439 operator licensed under Article 3 (§ 58.1-4108 et seq.) of Chapter 41 of Title 58.1, such mixed beverage 440 restaurant license shall authorize the licensee to sell alcoholic beverages for on-premises consumption on 441 the licensed premises of the restaurant during all hours of operation of the mixed beverage casino licensee. 442 Any alcoholic beverages purchased from such restaurant may be (I) taken onto the premises of the mixed 443 beverage casino licensee and (II) possessed or consumed in areas designated by the Board, after 444 consultation with the mixed beverage casino licensee. Designated areas may include any areas on the 445 premises of the mixed beverage casino licensee, including entertainment venues, conference rooms, 446 private rooms, hotels, pools, marinas, or green spaces. Alcoholic beverages purchased from a restaurant 447 pursuant to this subdivision shall be contained in glassware or a paper, plastic, or similar disposable 448 container that clearly displays the name or logo of the restaurant from which the alcoholic beverage was 449 purchased.

The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

2/16/2024 10:21 AM

454 2. Mixed beverage caterer's licenses, which may be granted only to a person regularly engaged in 455 the business of providing food and beverages to others for service at private gatherings or at special events, 456 which shall authorize the licensee to sell and serve alcoholic beverages for on-premises consumption. The 457 annual gross receipts from the sale of food cooked and prepared for service and nonalcoholic beverages 458 served at gatherings and events referred to in this subdivision shall amount to at least 45 percent of the 459 gross receipts from the sale of mixed beverages and food.

460 3. Mixed beverage limited caterer's licenses, which may be granted only to a person regularly 461 engaged in the business of providing food and beverages to others for service at private gatherings or at 462 special events, not to exceed 12 gatherings or events per year, which shall authorize the licensee to sell 463 and serve alcoholic beverages for on-premises consumption. The annual gross receipts from the sale of 464 food cooked and prepared for service and nonalcoholic beverages served at gatherings and events referred 465 to in this subdivision shall amount to at least 45 percent of the gross receipts from the sale of mixed 466 beverages and food.

467 4. Mixed beverage carrier licenses to (i) persons operating a common carrier of passengers by 468 train, boat, bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere 469 in the Commonwealth to passengers while in transit aboard any such common carrier, and in designated 470 rooms of establishments of air carriers at airports in the Commonwealth and (ii) financial institutions, 471 subsidiaries of a financial institution, or persons approved by the applicable airport authority that have 472 entered into a contract with a financial institution or subsidiary of a financial institution to operate a 473 passenger lounge, which shall authorize the licensee to sell and serve mixed beverages in designated areas 474 of a passenger lounge for ticketed air carrier passengers that is located within an airport in the 475 Commonwealth. For purposes of supplying its airplanes, as well as any airplanes of a licensed express 476 carrier flying under the same brand, an air carrier licensee may appoint an authorized representative to 477 load alcoholic beverages onto the same airplanes and to transport and store alcoholic beverages at or in 478 close proximity to the airport where the alcoholic beverages will be delivered onto airplanes of the air 479 carrier and any such licensed express carrier. The air carrier licensee shall (a) designate for purposes of 480 its license all locations where the inventory of alcoholic beverages may be stored and from which the

481 alcoholic beverages will be delivered onto airplanes of the air carrier and any such licensed express carrier 482 and (b) maintain records of all alcoholic beverages to be transported, stored, and delivered by its 483 authorized representative. The granting of a license pursuant to this subdivision shall automatically 484 authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or 485 in closed containers for off-premises consumption; however, the licensee shall be required to pay the local 486 fee required for such additional license pursuant to § 4.1-233.1.

**487** For the purposes of this subdivision:

488 "Financial institution" means any bank, trust company, savings institution, industrial loan489 association, consumer finance company, or credit union.

490 "Passenger lounge" means any restricted-access passenger waiting room or lounge leased to
491 persons by the applicable airport authority in which food and beverage services are provided to ticketed
492 passengers.

493 5. Annual mixed beverage motor sports facility licenses to persons operating a sports facility or 494 food concessions at a sports facility, which shall authorize the licensee to sell mixed beverages, in paper, 495 plastic, or similar disposable containers or in single original metal cans, during scheduled events, as well 496 as events or performances immediately subsequent thereto, to patrons in all dining facilities, seating areas, 497 viewing areas, walkways, concession areas, or similar facilities, for on-premises consumption. Such 498 license may be granted to persons operating food concessions at an outdoor motor sports facility that (i) 499 is located on 1,200 acres of rural property bordering the Dan River and has a track surface of 3.27 miles 500 in length or (ii) hosts a NASCAR national touring race during any event and immediately subsequent 501 thereto to patrons within all seating areas, concourses, walkways, concession areas, and additional 502 locations designated by the Board (i) in closed containers for off-premises consumption or (ii) in paper, 503 plastic, or similar disposable containers or in single original metal cans for on-premises consumption. 504 Upon authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic 505 beverages on the premises in all areas and locations covered by the license. The granting of a license 506 pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve 507 wine and beer for on-premises consumption or in closed containers for off-premises consumption;

508 however, the licensee shall be required to pay the local fee required for such additional license pursuant509 to § 4.1-233.1.

510 6. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve 511 dessert wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs 512 shall be combined with coffee or other nonalcoholic beverages, for on-premises consumption in dining 513 areas of the restaurant or off-premises consumption. Such license may be granted only to persons who 514 operate a restaurant and in no event shall the sale of such wine or liqueur-based drinks, together with the 515 sale of any other alcoholic beverages, exceed 10 percent of the total annual gross sales of all food and 516 alcoholic beverages. The granting of a license pursuant to this subdivision shall automatically authorize 517 the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed 518 containers for off-premises consumption; however, the licensee shall be required to pay the local fee 519 required for such additional license pursuant to § 4.1-233.1.

520 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee 521 to sell, on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable 522 containers or in single original metal cans for on-premises consumption in all seating areas, concourses, 523 walkways, concession areas, similar facilities, and other areas upon the licensed premises approved by the 524 Board and (ii) automatically authorize the licensee to obtain a license to sell and serve wine and beer for 525 on-premises consumption or in closed containers for off-premises consumption; however, the licensee 526 shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1. Such 527 licenses may be granted to the following:

a. Corporations or associations persons operating a performing arts facility, provided the or food
 concessions at a performing arts facility (i) is owned by a governmental entity; (ii) is occupied by a for profit entity under a bona fide lease, the original term of which was for more than one year's duration; and
 (iii) has been rehabilitated in accordance with historic preservation standards;

b. Persons operating food concessions at any performing arts facility located in the City of Norfolk
or the City of Richmond, provided that the performing arts facility (i) is occupied under a bona fide longterm lease or concession agreement, the original term of which was more than five years; (ii) has a capacity

535 in excess of 1,400 patrons; (iii) has been rehabilitated in accordance with historic preservation standards;
536 and (iv) has monthly gross receipts from the sale of food cooked, or prepared, and consumed on the
537 premises and nonalcoholic beverages served on the premises that meet or exceed the monthly minimum
538 established by Board regulations for mixed beverage restaurants;

539 c. Persons operating food concessions at any performing arts facility located in the City of 540 Waynesboro, provided that the performing arts facility (i) is occupied under a bona fide long-term lease 541 or concession agreement, the original term of which was more than five years; (ii) has a total capacity in 542 excess of 550 patrons; and (iii) has been rehabilitated in accordance with historic preservation standards; 543 d. Persons operating food concessions at any performing arts facility located in the arts and cultural 544 district of the City of Harrisonburg, provided that the performing arts facility (i) is occupied under a bona fide long-term lease or concession agreement, the original term of which was more than five years; (ii) 545 546 has been rehabilitated in accordance with historic preservation standards; (iii) has monthly gross receipts 547 from the sale of food cooked, or prepared, and consumed on the premises and nonalcoholic beverages 548 served on the premises that meet or exceed the monthly minimum established by Board regulations for 549 mixed beverage restaurants; and (iv) has a total capacity in excess of 900 patrons;

e. Persons operating food concessions at any multipurpose theater located in the historical district
of the Town of Bridgewater, provided that the theater (i) is owned and operated by a governmental entity
and (ii) has a total capacity in excess of 100 patrons;

553 f. Persons operating food concessions at any outdoor performing arts amphitheater, arena, or
554 similar facility that has seating for more than 20,000 persons and is located in Prince William County or
555 the City of Virginia Beach;

556 g. Persons operating food concessions at any outdoor performing arts amphitheater, arena, or
557 similar facility that has seating for more than 5,000 persons and is located in the City of Alexandria or the
558 City of Portsmouth; or

h. Persons operating food concessions at any corporate and performing arts facility located in
 Fairfax County, provided that the corporate and performing arts facility (i) is occupied under a bona fide
 long-term lease, management, or concession agreement, the original term of which was more than one

562 year and (ii) has a total capacity in excess of 1,400 patrons. Such license shall authorize the sale, on the
 563 dates of performances or events, of alcoholic beverages for on premises consumption in areas upon the
 564 licensed premises approved by the Board.

565 8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any 566 restaurant or hotel that meets the qualifications for both a mixed beverage restaurant pursuant to 567 subdivision 1 and mixed beverage caterer pursuant to subdivision 2 for the same business location, and 568 which license shall authorize the licensee to operate as both a mixed beverage restaurant and mixed 569 beverage caterer at the same business premises designated in the license, with a common alcoholic 570 beverage inventory for purposes of the restaurant and catering operations. Such licensee shall meet the 571 separate food qualifications established for the mixed beverage restaurant license pursuant to subdivision 572 1 and mixed beverage caterer's license pursuant to subdivision 2. The granting of a license pursuant to this 573 subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer 574 for on-premises consumption or in closed containers for off-premises consumption; however, the licensee 575 shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

576 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages 577 in dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is 578 being provided, with or without meals, for on-premises consumption only in such rooms and areas, and 579 without regard to the amount of gross receipts from the sale of food prepared and consumed on the 580 premises and (ii) permit the consumption of lawfully acquired alcoholic beverages by persons to whom 581 overnight lodging is being provided in (a) bedrooms or private guest rooms or (b) other designated areas 582 of the bed and breakfast establishment. For purposes of this subdivision, "other designated areas" includes 583 outdoor dining areas, whether or not contiguous to the licensed premises, which may have more than one 584 means of ingress and egress to an adjacent public thoroughfare, provided that such outdoor dining areas 585 are under the control of the licensee and approved by the Board. Such noncontiguous designated areas 586 shall not be approved for any retail license issued pursuant to subdivision A 5 of § 4.1-201.

587 10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under §
588 501(c)(3) of the Internal Revenue Code, which shall authorize the licensee to (i) permit the consumption

of lawfully acquired alcoholic beverages on the premises of the licensee by any bona fide member and guests thereof and (ii) serve alcoholic beverages on the premises of the licensee to any bona fide member and guests thereof. However, alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of this license shall be limited to the premises of the museum, regularly occupied and utilized as such.

594 11. Motor car sporting event facility licenses, which shall authorize the licensee to permit the 595 consumption of lawfully acquired alcoholic beverages on the premises of the licensee by patrons thereof 596 during such events. However, alcoholic beverages shall not be sold or charged for in any way, directly or 597 indirectly, by the licensee. The privileges of this license shall be limited to those areas of the licensee's 598 premises designated by the Board that are regularly occupied and utilized for motor car sporting events.

599 12. Commercial lifestyle center licenses, which may be issued only to a commercial owners' 600 association governing a commercial lifestyle center, which shall authorize any retail on-premises 601 restaurant licensee that is a tenant of the commercial lifestyle center to sell alcoholic beverages to any 602 bona fide customer to whom alcoholic beverages may be lawfully sold for consumption on that portion of 603 the licensed premises of the commercial lifestyle center designated by the Board, including (i) plazas, 604 seating areas, concourses, walkways, or such other similar areas and (ii) the premises of any tenant 605 location of the commercial lifestyle center that is not a retail licensee of the Board, upon approval of such 606 tenant, but excluding any parking areas. Only alcoholic beverages purchased from such retail on-premises **607** restaurant licensees may be consumed on the licensed premises of the commercial lifestyle center, and 608 such alcoholic beverages shall be contained in paper, plastic, or similar disposable containers with the 609 name or logo of the restaurant licensee that sold the alcoholic beverage clearly displayed. Alcoholic 610 beverages shall not be sold or charged for in any way by the commercial lifestyle center licensee. The 611 licensee shall post appropriate signage clearly demarcating for the public the boundaries of the licensed 612 premises; however, no physical barriers shall be required for this purpose. The licensee shall provide 613 adequate security for the licensed premises to ensure compliance with the applicable provisions of this 614 subtitle and Board regulations.

615 13.12. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve 616 mixed beverages for consumption in dining areas and other designated areas of such restaurant. Such 617 license may be granted only to persons operating a business (i) that is primarily engaged in the sale of 618 meals; (ii) that is located on property owned by the United States government or an agency thereof and 619 used as a port of entry to or egress from the United States; and (iii) whose gross receipts from the sale of 620 food cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the 621 premises, after issuance of such license, amount to at least 45 percent of the gross receipts from the sale 622 of mixed beverages and food. For the purposes of this subdivision, other designated areas shall include 623 outdoor dining areas, whether or not contiguous to the licensed premises, which outdoor dining areas may 624 have more than one means of ingress and egress to an adjacent public thoroughfare, provided such areas 625 are under the control of the licensee and approved by the Board. Such noncontiguous designated areas 626 shall not be approved for any retail license issued pursuant to subdivision A 5 of § 4.1-201. The granting 627 of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to 628 sell and serve wine and beer for on-premises consumption or in closed containers for off-premises 629 consumption; however, the licensee shall be required to pay the local fee required for such additional 630 license pursuant to § 4.1-233.1.

631 14.13. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation 632 or association operating either a performing arts facility or an art education and exhibition facility; (ii) a 633 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and 634 objects significant in American history and culture; (iii) persons operating an agricultural event and 635 entertainment park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space 636 and equine and other livestock show areas, which includes barns, pavilions, or other structures equipped 637 with roofs, exterior walls, and open-door or closed-door access; or (iv) a locality for special events 638 conducted on the premises of a museum for historic interpretation that is owned and operated by the 639 locality. The operation in all cases shall be upon premises owned by such licensee or occupied under a 640 bona fide lease, the original term of which was for more than one year's duration. Such license shall

641 642

authorize the licensee to sell alcoholic beverages during scheduled events and performances for onpremises consumption in areas upon the licensed premises approved by the Board.

643 15.14. Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve 644 mixed beverages for on-premises consumption in areas designated by the Board, after consultation with 645 the mixed beverage casino licensee, without regard to the amount of gross receipts from the sale of food 646 prepared and consumed on the premises and (ii) provide complimentary mixed beverages to patrons for 647 on-premises consumption in private areas or restricted access areas designated by the Board, after 648 consultation with the mixed beverage casino licensee. Designated areas may include any areas on the 649 premises of the mixed beverage casino licensee, including entertainment venues, private rooms, 650 conference rooms, hotels, pools, marinas, or green spaces. The granting of a license pursuant to this 651 subdivision shall authorize the licensee to obtain a license to sell and serve wine and beer for on-premises 652 consumption and in closed containers for off-premises consumption in accordance with the provisions of 653 this subdivision governing mixed beverages; however, the licensee shall be required to pay the local fee 654 required for such additional license pursuant to § 4.1-233.1. Notwithstanding any law or regulation to the 655 contrary, a mixed beverage casino licensee may exercise the privileges of its license as set forth in this 656 subdivision during all hours of operation of the casino gaming establishment; however, such licensee shall 657 not sell wine or beer for off-premises consumption between the hours of 12 a.m. and 6 a.m.

658 A mixed beverage casino licensee may (a) provide patrons gifts of alcoholic beverages in closed 659 containers for personal consumption off the licensed premises or in areas designated by the Board, after 660 consultation with the mixed beverage casino licensee, and (b) enable patrons who participate in a loyalty 661 or reward credit program to redeem credits for the purchase of alcoholic beverages for on-premises 662 consumption. A summary of the operation of such loyalty or reward credit program shall be provided to 663 the Board upon request.

664 A mixed beverage casino license may only be issued to a casino gaming establishment owned by 665 an operator licensed under Article 3 (§ 58.1-4108 et seq.) of Chapter 41 of Title 58.1.

666

B. The Board may grant an on-and-off-premises wine and beer license to the following:

2/16/2024 10:21 AM

Binns, Ashley

667 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in 668 closed containers for off-premises consumption or (ii) for on-premises consumption, either with or without 669 meals, in dining areas and other designated areas of such restaurants, or in dining areas, private guest 670 rooms, and other designated areas of such hotels or clubs, for consumption only in such rooms and areas. 671 However, with regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize 672 the sale and consumption of alcoholic beverages in all areas within the resort complex deemed appropriate 673 by the Board or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic 674 beverages in dining areas, private guest rooms, and other designated areas to persons to whom overnight 675 lodging is being provided, for on-premises consumption in such rooms or areas, and without regard to the 676 amount of gross receipts from the sale of food prepared and consumed on the premises, provided that at 677 least one meal is provided each day by the hotel to such guests. With regard to facilities registered in 678 accordance with Chapter 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are 679 also licensed by the Board under this subdivision, any resident may, upon authorization of the licensee, 680 keep and consume his own lawfully acquired alcoholic beverages on the premises in all areas covered by 681 the license. For purposes of this subdivision, "other designated areas" includes outdoor dining areas, 682 whether or not contiguous to the licensed premises, which may have more than one means of ingress and 683 egress to an adjacent public thoroughfare, provided that such outdoor dining areas are under the control 684 of the licensee and approved by the Board. Such noncontiguous designated areas shall not be approved 685 for any retail license issued pursuant to subdivision A 5 of § 4.1-201.

686 2. Hospitals, which shall authorize the licensee to sell wine and beer (i) in the rooms of patients
687 for their on-premises consumption only in such rooms, provided the consent of the patient's attending
688 physician is first obtained or (ii) in closed containers for off-premises consumption.

689 3. Rural grocery stores, which shall authorize the licensee to sell wine and beer for on-premises 690 consumption or in closed containers for off-premises consumption. No license shall be granted unless (i) 691 the grocery store is located in any town or in a rural area outside the corporate limits of any city or town 692 and (ii) it appears affirmatively that a substantial public demand for such licensed establishment exists 693 and that public convenience and the purposes of this subtitle will be promoted by granting the license.

694 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer 695 during any event and immediately subsequent thereto to patrons within all seating areas, concourses, 696 walkways, concession areas, and additional locations designated by the Board (i) in closed containers for 697 off-premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original 698 metal cans for on-premises consumption. Upon authorization of the licensee, any person may keep and 699 consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations covered 700 by the license. Such licenses may be granted to persons operating food concessions at coliseums, stadiums, 701 racetracks, or similar facilities.

702 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer 703 during the performance of any event to patrons within all seating areas, concourses, walkways, or 704 concession areas, or other areas approved by the Board (i) in closed containers for off-premises 705 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for 706 on-premises consumption. Upon authorization of the licensee, any person may keep and consume his own 707 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. 708 Such licenses may be granted to persons operating food concessions at any-outdoor performing arts 709 amphitheater, arena, or similar facility that (a) has seating for more than 20,000 persons and is located in 710 Prince William County or the City of Virginia Beach; (b) has seating or capacity for more than 3,500 711 persons and is located in the County of Albemarle, Alleghany, Augusta, Nelson, Pittsylvania, or 712 Rockingham or the City of Charlottesville, Danville, or Roanoke; or (c) has capacity for more than 9,500 713 persons and is located in Henrico County.

6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, and such additional locations designated by the Board in such facilities (i) in closed containers for offpremises consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-premises consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such licenses may be granted to persons operating food concessions at exhibition or exposition

halls, convention centers, or similar facilities located in any county operating under the urban county
executive form of government or any city that is completely surrounded by such county. For purposes of
this subdivision, "exhibition or exposition hall" and "convention centers" mean facilities conducting
private or public trade shows or exhibitions in an indoor facility having in excess of 100,000 square feet
of floor space.

726 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during
r27 events to patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession
r28 areas, dining areas, and such additional locations designated by the Board in such facilities, for onr29 premises consumption or in closed containers for off-premises consumption. Persons licensed pursuant to
r30 this subdivision shall serve food, prepared on or off premises, whenever wine or beer is served. Such
r31 licenses may be granted to persons operating concert or dinner-theater venues on property fronting Natural
r32 Bridge School Road in Natural Bridge Station and formerly operated as Natural Bridge High School.

8. Historic cinema houses, which shall authorize the licensee to sell wine and beer, either with or
without meals, during any showing of a motion picture to patrons to whom alcoholic beverages may be
lawfully sold, for on-premises consumption or in closed containers for off-premises consumption. The
privileges of this license shall be limited to the premises of the historic cinema house regularly occupied
and utilized as such.

9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises
consumption or in closed containers for off-premises consumption in areas approved by the Board. Such
licenses may be granted to persons operating a nonprofit museum exempt from taxation under § 501(c)(3)
of the Internal Revenue Code, located in the Town of Front Royal, and dedicated to educating the
consuming public about historic beer products. The privileges of this license shall be limited to the
premises of the museum, regularly occupied and utilized as such.

744

C. The Board may grant the following off-premises wine and beer licenses:

745 1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery
746 store, delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina
747 store as defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine

2/16/2024 10:21 AM

748 and beer in closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-749 308, to give to any person to whom wine or beer may be lawfully sold a sample of wine or beer for on-750 premises consumption; however, no single sample shall exceed four ounces of beer or two ounces of wine 751 and no more than 12 ounces of beer or five ounces of wine shall be served to any person per day. The 752 licensee may also give samples of wine and beer in designated areas at events held by the licensee for the 753 purpose of featuring and educating the consuming public about the alcoholic beverages being tasted. With 754 the consent of the licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or 755 authorized representatives of such licensees may participate in such tastings, including the pouring of 756 samples. The licensee shall comply with any food inventory and sales volume requirements established 757 by Board regulation.

2. Gourmet brewing shop licenses, which shall authorize the licensee to sell to any person to whom
wine or beer may be lawfully sold, ingredients for making wine or brewing beer, including packaging,
and to rent to such persons facilities for manufacturing, fermenting, and bottling such wine or beer, for
off-premises consumption in accordance with subdivision 6 of § 4.1-200.

3. Confectionery licenses, which shall authorize the licensee to prepare and sell on the licensed
premises for off-premises consumption confectionery that contains five percent or less alcohol by volume.
Any alcohol contained in such confectionery shall not be in liquid form at the time such confectionery is
sold.

766

D. The Board may grant the following banquet, special event, and tasting licenses:

**767** 1. Per-day event licenses.

a. Banquet licenses to persons in charge of private banquets, and to duly organized nonprofit corporations or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas. Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be authorized to sell wine, as part of any fundraising activity, in closed containers for offpremises consumption to persons to whom wine may be lawfully sold; (ii) shall be limited to no more than one such fundraiser per year; and (iii) if conducting such fundraiser through an online meeting platform,

2/16/2024 10:21 AM

775 may ship such wine, in accordance with Board regulations, in closed containers to persons located within 776 the Commonwealth. Except as provided in § 4.1-215, a separate license shall be required for each day of 777 each banquet or special event. For the purposes of this subdivision, when the location named in the original 778 application for a license is outdoors, the application may also name an alternative location in the event of 779 inclement weather. However, no such license shall be required of any hotel, restaurant, or club holding a 780 retail wine and beer license.

b. Mixed beverage special events licenses to a duly organized nonprofit corporation or association
in charge of a special event, which shall authorize the licensee to sell and serve mixed beverages for onpremises consumption in areas approved by the Board on the premises of the place designated in the
license. A separate license shall be required for each day of each special event.

c. Mixed beverage club events licenses to a club holding a wine and beer club license, which shall authorize the licensee to sell and serve mixed beverages for on-premises consumption by club members and their guests in areas approved by the Board on the club premises. A separate license shall be required for each day of each club event. No more than 12 such licenses shall be granted to a club in any calendar year. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

d. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic beverages
of the type specified in the license in designated areas at events held by the licensee. A tasting license
shall be issued for the purpose of featuring and educating the consuming public about the alcoholic
beverages being tasted. A separate license shall be required for each day of each tasting event. No tasting
license shall be required for conduct authorized by § 4.1-201.1.

**797** 2. Annual licenses.

a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable
 membership organizations that are exempt from state and federal taxation and in charge of banquets
 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and
 beer in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms

or areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year.
For the purposes of this subdivision, when the location named in the original application for a license is
outdoors, the application may also name an alternative location in the event of inclement weather.
However, no such license shall be required of any hotel, restaurant, or club holding a retail wine and beer
license.

807 b. Banquet facility licenses to volunteer fire departments and volunteer emergency medical 808 services agencies, which shall authorize the licensee to permit the consumption of lawfully acquired 809 alcoholic beverages on the premises of the licensee by any person, and bona fide members and guests 810 thereof, otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall 811 not be purchased or sold by the licensee or sold or charged for in any way by the person permitted to use 812 the premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency 813 station or both, regularly occupied as such and recognized by the governing body of the county, city, or 814 town in which it is located. Under conditions as specified by Board regulation, such premises may be other 815 than a volunteer fire or volunteer emergency medical services agency station, provided such other 816 premises are occupied and under the control of the volunteer fire department or volunteer emergency 817 medical services agency while the privileges of its license are being exercised.

818 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or 819 nonprofit organization, which shall authorize (i) the licensee to permit the consumption of alcoholic 820 beverages within the area designated by the Board for the designated outdoor refreshment area and (ii) 821 any permanent retail on-premises licensee that is located within the area designated by the Board for the 822 designated outdoor refreshment area to sell alcoholic beverages within the permanent retail location for 823 consumption in the area designated for the designated outdoor refreshment area, including sidewalks and 824 the premises of businesses not licensed to sell alcoholic beverages at retail, upon approval of such 825 businesses. In determining the designated area for the designated outdoor refreshment area, the Board 826 shall consult with the locality. Designated outdoor refreshment area licensees shall be limited to 16 events 827 per year, and the duration of any event shall not exceed three consecutive days. However, the Board may 828 increase the frequency and duration of events after adoption of an ordinance by a locality requesting such

829 increase in frequency and duration. Such ordinance shall include the size and scope of the area within 830 which such events will be held, a public safety plan, and any other considerations deemed necessary by 831 the Board. Such limitations on the number of events that may be held shall not apply during the effective 832 dates of any rule, regulation, or order that is issued by the Governor or State Health Commissioner to meet 833 a public health emergency and that effectively reduces allowable restaurant seating capacity; however, 834 designated outdoor refreshment area licensees shall be subject to all other applicable provisions of this 835 subtitle and Board regulations and shall provide notice to the Board regarding the days and times during 836 which the privileges of the license will be exercised. Only alcoholic beverages purchased from permanent 837 retail on-premises licensees located within the designated area may be consumed at the event, and such 838 alcoholic beverages shall be contained in paper, plastic, or similar disposable containers that clearly 839 display the name or logo of the retail on-premises licensee from which the alcoholic beverage was 840 purchased. Alcoholic beverages shall not be sold or charged for in any way by the designated outdoor 841 refreshment area licensee. The designated outdoor refreshment area licensee shall post appropriate signage 842 clearly demarcating for the public the boundaries of the event; however, no physical barriers shall be 843 required for this purpose. The designated outdoor refreshment area licensee shall provide adequate 844 security for the event to ensure compliance with the applicable provisions of this subtitle and Board 845 regulations.

846 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, 847 or charitable membership organizations that are exempt from state and federal taxation and in charge of 848 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve 849 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the 850 place designated in the license. Such license shall authorize the licensee to conduct no more than 12 851 banquets per calendar year. The granting of a license pursuant to this subdivision shall automatically 852 authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption; 853 however, the licensee shall be required to pay the local fee required for such additional license pursuant 854 to § 4.1-233.1.

e. Equine sporting event licenses, which may be issued to organizations holding equestrian, hunt,
and steeplechase events, which shall authorize the licensee to permit the consumption of lawfully acquired
alcoholic beverages on the premises of the licensee by patrons thereof during such event. However,
alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of this
license shall be (i) limited to the premises of the licensee, regularly occupied and utilized for equestrian,
hunt, and steeplechase events, and (ii) exercised on no more than four calendar days per year.

f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the licensee participating in a community art walk that is open to the public to serve lawfully acquired wine or beer on the premises of the licensee to adult patrons thereof during such events. However, alcoholic beverages shall not be sold or charged for in any way, directly or indirectly, by the licensee, and the licensee shall not give more than two five-ounce glasses of wine or two 12-ounce glasses of beer to any one adult patron. The privileges of this license shall be (i) limited to the premises of the arts venue regularly occupied and used as such and (ii) exercised on no more than 12 calendar days per year.

868 E. The Board may grant a marketplace license to persons operating a business enterprise of which 869 the primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve 870 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations 871 imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or 872 two 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such 873 customer for the wine or beer served or consumed. In order to be eligible for and retain a marketplace 874 license, the applicant's business enterprise must (i) provide a single category of goods or services in a 875 manner intended to create a personalized experience for the customer; (ii) employ staff with expertise in 876 such goods or services; (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic 877 beverage control manager on the licensed premises at all times alcohol is served; (v) ensure that all 878 employees satisfy any training requirements imposed by the Board; and (vi) purchase all wine and beer to 879 be served from a licensed wholesaler or the Authority and retain purchase records as prescribed by the 880 Board. In determining whether to grant a marketplace license, the Board shall consider (a) the average 881 amount of time customers spend at the business; (b) the business's hours of operation; (c) the amount of time that the business has been in operation; and (d) any other requirements deemed necessary by theBoard to protect the public health, safety, and welfare.

**884** 

F. The Board may grant the following shipper, bottler, and related licenses:

885 1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in §886 4.1-209.1.

2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside
the Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations,
in closed containers to persons in the Commonwealth to whom wine and beer may be lawfully sold for
off-premises consumption. Such licensee shall not be required to comply with the monthly food sale
requirement established by Board regulations.

892 3. Bottler licenses, which shall authorize the licensee to acquire and receive deliveries and
893 shipments of beer in closed containers and to bottle, sell, and deliver or ship it, in accordance with Board
894 regulations to (i) wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under
895 the laws of the United States sailing for ports of call of a foreign country or another state, and (iii) persons
896 outside the Commonwealth for resale outside the Commonwealth.

4. Fulfillment warehouse licenses, which shall authorize associations as defined in § 13.1-313 with
a place of business located in the Commonwealth to (i) receive deliveries and shipments of wine or beer
owned by holders of wine and beer shipper's licenses; (ii) store such wine or beer on behalf of the owner;
and (iii) pick, pack, and ship such wine or beer as directed by the owner, all in accordance with Board
regulations. No wholesale wine or wholesale beer licensee, whether licensed in the Commonwealth or
not, or any person under common control of such licensee, shall acquire or hold any financial interest,
direct or indirect, in the business for which any fulfillment warehouse license is issued.

5. Marketing portal licenses, which shall authorize agricultural cooperative associations organized
under the provisions of the Agricultural Cooperative Association Act (§ 13.1-312 et seq.), with a place of
business located in the Commonwealth, in accordance with Board regulations, to solicit and receive orders
for wine or beer through the use of the Internet from persons in the Commonwealth to whom wine or beer
may be lawfully sold, on behalf of holders of wine and beer shipper's licenses. Upon receipt of an order

909 for wine or beer, the licensee shall forward it to a holder of a wine and beer shipper's license for fulfillment.910 Marketing portal licensees may also accept payment on behalf of the shipper.

- 911 6. Third-party delivery licenses, which shall carry the privileges and limitations set forth in § 4.1-912 212.2.
- 913

# § 4.1-206.3. (Effective July 1, 2024) Retail licenses.

914 A. The Board may grant the following mixed beverages licenses:

915 1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed 916 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may 917 be granted only to persons (i) who operate a restaurant and (ii) whose gross receipts from the sale of food 918 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, 919 after issuance of such license, amount to at least 45 percent of the gross receipts from the sale of mixed 920 beverages and food. For the purposes of this subdivision, other designated areas shall include outdoor 921 dining areas, whether or not contiguous to the licensed premises, which outdoor dining areas may have 922 more than one means of ingress and egress to an adjacent public thoroughfare, provided such areas are 923 under the control of the licensee and approved by the Board. Such noncontiguous designated areas shall 924 not be approved for any retail license issued pursuant to subdivision A 5 of § 4.1-201.

925 If the restaurant is located on the premises of a hotel or motel with no fewer than four permanent 926 bedrooms where food and beverage service is customarily provided by the restaurant in designated areas, 927 bedrooms, and other private rooms of such hotel or motel, such licensee may (a) sell and serve mixed 928 beverages for consumption in such designated areas, bedrooms, and other private rooms and (b) sell spirits 929 packaged in original closed containers purchased from the Board for on-premises consumption to 930 registered guests and at scheduled functions of such hotel or motel only in such bedrooms or private 931 rooms. However, with regard to a hotel classified as a resort complex, the Board may authorize the sale 932 and on-premises consumption of alcoholic beverages in all areas within the resort complex deemed 933 appropriate by the Board. Nothing herein shall prohibit any person from keeping and consuming his own 934 lawfully acquired spirits in bedrooms or private rooms.

935 If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club 936 exclusively for its members and their guests, or members of another private, nonprofit, or profit club in 937 another city with which it has an agreement for reciprocal dining privileges, such license shall also 938 authorize the licensees to (1) sell and serve mixed beverages for on-premises consumption and (2) sell 939 spirits that are packaged in original closed containers with a maximum capacity of two fluid ounces or 50 940 milliliters and purchased from the Board for on-premises consumption. Where such club prepares no food 941 in its restaurant but purchases its food requirements from a restaurant licensed by the Board and located 942 on another portion of the premises of the same hotel or motel building, this fact shall not prohibit the 943 granting of a license by the Board to such club qualifying in all other respects. The club's gross receipts 944 from the sale of nonalcoholic beverages consumed on the premises and food resold to its members and 945 guests and consumed on the premises shall amount to at least 45 percent of its gross receipts from the sale 946 of mixed beverages and food. The food sales made by a restaurant to such a club shall be excluded in any 947 consideration of the qualifications of such restaurant for a license from the Board.

If the restaurant is located on the premises of and operated by a municipal golf course, the Board shall recognize the seasonal nature of the business and waive any applicable monthly food sales requirements for those months when weather conditions may reduce patronage of the golf course, provided that prepared food, including meals, is available to patrons during the same months. The gross receipts from the sale of food cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after the issuance of such license, shall amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food on an annualized basis.

If the restaurant is located on the premises of and operated by a culinary lodging resort, such license shall authorize the licensee to (A) sell alcoholic beverages for on-premises consumption, without regard to the amount of gross receipts from the sale of food prepared and consumed on the premises, in areas upon the licensed premises approved by the Board and other designated areas of the resort, including outdoor areas under the control of the licensee, and (B) permit the possession and consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is being provided in bedrooms and private guest rooms.

962 If the restaurant is located on the premises of a mixed beverage casino licensee owned by an 963 operator licensed under Article 3 (§ 58.1-4108 et seq.) of Chapter 41 of Title 58.1, such mixed beverage 964 restaurant license shall authorize the licensee to sell alcoholic beverages for on-premises consumption on 965 the licensed premises of the restaurant during all hours of operation of the mixed beverage casino licensee. 966 Any alcoholic beverages purchased from such restaurant may be (I) taken onto the premises of the mixed 967 beverage casino licensee and (II) possessed or consumed in areas designated by the Board, after 968 consultation with the mixed beverage casino licensee. Designated areas may include any areas on the 969 premises of the mixed beverage casino licensee, including entertainment venues, conference rooms, 970 private rooms, hotels, pools, marinas, or green spaces. Alcoholic beverages purchased from a restaurant 971 pursuant to this subdivision shall be contained in glassware or a paper, plastic, or similar disposable 972 container that clearly displays the name or logo of the restaurant from which the alcoholic beverage was 973 purchased.

The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

978 2. Mixed beverage caterer's licenses, which may be granted only to a person regularly engaged in 979 the business of providing food and beverages to others for service at private gatherings or at special events, 980 which shall authorize the licensee to sell and serve alcoholic beverages for on-premises consumption. The 981 annual gross receipts from the sale of food cooked and prepared for service and nonalcoholic beverages 982 served at gatherings and events referred to in this subdivision shall amount to at least 45 percent of the 983 gross receipts from the sale of mixed beverages and food.

984 3. Mixed beverage limited caterer's licenses, which may be granted only to a person regularly 985 engaged in the business of providing food and beverages to others for service at private gatherings or at 986 special events, not to exceed 12 gatherings or events per year, which shall authorize the licensee to sell 987 and serve alcoholic beverages for on-premises consumption. The annual gross receipts from the sale of 988 food cooked and prepared for service and nonalcoholic beverages served at gatherings and events referred

to in this subdivision shall amount to at least 45 percent of the gross receipts from the sale of mixedbeverages and food.

991 4. Mixed beverage carrier licenses to (i) persons operating a common carrier of passengers by 992 train, boat, bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere 993 in the Commonwealth to passengers while in transit aboard any such common carrier, and in designated 994 rooms of establishments of air carriers at airports in the Commonwealth and (ii) financial institutions, 995 subsidiaries of a financial institution, or persons approved by the applicable airport authority that have 996 entered into a contract with a financial institution or subsidiary of a financial institution to operate a 997 passenger lounge, which shall authorize the licensee to sell and serve mixed beverages in designated areas 998 of a passenger lounge for ticketed air carrier passengers that is located within an airport in the 999 Commonwealth. For purposes of supplying its airplanes, as well as any airplanes of a licensed express 1000 carrier flying under the same brand, an air carrier licensee may appoint an authorized representative to 1001 load alcoholic beverages onto the same airplanes and to transport and store alcoholic beverages at or in 1002 close proximity to the airport where the alcoholic beverages will be delivered onto airplanes of the air 1003 carrier and any such licensed express carrier. The air carrier licensee shall (a) designate for purposes of 1004 its license all locations where the inventory of alcoholic beverages may be stored and from which the 1005 alcoholic beverages will be delivered onto airplanes of the air carrier and any such licensed express carrier 1006 and (b) maintain records of all alcoholic beverages to be transported, stored, and delivered by its 1007 authorized representative. The granting of a license pursuant to this subdivision shall automatically 1008 authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or 1009 in closed containers for off-premises consumption; however, the licensee shall be required to pay the local 1010 fee required for such additional license pursuant to § 4.1-233.1.

**1011** For the purposes of this subdivision:

1012 "Financial institution" means any bank, trust company, savings institution, industrial loan1013 association, consumer finance company, or credit union.

1014 "Passenger lounge" means any restricted-access passenger waiting room or lounge leased to
1015 persons by the applicable airport authority in which food and beverage services are provided to ticketed
1016 passengers.

1017 5. Annual mixed beverage-motor sports facility licenses to persons operating a sports facility or 1018 food concessions at a sports facility, which shall authorize the licensee to sell mixed beverages, in paper, 1019 plastic, or similar disposable containers or in single original metal cans, during scheduled events, as well 1020 as events or performances immediately subsequent thereto, to patrons in all dining facilities, seating areas, 1021 viewing areas, walkways, concession areas, or similar facilities, for on-premises consumption. Such 1022 license may be granted to persons operating food concessions at an outdoor motor sports facility that (i) 1023 is located on 1,200 acres of rural property bordering the Dan River and has a track surface of 3.27 miles 1024 in length or (ii) hosts a NASCAR national touring race during any event and immediately subsequent 1025 thereto to patrons within all seating areas, concourses, walkways, concession areas, and additional 1026 locations designated by the Board (i) in closed containers for off-premises consumption or (ii) in paper, 1027 plastic, or similar disposable containers or in single original metal cans for on-premises consumption. 1028 Upon authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic 1029 beverages on the premises in all areas and locations covered by the license. The granting of a license 1030 pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve 1031 wine and beer for on-premises consumption or in closed containers for off-premises consumption; 1032 however, the licensee shall be required to pay the local fee required for such additional license pursuant 1033 to § 4.1-233.1.

6. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve dessert wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs shall be combined with coffee or other nonalcoholic beverages, for consumption in dining areas of the restaurant. Such license may be granted only to persons who operate a restaurant and in no event shall the sale of such wine or liqueur-based drinks, together with the sale of any other alcoholic beverages, exceed 10 percent of the total annual gross sales of all food and alcoholic beverages. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption;
however, the licensee shall be required to pay the local fee required for such additional license pursuant
to § 4.1-233.1.

1044 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee 1045 to sell, on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable 1046 containers or in single original metal cans for on-premises consumption in all seating areas, concourses, 1047 walkways, concession areas, similar facilities, and other areas upon the licensed premises approved by the 1048 Board and (ii) automatically authorize the licensee to obtain a license to sell and serve wine and beer for 1049 on-premises consumption or in closed containers for off-premises consumption; however, the licensee 1050 shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1. Such 1051 licenses may be granted to the following:

1052a. Corporations or associations personsoperating a performing arts facility, provided the or food1053concessions at a performing arts facility (i) is owned by a governmental entity; (ii) is occupied by a for-1054profit entity under a bona fide lease, the original term of which was for more than one year's duration; and1055(iii) has been rehabilitated in accordance with historic preservation standards;

b. Persons operating food concessions at any performing arts facility located in the City of Norfolk
 or the City of Richmond, provided that the performing arts facility (i) is occupied under a bona fide long term lease or concession agreement, the original term of which was more than five years; (ii) has a capacity
 in excess of 1,400 patrons; (iii) has been rehabilitated in accordance with historic preservation standards;
 and (iv) has monthly gross receipts from the sale of food cooked, or prepared, and consumed on the
 premises and nonalcoholic beverages served on the premises that meet or exceed the monthly minimum
 established by Board regulations for mixed beverage restaurants;

1063 c. Persons operating food concessions at any performing arts facility located in the City of
 1064 Waynesboro, provided that the performing arts facility (i) is occupied under a bona fide long-term lease
 1065 or concession agreement, the original term of which was more than five years; (ii) has a total capacity in
 1066 excess of 550 patrons; and (iii) has been rehabilitated in accordance with historic preservation standards;

1067 d. Persons operating food concessions at any performing arts facility located in the arts and cultural
 1068 district of the City of Harrisonburg, provided that the performing arts facility (i) is occupied under a bona
 1069 fide long term lease or concession agreement, the original term of which was more than five years; (ii)
 1070 has been rehabilitated in accordance with historic preservation standards; (iii) has monthly gross receipts
 1071 from the sale of food cooked, or prepared, and consumed on the premises and nonalcoholic beverages
 1072 served on the premises that meet or exceed the monthly minimum established by Board regulations for
 1073 mixed beverage restaurants; and (iv) has a total capacity in excess of 900 patrons;

1074 e. Persons operating food concessions at any multipurpose theater located in the historical district
 1075 of the Town of Bridgewater, provided that the theater (i) is owned and operated by a governmental entity
 1076 and (ii) has a total capacity in excess of 100 patrons;

1077 f. Persons operating food concessions at any outdoor performing arts amphitheater, arena, or
 1078 similar facility that has seating for more than 20,000 persons and is located in Prince William County or
 1079 the City of Virginia Beach;

1080 g. Persons operating food concessions at any outdoor performing arts amphitheater, arena, or
 1081 similar facility that has seating for more than 5,000 persons and is located in the City of Alexandria or the
 1082 City of Portsmouth; or

h. Persons operating food concessions at any corporate and performing arts facility located in
 Fairfax County, provided that the corporate and performing arts facility (i) is occupied under a bona fide
 long-term lease, management, or concession agreement, the original term of which was more than one
 year and (ii) has a total capacity in excess of 1,400 patrons. Such license shall authorize the sale, on the
 dates of performances or events, of alcoholic beverages for on-premises consumption in areas upon the
 licensed premises approved by the Board.

8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any restaurant or hotel that meets the qualifications for both a mixed beverage restaurant pursuant to subdivision 1 and mixed beverage caterer pursuant to subdivision 2 for the same business location, and which license shall authorize the licensee to operate as both a mixed beverage restaurant and mixed beverage caterer at the same business premises designated in the license, with a common alcoholic

beverage inventory for purposes of the restaurant and catering operations. Such licensee shall meet the separate food qualifications established for the mixed beverage restaurant license pursuant to subdivision 1 and mixed beverage caterer's license pursuant to subdivision 2. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

1100 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages 1101 in dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is 1102 being provided, with or without meals, for on-premises consumption only in such rooms and areas, and 1103 without regard to the amount of gross receipts from the sale of food prepared and consumed on the 1104 premises and (ii) permit the consumption of lawfully acquired alcoholic beverages by persons to whom 1105 overnight lodging is being provided in (a) bedrooms or private guest rooms or (b) other designated areas 1106 of the bed and breakfast establishment. For purposes of this subdivision, "other designated areas" includes 1107 outdoor dining areas, whether or not contiguous to the licensed premises, which may have more than one 1108 means of ingress and egress to an adjacent public thoroughfare, provided that such outdoor dining areas 1109 are under the control of the licensee and approved by the Board. Such noncontiguous designated areas 1110 shall not be approved for any retail license issued pursuant to subdivision A 5 of § 4.1-201.

1111 10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under § 1112 501(c)(3) of the Internal Revenue Code, which shall authorize the licensee to (i) permit the consumption 1113 of lawfully acquired alcoholic beverages on the premises of the licensee by any bona fide member and 1114 guests thereof and (ii) serve alcoholic beverages on the premises of the licensee to any bona fide member 1115 and guests thereof. However, alcoholic beverages shall not be sold or charged for in any way by the 1116 licensee. The privileges of this license shall be limited to the premises of the museum, regularly occupied 1117 and utilized as such.

11. Motor car sporting event facility licenses, which shall authorize the licensee to permit the
 consumption of lawfully acquired alcoholic beverages on the premises of the licensee by patrons thereof
 during such events. However, alcoholic beverages shall not be sold or charged for in any way, directly or

1121

1122

indirectly, by the licensee. The privileges of this license shall be limited to those areas of the licensee's premises designated by the Board that are regularly occupied and utilized for motor car sporting events.

- 12. Commercial lifestyle center licenses, which may be issued only to a commercial owners' 1123 1124 association governing a commercial lifestyle center, which shall authorize any retail on-premises 1125 restaurant licensee that is a tenant of the commercial lifestyle center to sell alcoholic beverages to any 1126 bona fide customer to whom alcoholic beverages may be lawfully sold for consumption on that portion of 1127 the licensed premises of the commercial lifestyle center designated by the Board, including (i) plazas, 1128 seating areas, concourses, walkways, or such other similar areas and (ii) the premises of any tenant 1129 location of the commercial lifestyle center that is not a retail licensee of the Board, upon approval of such 1130 tenant, but excluding any parking areas. Only alcoholic beverages purchased from such retail on-premises 1131 restaurant licensees may be consumed on the licensed premises of the commercial lifestyle center, and 1132 such alcoholic beverages shall be contained in paper, plastic, or similar disposable containers with the 1133 name or logo of the restaurant licensee that sold the alcoholic beverage clearly displayed. Alcoholic 1134 beverages shall not be sold or charged for in any way by the commercial lifestyle center licensee. The 1135 licensee shall post appropriate signage clearly demarcating for the public the boundaries of the licensed 1136 premises; however, no physical barriers shall be required for this purpose. The licensee shall provide 1137 adequate security for the licensed premises to ensure compliance with the applicable provisions of this 1138 subtitle and Board regulations.
- 1139 13.12. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve 1140 mixed beverages for consumption in dining areas and other designated areas of such restaurant. Such 1141 license may be granted only to persons operating a business (i) that is primarily engaged in the sale of 1142 meals; (ii) that is located on property owned by the United States government or an agency thereof and 1143 used as a port of entry to or egress from the United States; and (iii) whose gross receipts from the sale of 1144 food cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the 1145 premises, after issuance of such license, amount to at least 45 percent of the gross receipts from the sale 1146 of mixed beverages and food. For the purposes of this subdivision, other designated areas shall include 1147 outdoor dining areas, whether or not contiguous to the licensed premises, which outdoor dining areas may

have more than one means of ingress and egress to an adjacent public thoroughfare, provided such areas are under the control of the licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A 5 of § 4.1-201. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

1155 14.13. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation 1156 or association operating either a performing arts facility or an art education and exhibition facility; (ii) a 1157 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and 1158 objects significant in American history and culture; (iii) persons operating an agricultural event and 1159 entertainment park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space 1160 and equine and other livestock show areas, which includes barns, pavilions, or other structures equipped 1161 with roofs, exterior walls, and open-door or closed-door access; or (iv) a locality for special events 1162 conducted on the premises of a museum for historic interpretation that is owned and operated by the 1163 locality. The operation in all cases shall be upon premises owned by such licensee or occupied under a 1164 bona fide lease, the original term of which was for more than one year's duration. Such license shall 1165 authorize the licensee to sell alcoholic beverages during scheduled events and performances for on-1166 premises consumption in areas upon the licensed premises approved by the Board.

1167 15.14. Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve 1168 mixed beverages for on-premises consumption in areas designated by the Board, after consultation with 1169 the mixed beverage casino licensee, without regard to the amount of gross receipts from the sale of food 1170 prepared and consumed on the premises and (ii) provide complimentary mixed beverages to patrons for 1171 on-premises consumption in private areas or restricted access areas designated by the Board, after 1172 consultation with the mixed beverage casino licensee. Designated areas may include any areas on the 1173 premises of the mixed beverage casino licensee, including entertainment venues, private rooms, 1174 conference rooms, hotels, pools, marinas, or green spaces. The granting of a license pursuant to this

subdivision shall authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for off-premises consumption in accordance with the provisions of this subdivision governing mixed beverages; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1. Notwithstanding any law or regulation to the contrary, a mixed beverage casino licensee may exercise the privileges of its license as set forth in this subdivision during all hours of operation of the casino gaming establishment; however, such licensee shall not sell wine or beer for off-premises consumption between the hours of 12 a.m. and 6 a.m.

A mixed beverage casino licensee may (a) provide patrons gifts of alcoholic beverages in closed containers for personal consumption off the licensed premises or in areas designated by the Board, after consultation with the mixed beverage casino licensee, and (b) enable patrons who participate in a loyalty or reward credit program to redeem credits for the purchase of alcoholic beverages for on-premises consumption. A summary of the operation of such loyalty or reward credit program shall be provided to the Board upon request.

A mixed beverage casino license may only be issued to a casino gaming establishment owned byan operator licensed under Article 3 (§ 58.1-4108 et seq.) of Chapter 41 of Title 58.1.

1190

B. The Board may grant an on-and-off-premises wine and beer license to the following:

1191 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in 1192 closed containers for off-premises consumption or (ii) for on-premises consumption, either with or without 1193 meals, in dining areas and other designated areas of such restaurants, or in dining areas, private guest 1194 rooms, and other designated areas of such hotels or clubs, for consumption only in such rooms and areas. 1195 However, with regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize 1196 the sale and consumption of alcoholic beverages in all areas within the resort complex deemed appropriate 1197 by the Board or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic 1198 beverages in dining areas, private guest rooms, and other designated areas to persons to whom overnight 1199 lodging is being provided, for on-premises consumption in such rooms or areas, and without regard to the 1200 amount of gross receipts from the sale of food prepared and consumed on the premises, provided that at 1201 least one meal is provided each day by the hotel to such guests. With regard to facilities registered in

1202 accordance with Chapter 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are 1203 also licensed by the Board under this subdivision, any resident may, upon authorization of the licensee, 1204 keep and consume his own lawfully acquired alcoholic beverages on the premises in all areas covered by 1205 the license. For purposes of this subdivision, "other designated areas" includes outdoor dining areas, 1206 whether or not contiguous to the licensed premises, which may have more than one means of ingress and 1207 egress to an adjacent public thoroughfare, provided that such outdoor dining areas are under the control 1208 of the licensee and approved by the Board. Such noncontiguous designated areas shall not be approved 1209 for any retail license issued pursuant to subdivision A 5 of § 4.1-201.

1210 2. Hospitals, which shall authorize the licensee to sell wine and beer (i) in the rooms of patients
1211 for their on-premises consumption only in such rooms, provided the consent of the patient's attending
1212 physician is first obtained or (ii) in closed containers for off-premises consumption.

3. Rural grocery stores, which shall authorize the licensee to sell wine and beer for on-premises
consumption or in closed containers for off-premises consumption. No license shall be granted unless (i)
the grocery store is located in any town or in a rural area outside the corporate limits of any city or town
and (ii) it appears affirmatively that a substantial public demand for such licensed establishment exists
and that public convenience and the purposes of this subtitle will be promoted by granting the license.

1218 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer 1219 during any event and immediately subsequent thereto to patrons within all seating areas, concourses, 1220 walkways, concession areas, and additional locations designated by the Board (i) in closed containers for 1221 off-premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original 1222 metal cans for on-premises consumption. Upon authorization of the licensee, any person may keep and 1223 consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations covered 1224 by the license. Such licenses may be granted to persons operating food concessions at coliseums, stadiums, 1225 racetracks, or similar facilities.

1226 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer
1227 during the performance of any event to patrons within all seating areas, concourses, walkways, or
1228 concession areas, or other areas approved by the Board (i) in closed containers for off-premises

2/16/2024 10:21 AM

1229 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for 1230 on-premises consumption. Upon authorization of the licensee, any person may keep and consume his own 1231 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. 1232 Such licenses may be granted to persons operating food concessions at any-outdoor performing arts 1233 amphitheater, arena, or similar facility that (a) has seating for more than 20,000 persons and is located in 1234 Prince William County or the City of Virginia Beach; (b) has seating or capacity for more than 3,500 1235 persons and is located in the County of Albemarle, Alleghany, Augusta, Nelson, Pittsylvania, or 1236 Rockingham or the City of Charlottesville, Danville, or Roanoke; or (c) has capacity for more than 9,500 1237 persons and is located in Henrico County.

1238 6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to 1239 patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, 1240 and such additional locations designated by the Board in such facilities (i) in closed containers for off-1241 premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal 1242 cans for on-premises consumption. Upon authorization of the licensee, any person may keep and consume 1243 his own lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the 1244 license. Such licenses may be granted to persons operating food concessions at exhibition or exposition 1245 halls, convention centers, or similar facilities located in any county operating under the urban county 1246 executive form of government or any city that is completely surrounded by such county. For purposes of 1247 this subdivision, "exhibition or exposition hall" and "convention centers" mean facilities conducting 1248 private or public trade shows or exhibitions in an indoor facility having in excess of 100,000 square feet 1249 of floor space.

1250 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during 1251 events to patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession 1252 areas, dining areas, and such additional locations designated by the Board in such facilities, for on-1253 premises consumption or in closed containers for off-premises consumption. Persons licensed pursuant to 1254 this subdivision shall serve food, prepared on or off premises, whenever wine or beer is served. Such

2/16/2024 10:21 AM

licenses may be granted to persons operating concert or dinner-theater venues on property fronting NaturalBridge School Road in Natural Bridge Station and formerly operated as Natural Bridge High School.

8. Historic cinema houses, which shall authorize the licensee to sell wine and beer, either with or without meals, during any showing of a motion picture to patrons to whom alcoholic beverages may be lawfully sold, for on-premises consumption or in closed containers for off-premises consumption. The privileges of this license shall be limited to the premises of the historic cinema house regularly occupied and utilized as such.

9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises
consumption or in closed containers for off-premises consumption in areas approved by the Board. Such
licenses may be granted to persons operating a nonprofit museum exempt from taxation under § 501(c)(3)
of the Internal Revenue Code, located in the Town of Front Royal, and dedicated to educating the
consuming public about historic beer products. The privileges of this license shall be limited to the
premises of the museum, regularly occupied and utilized as such.

1268 C. The Board may grant the following off-premises wine and beer licenses:

1269 1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery 1270 store, delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina 1271 store as defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine 1272 and beer in closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-1273 308, to give to any person to whom wine or beer may be lawfully sold a sample of wine or beer for on-1274 premises consumption; however, no single sample shall exceed four ounces of beer or two ounces of wine 1275 and no more than 12 ounces of beer or five ounces of wine shall be served to any person per day. The 1276 licensee may also give samples of wine and beer in designated areas at events held by the licensee for the 1277 purpose of featuring and educating the consuming public about the alcoholic beverages being tasted. With 1278 the consent of the licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or 1279 authorized representatives of such licensees may participate in such tastings, including the pouring of 1280 samples. The licensee shall comply with any food inventory and sales volume requirements established 1281 by Board regulation.

1282 2. Gourmet brewing shop licenses, which shall authorize the licensee to sell to any person to whom
1283 wine or beer may be lawfully sold, ingredients for making wine or brewing beer, including packaging,
1284 and to rent to such persons facilities for manufacturing, fermenting, and bottling such wine or beer, for
1285 off-premises consumption in accordance with subdivision 6 of § 4.1-200.

1286 3. Confectionery licenses, which shall authorize the licensee to prepare and sell on the licensed
1287 premises for off-premises consumption confectionery that contains five percent or less alcohol by volume.
1288 Any alcohol contained in such confectionery shall not be in liquid form at the time such confectionery is
1289 sold.

1290 D. The Board may grant the following banquet, special event, and tasting licenses:

1291 1. Per-day event licenses.

1292 a. Banquet licenses to persons in charge of private banquets, and to duly organized nonprofit 1293 corporations or associations in charge of special events, which shall authorize the licensee to sell or give 1294 wine and beer in rooms or areas approved by the Board for the occasion for on-premises consumption in 1295 such rooms or areas. Licensees who are nonprofit corporations or associations conducting fundraisers (i) 1296 shall also be authorized to sell wine, as part of any fundraising activity, in closed containers for off-1297 premises consumption to persons to whom wine may be lawfully sold; (ii) shall be limited to no more than 1298 one such fundraiser per year; and (iii) if conducting such fundraiser through an online meeting platform, 1299 may ship such wine, in accordance with Board regulations, in closed containers to persons located within 1300 the Commonwealth. Except as provided in § 4.1-215, a separate license shall be required for each day of 1301 each banquet or special event. For the purposes of this subdivision, when the location named in the original 1302 application for a license is outdoors, the application may also name an alternative location in the event of 1303 inclement weather. However, no such license shall be required of any hotel, restaurant, or club holding a 1304 retail wine and beer license.

b. Mixed beverage special events licenses to a duly organized nonprofit corporation or association
in charge of a special event, which shall authorize the licensee to sell and serve mixed beverages for onpremises consumption in areas approved by the Board on the premises of the place designated in the
license. A separate license shall be required for each day of each special event.

c. Mixed beverage club events licenses to a club holding a wine and beer club license, which shall
authorize the licensee to sell and serve mixed beverages for on-premises consumption by club members
and their guests in areas approved by the Board on the club premises. A separate license shall be required
for each day of each club event. No more than 12 such licenses shall be granted to a club in any calendar
year. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to
obtain a license to sell and serve wine and beer for on-premises consumption; however, the licensee shall
be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

d. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic beverages
of the type specified in the license in designated areas at events held by the licensee. A tasting license
shall be issued for the purpose of featuring and educating the consuming public about the alcoholic
beverages being tasted. A separate license shall be required for each day of each tasting event. No tasting
license shall be required for conduct authorized by § 4.1-201.1.

**1321** 2. Annual licenses.

1322 a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable 1323 membership organizations that are exempt from state and federal taxation and in charge of banquets 1324 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and 1325 beer in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms 1326 or areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. 1327 For the purposes of this subdivision, when the location named in the original application for a license is 1328 outdoors, the application may also name an alternative location in the event of inclement weather. 1329 However, no such license shall be required of any hotel, restaurant, or club holding a retail wine and beer 1330 license.

b. Banquet facility licenses to volunteer fire departments and volunteer emergency medical
services agencies, which shall authorize the licensee to permit the consumption of lawfully acquired
alcoholic beverages on the premises of the licensee by any person, and bona fide members and guests
thereof, otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall
not be purchased or sold by the licensee or sold or charged for in any way by the person permitted to use

the premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency station or both, regularly occupied as such and recognized by the governing body of the county, city, or town in which it is located. Under conditions as specified by Board regulation, such premises may be other than a volunteer fire or volunteer emergency medical services agency station, provided such other premises are occupied and under the control of the volunteer fire department or volunteer emergency medical services agency while the privileges of its license are being exercised.

1342 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or 1343 nonprofit organization, which shall authorize (i) the licensee to permit the consumption of alcoholic 1344 beverages within the area designated by the Board for the designated outdoor refreshment area and (ii) 1345 any permanent retail on-premises licensee that is located within the area designated by the Board for the 1346 designated outdoor refreshment area to sell alcoholic beverages within the permanent retail location for 1347 consumption in the area designated for the designated outdoor refreshment area, including sidewalks and 1348 the premises of businesses not licensed to sell alcoholic beverages at retail, upon approval of such 1349 businesses. In determining the designated area for the designated outdoor refreshment area, the Board 1350 shall consult with the locality. Designated outdoor refreshment area licensees shall be limited to 16 events 1351 per year, and the duration of any event shall not exceed three consecutive days. However, the Board may 1352 increase the frequency and duration of events after adoption of an ordinance by a locality requesting such 1353 increase in frequency and duration. Such ordinance shall include the size and scope of the area within 1354 which such events will be held, a public safety plan, and any other considerations deemed necessary by 1355 the Board. Such limitations on the number of events that may be held shall not apply during the effective 1356 dates of any rule, regulation, or order that is issued by the Governor or State Health Commissioner to meet 1357 a public health emergency and that effectively reduces allowable restaurant seating capacity; however, 1358 designated outdoor refreshment area licensees shall be subject to all other applicable provisions of this 1359 subtitle and Board regulations and shall provide notice to the Board regarding the days and times during 1360 which the privileges of the license will be exercised. Only alcoholic beverages purchased from permanent 1361 retail on-premises licensees located within the designated area may be consumed at the event, and such 1362 alcoholic beverages shall be contained in paper, plastic, or similar disposable containers that clearly

display the name or logo of the retail on-premises licensee from which the alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged for in any way by the designated outdoor refreshment area licensee. The designated outdoor refreshment area licensee shall post appropriate signage clearly demarcating for the public the boundaries of the event; however, no physical barriers shall be required for this purpose. The designated outdoor refreshment area licensee shall provide adequate security for the event to ensure compliance with the applicable provisions of this subtitle and Board regulations.

1370 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, 1371 or charitable membership organizations that are exempt from state and federal taxation and in charge of 1372 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve 1373 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the 1374 place designated in the license. Such license shall authorize the licensee to conduct no more than 12 1375 banquets per calendar year. The granting of a license pursuant to this subdivision shall automatically 1376 authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption; 1377 however, the licensee shall be required to pay the local fee required for such additional license pursuant 1378 to § 4.1-233.1.

e. Equine sporting event licenses, which may be issued to organizations holding equestrian, hunt,
and steeplechase events, which shall authorize the licensee to permit the consumption of lawfully acquired
alcoholic beverages on the premises of the licensee by patrons thereof during such event. However,
alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of this
license shall be (i) limited to the premises of the licensee, regularly occupied and utilized for equestrian,
hunt, and steeplechase events, and (ii) exercised on no more than four calendar days per year.

f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the licensee participating in a community art walk that is open to the public to serve lawfully acquired wine or beer on the premises of the licensee to adult patrons thereof during such events. However, alcoholic beverages shall not be sold or charged for in any way, directly or indirectly, by the licensee, and the licensee shall not give more than two five-ounce glasses of wine or two 12-ounce glasses of beer to any

2/16/2024 10:21 AM

1390 one adult patron. The privileges of this license shall be (i) limited to the premises of the arts venue1391 regularly occupied and used as such and (ii) exercised on no more than 12 calendar days per year.

- 1392 E. The Board may grant a marketplace license to persons operating a business enterprise of which 1393 the primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve 1394 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations 1395 imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or 1396 two 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such 1397 customer for the wine or beer served or consumed. In order to be eligible for and retain a marketplace 1398 license, the applicant's business enterprise must (i) provide a single category of goods or services in a 1399 manner intended to create a personalized experience for the customer; (ii) employ staff with expertise in 1400 such goods or services; (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic 1401 beverage control manager on the licensed premises at all times alcohol is served; (v) ensure that all 1402 employees satisfy any training requirements imposed by the Board; and (vi) purchase all wine and beer to 1403 be served from a licensed wholesaler or the Authority and retain purchase records as prescribed by the 1404 Board. In determining whether to grant a marketplace license, the Board shall consider (a) the average 1405 amount of time customers spend at the business; (b) the business's hours of operation; (c) the amount of 1406 time that the business has been in operation; and (d) any other requirements deemed necessary by the 1407 Board to protect the public health, safety, and welfare.
- 1408

F. The Board may grant the following shipper, bottler, and related licenses:

1409 1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in §1410 4.1-209.1.

1411 2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside
1412 the Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations,
1413 in closed containers to persons in the Commonwealth to whom wine and beer may be lawfully sold for
1414 off-premises consumption. Such licensee shall not be required to comply with the monthly food sale
1415 requirement established by Board regulations.

3. Bottler licenses, which shall authorize the licensee to acquire and receive deliveries and
shipments of beer in closed containers and to bottle, sell, and deliver or ship it, in accordance with Board
regulations to (i) wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under
the laws of the United States sailing for ports of call of a foreign country or another state, and (iii) persons
outside the Commonwealth for resale outside the Commonwealth.

4. Fulfillment warehouse licenses, which shall authorize associations as defined in § 13.1-313 with
a place of business located in the Commonwealth to (i) receive deliveries and shipments of wine or beer
owned by holders of wine and beer shipper's licenses; (ii) store such wine or beer on behalf of the owner;
and (iii) pick, pack, and ship such wine or beer as directed by the owner, all in accordance with Board
regulations. No wholesale wine or wholesale beer licensee, whether licensed in the Commonwealth or
not, or any person under common control of such licensee, shall acquire or hold any financial interest,
direct or indirect, in the business for which any fulfillment warehouse license is issued.

1428 5. Marketing portal licenses, which shall authorize agricultural cooperative associations organized
1429 under the provisions of the Agricultural Cooperative Association Act (§ 13.1-312 et seq.), with a place of
1430 business located in the Commonwealth, in accordance with Board regulations, to solicit and receive orders
1431 for wine or beer through the use of the Internet from persons in the Commonwealth to whom wine or beer
1432 may be lawfully sold, on behalf of holders of wine and beer shipper's licenses. Upon receipt of an order
1433 for wine or beer, the licensee shall forward it to a holder of a wine and beer shipper's license for fulfillment.
1434 Marketing portal licensees may also accept payment on behalf of the shipper.

1435 6. Third-party delivery licenses, which shall carry the privileges and limitations set forth in § 4.1-1436 212.2.

1437

# § 4.1-209. Wine and beer license privileges; advertising; displays; tastings.

A. Notwithstanding any provision of law to the contrary, persons granted a wine and beer license pursuant to § 4.1-206.3 may display within their licensed premises point-of-sale advertising materials that incorporate the use of any professional athlete or athletic team, provided that such advertising materials (i) otherwise comply with the applicable regulations of the federal Bureau of Alcohol, Tobacco and Firearms and (ii) do not depict any athlete consuming or about to consume alcohol prior to or while

engaged in an athletic activity, do not depict an athlete consuming alcohol while the athlete is operating
or about to operate a motor vehicle or other machinery, and do not imply that the alcoholic beverage so
advertised enhances athletic prowess.

1446 B. Persons granted a license to sell wine and beer for off-premises consumption that display such 1447 wine and beer outside a clearly discernible location reserved for alcoholic beverages shall (i) not place 1448 wine or beer in an area immediately adjacent to nonalcoholic beverages containing the same or similar 1449 brand name, logo, or packaging as an alcoholic beverage and (ii) equip any such display with signage that 1450 indicates the product is an alcoholic beverage, is clearly visible to consumers, and is of sufficient size to 1451 notify the consumer that the product contains alcohol. Nothing in this subsection shall prohibit the 1452 placement of nonalcoholic wine or beer in or near a display of alcoholic beverages that contain the same 1453 or similar brand name, logo, or packaging as the nonalcoholic wine or beer.

C. Persons granted retail on-and-off-premises wine and beer licenses pursuant to the following
 provisions may conduct wine or beer tastings sponsored by the licensee for its customers for on-premises
 consumption:

**1457** 1. Subdivision A 1, 4, 5, 6, 7, 8, or <del>14</del><u>13</u> of § 4.1-206.3;

**1458** 2. Subdivision B 1, 2, 4, 5, 6, 7, or 8 of § 4.1-206.3;

**1459** 3. Subdivision C 1 or 2 of § 4.1-206.3;

**1460** 4. Subdivision D 1 a, b, or d or 2 a of § 4.1-206.3; or

**1461** 5. Subdivision F 4 or 5 of § 4.1-206.3.

Such licensees may sell or give samples of wine and beer in designated areas at events held by the licensee for the purpose of featuring and educating the consuming public about the alcoholic beverages being tasted. Additionally, with the consent of the licensee, farm wineries, wineries, and breweries may participate in tastings held by licensees authorized to conduct tastings, including the pouring of samples to any person to whom alcoholic beverages may be lawfully sold. No single sample shall exceed four ounces of beer or two ounces of wine, and no more than 12 ounces of beer or five ounces of wine shall be given or sold to any person per day.

1469 § 4.1-231.1. (Effective until July 1, 2024) Fees on state licenses.

	1470	A. (Contingent expiration date) The annual fees on state licenses shall be as follows:
	1471	1. Manufacturer licenses. For each:
	1472	a. Distiller's license and limited distiller's license, if not more than 5,000 gallons of alcohol or
-	1473	spirits, or both, manufactured during the year in which the license is granted, \$490; if more than 5,000
	1474	gallons but not more than 36,000 gallons manufactured during such year, \$2,725; and if more than 36,000
	1475	gallons manufactured during such year, \$4,060;
	1476	b. Brewery license and limited brewery license, if not more than 500 barrels of beer manufactured
	1477	during the year in which the license is granted, \$380; if not more than 10,000 barrels of beer manufactured
	1478	during the year in which the license is granted, \$2,350; and if more than 10,000 barrels manufactured
	1479	during such year, \$4,690;
	1480	c. Winery license, if not more than 5,000 gallons of wine manufactured during the year in which
	1481	the license is granted, \$215, and if more than 5,000 gallons manufactured during such year, \$4,210;
	1482	d. Farm winery license, \$275 for any Class I or Class II license, \$500 for any Class III license, and
	1483	\$4,000 for any Class IV license;
	1484	e. Wine importer's license, \$460; and
	1485	f. Beer importer's license, \$460.
	1486	2. Wholesale licenses. For each:
	1487	a. (1) Wholesale beer license, \$1,005 for any wholesaler who sells 300,000 cases of beer a year or

1488 less, \$1,545 for any wholesaler who sells more than 300,000 but not more than 600,000 cases of beer a1489 year, and \$2,010 for any wholesaler who sells more than 600,000 cases of beer a year; and

(2) Wholesale beer license applicable to two or more premises, the annual state license tax shall
be the amount set forth in subdivision a (1), multiplied by the number of separate locations covered by the
license;

b. (1) Wholesale wine license, \$240 for any wholesaler who sells 30,000 gallons of wine or less
per year, \$1,200 for any wholesaler who sells more than 30,000 gallons per year but not more than 150,000
gallons of wine per year, \$1,845 for any wholesaler who sells more than 150,000 but not more than

1496	300,000 gallons of wine per year, and \$2,400 for any wholesaler who sells more than 300,000 gallons of
1497	wine per year; and
1498	(2) Wholesale wine license, including that granted pursuant to subdivision 3 of § 4.1-206.2,
1499	applicable to two or more premises, the annual state license tax shall be the amount set forth in subdivision
1500	b (1), multiplied by the number of separate locations covered by the license.
1501	3. Retail licenses — mixed beverage. For each:
1502	a. Mixed beverage restaurant license, granted to persons operating restaurants, including
1503	restaurants located on premises of and operated by casinos, hotels or motels, or other persons:
1504	(1) With a seating capacity at tables for up to 100 persons, \$1,050;
1505	(2) With a seating capacity at tables for more than 100 but not more than 150 persons, \$1,495;
1506	(3) With a seating capacity at tables for more than 150 persons but not more than 500 persons,
1507	\$1,980;
1508	(4) With a seating capacity at tables for more than 500 persons but not more than 1,000 persons,
1509	\$2,500; and
1510	(5) With a seating capacity at tables for more than 1,000 persons, \$3,100;
1511	b. Mixed beverage restaurant license for restaurants located on the premises of and operated by
1512	private, nonprofit clubs:
1513	(1) With an average yearly membership of not more than 200 resident members, \$1,250;
1514	(2) With an average yearly membership of more than 200 but not more than 500 resident members,
1515	\$2,440; and
1516	(3) With an average yearly membership of more than 500 resident members, \$3,410;
1517	c. Mixed beverage casino license, \$3,100 plus an additional \$5 for each gaming station located on
1518	the premises of the casino gaming establishment. For the purposes of this subdivision, "gaming station"
1519	means each slot machine and each casino gaming table that is in active use, as determined annually on
1520	December 31;
1521	d. Mixed beverage caterer's license, \$1,990;
1522	e. Mixed beverage limited caterer's license, \$550;

1523	f. Mixed beverage carrier license:
1524	(1) \$520 for each of the average number of dining cars, buffet cars, or club cars operated daily in
1525	the Commonwealth by a common carrier of passengers by train;
1526	(2) \$910 for each common carrier of passengers by boat;
1527	(3) \$520 for each common carrier of passengers by bus; and
1528	(4) \$2,360 for each license granted to a common carrier of passengers by airplane;
1529	g. Annual mixed beverage-motor sports facility license, \$630;
1530	h. Limited mixed beverage restaurant license:
1531	(1) With a seating capacity at tables for up to 100 persons, \$945;
1532	(2) With a seating capacity at tables for more than 100 but not more than 150 persons, \$1,385; and
1533	(3) With a seating capacity at tables for more than 150 persons, \$1,875;
1534	i. Annual mixed beverage performing arts facility license, \$630;
1535	j. Bed and breakfast license, \$100;
1536	k. Museum license, \$260;
1537	1. Motor car sporting event facility license, \$300;
1538	m. Commercial lifestyle center license, \$300;
1539	n. m. Mixed beverage port restaurant license, \$1,050; and
1540	o. n. Annual mixed beverage special events license, \$630.
1541	4. Retail licenses — on-and-off-premises wine and beer. For each on-and-off premises wine and
1542	beer license, \$450.
1543	5. Retail licenses — off-premises wine and beer. For each:
1544	a. Retail off-premises wine and beer license, \$300;
1545	b. Gourmet brewing shop license, \$320; and
1546	c. Confectionery license, \$170.
1547	6. Retail licenses — banquet, special event, and tasting licenses.
1548	a. Per-day event licenses. For each:

1549	(1) Banquet license, \$40 per license granted by the Board, except for banquet licenses granted by
1550	the Board pursuant to subsection A of § 4.1-215, which shall be \$100 per license;
1551	(2) Mixed beverage special events license, \$45 for each day of each event;
1552	(3) Mixed beverage club events license, \$35 for each day of each event; and
1553	(4) Tasting license, \$40.
1554	b. Annual licenses. For each:
1555	(1) Annual banquet license, \$300;
1556	(2) Banquet facility license, \$260;
1557	(3) Designated outdoor refreshment area license, \$300. However, for any designated outdoor
1558	refreshment area license issued pursuant to a local ordinance, the annual fee shall be \$3,000;
1559	(4) Annual mixed beverage banquet license, \$630;
1560	(5) Equine sporting event license, \$300; and
1561	(6) Annual arts venue event license, \$300.
1562	7. Retail licenses — marketplace. For each marketplace license, \$1,000. However, if the license
1563	privileges are exercised during a period of six or less consecutive months and such period is specified
1564	prior to the beginning of the license year, the annual fee shall be \$500.
1565	8. Retail licenses — shipper, bottler, and related licenses. For each:
1566	a. Wine and beer shipper's license, \$230;
1567	b. Internet wine and beer retailer license, \$240;
1568	c. Bottler license, \$1,500;
1569	d. Fulfillment warehouse license, \$210;
1570	e. Marketing portal license, \$285; and
1571	f. Third-party delivery license, \$7,500, unless the licensee provides written certification to the
1572	Board that the licensee has no more than 25 delivery personnel, including employees, agents, and
1573	independent contractors that engage in direct-to-consumer alcoholic beverage delivery, in which case the
1574	license fee shall be \$2,500.

1575

9. Temporary licenses. For each temporary license authorized by  $\S$  4.1-211, one-half of the tax imposed by this section on the license for which the applicant applied.

1577

1576

B. The tax on each license granted or reissued for a period other than 12, 24, or 36 months shall 1578 be equal to one-twelfth of the taxes required by subsection A computed to the nearest cent, multiplied by 1579 the number of months in the license period, and then increased by five percent. Such tax shall not be 1580 refundable, except as provided in § 4.1-232.

1581 C. Nothing in this chapter shall exempt any licensee from any state merchants' license or state 1582 restaurant license or any other state tax. Every licensee, in addition to the taxes imposed by this chapter, 1583 shall be liable to state merchants' license taxation and state restaurant license taxation and other state 1584 taxation the same as if the alcoholic beverages were nonalcoholic. In ascertaining the liability of a beer 1585 wholesaler to merchants' license taxation, however, and in computing the wholesale merchants' license 1586 tax on a beer wholesaler, the first \$163,800 of beer purchases shall be disregarded; and in ascertaining the 1587 liability of a wholesale wine distributor to merchants' license taxation, and in computing the wholesale 1588 merchants' license tax on a wholesale wine distributor, the first \$163,800 of wine purchases shall be 1589 disregarded.

1590 D. In addition to the taxes set forth in this section, a fee of \$5 may be imposed on any license 1591 purchased in person from the Board if such license is available for purchase online.

1592

§ 4.1-231.1. (Effective July 1, 2024) Fees on state licenses.

1593 A. (Contingent expiration date) The annual fees on state licenses shall be as follows:

1594 1. Manufacturer licenses. For each:

1595 a. Distiller's license and limited distiller's license, if not more than 5,000 gallons of alcohol or 1596 spirits, or both, manufactured during the year in which the license is granted, \$490; if more than 5,000 1597 gallons but not more than 36,000 gallons manufactured during such year, \$2,725; and if more than 36,000 1598 gallons manufactured during such year, \$4,060;

1599 b. Brewery license and limited brewery license, if not more than 500 barrels of beer manufactured 1600 during the year in which the license is granted, \$380; if not more than 10,000 barrels of beer manufactured

during the year in which the license is granted, \$2,350; and if more than 10,000 barrels manufacturedduring such year, \$4,690;

1603 c. Winery license, if not more than 5,000 gallons of wine manufactured during the year in which
1604 the license is granted, \$215, and if more than 5,000 gallons manufactured during such year, \$4,210;

d. Farm winery license, \$275 for any Class I or Class II license, \$500 for any Class III license, and
\$4,000 for any Class IV license;

e. Wine importer's license, \$460; and

1608 f. Beer importer's license, \$460.

**1609** 2. Wholesale licenses. For each:

a. (1) Wholesale beer license, \$1,005 for any wholesaler who sells 300,000 cases of beer a year or
less, \$1,545 for any wholesaler who sells more than 300,000 but not more than 600,000 cases of beer a
year, and \$2,010 for any wholesaler who sells more than 600,000 cases of beer a year; and

(2) Wholesale beer license, including a license granted pursuant to subdivision 2 of § 4.1-206.2,
applicable to two or more premises, the annual state license tax shall be the amount set forth in subdivision
a (1), multiplied by the number of separate locations covered by the license;

b. (1) Wholesale wine license, \$240 for any wholesaler who sells 30,000 gallons of wine or less
per year, \$1,200 for any wholesaler who sells more than 30,000 gallons per year but not more than 150,000
gallons of wine per year, \$1,845 for any wholesaler who sells more than 150,000 but not more than
300,000 gallons of wine per year, and \$2,400 for any wholesaler who sells more than 300,000 gallons of
wine per year; and

(2) Wholesale wine license, including a license granted pursuant to subdivision 4 of § 4.1-206.2,
applicable to two or more premises, the annual state license tax shall be the amount set forth in subdivision
b (1), multiplied by the number of separate locations covered by the license.

1624 3. Retail licenses — mixed beverage. For each:

a. Mixed beverage restaurant license, granted to persons operating restaurants, includingrestaurants located on premises of and operated by casinos, hotels or motels, or other persons:

1627 (1) With a seating capacity at tables for up to 100 persons, \$1,050;

1628	(2) With a seating capacity at tables for more than 100 but not more than 150 persons, \$1,495;
1629	(3) With a seating capacity at tables for more than 150 persons but not more than 500 persons,
1630	\$1,980;
1631	(4) With a seating capacity at tables for more than 500 persons but not more than 1,000 persons,
1632	\$2,500; and
1633	(5) With a seating capacity at tables for more than 1,000 persons, \$3,100;
1634	b. Mixed beverage restaurant license for restaurants located on the premises of and operated by
1635	private, nonprofit clubs:
1636	(1) With an average yearly membership of not more than 200 resident members, \$1,250;
1637	(2) With an average yearly membership of more than 200 but not more than 500 resident members,
1638	\$2,440; and
1639	(3) With an average yearly membership of more than 500 resident members, \$3,410;
1640	c. Mixed beverage casino license, \$3,100 plus an additional \$5 for each gaming station located on
1641	the premises of the casino gaming establishment. For the purposes of this subdivision, "gaming station"
1642	means each slot machine and each casino gaming table that is in active use, as determined annually on
1643	December 31;
1644	d. Mixed beverage caterer's license, \$1,990;
1645	e. Mixed beverage limited caterer's license, \$550;
1646	f. Mixed beverage carrier license:
1647	(1) \$520 for each of the average number of dining cars, buffet cars, or club cars operated daily in
1648	the Commonwealth by a common carrier of passengers by train;
1649	(2) \$910 for each common carrier of passengers by boat;
1650	(3) \$520 for each common carrier of passengers by bus; and
1651	(4) \$2,360 for each license granted to a common carrier of passengers by airplane;
1652	g. Annual mixed beverage-motor sports facility license, \$630;
1653	h. Limited mixed beverage restaurant license:
1654	(1) With a seating capacity at tables for up to 100 persons, \$945;

1655	(2) With a seating capacity at tables for more than 100 but not more than 150 persons, \$1,385; and
1656	(3) With a seating capacity at tables for more than 150 persons, \$1,875;
1657	i. Annual mixed beverage performing arts facility license, \$630;
1658	j. Bed and breakfast license, \$100;
1659	k. Museum license, \$260;
1660	1. Motor car sporting event facility license, \$300;
1661	m. Commercial lifestyle center license, \$300;
1662	nm. Mixed beverage port restaurant license, \$1,050; and
1663	<del>o. <u>n.</u> Annual mixed beverage special events license, \$630.</del>
1664	4. Retail licenses — on-and-off-premises wine and beer. For each on-and-off premises wine and
1665	beer license, \$450.
1666	5. Retail licenses — off-premises wine and beer. For each:
1667	a. Retail off-premises wine and beer license, \$300;
1668	b. Gourmet brewing shop license, \$320; and
1669	c. Confectionery license, \$170.
1670	6. Retail licenses — banquet, special event, and tasting licenses.
1671	a. Per-day event licenses. For each:
1672	(1) Banquet license, \$40 per license granted by the Board, except for banquet licenses granted by
1673	the Board pursuant to subsection A of § 4.1-215, which shall be \$100 per license;
1674	(2) Mixed beverage special events license, \$45 for each day of each event;
1675	(3) Mixed beverage club events license, \$35 for each day of each event; and
1676	(4) Tasting license, \$40.
1677	b. Annual licenses. For each:
1678	(1) Annual banquet license, \$300;
1679	(2) Banquet facility license, \$260;
1680	(3) Designated outdoor refreshment area license, \$300. However, for any designated outdoor
1681	refreshment area license issued pursuant to a local ordinance, the annual fee shall be \$3,000;

- **1682** (4) Annual mixed beverage banquet license, \$630;
- **1683** (5) Equine sporting event license, \$300; and
- (6) Annual arts venue event license, \$300.

1685 7. Retail licenses — marketplace. For each marketplace license, \$1,000. However, if the license

1686 privileges are exercised during a period of six or less consecutive months and such period is specified

1687 prior to the beginning of the license year, the annual fee shall be \$500.

- 1688 8. Retail licenses shipper, bottler, and related licenses. For each:
- a. Wine and beer shipper's license, \$230;
- **1690** b. Internet wine and beer retailer license, \$240;
- **1691** c. Bottler license, \$1,500;
- d. Fulfillment warehouse license, \$210;
- e. Marketing portal license, \$285; and

1694 f. Third-party delivery license, \$7,500, unless the licensee provides written certification to the 1695 Board that the licensee has no more than 25 delivery personnel, including employees, agents, and 1696 independent contractors that engage in direct-to-consumer alcoholic beverage delivery, in which case the 1697 license fee shall be \$2,500.

1698 9. Temporary licenses. For each temporary license authorized by § 4.1-211, one-half of the tax1699 imposed by this section on the license for which the applicant applied.

B. The tax on each license granted or reissued for a period other than 12, 24, or 36 months shall
be equal to one-twelfth of the taxes required by subsection A computed to the nearest cent, multiplied by
the number of months in the license period, and then increased by five percent. Such tax shall not be
refundable, except as provided in § 4.1-232.

1704 C. Nothing in this chapter shall exempt any licensee from any state merchants' license or state 1705 restaurant license or any other state tax. Every licensee, in addition to the taxes imposed by this chapter, 1706 shall be liable to state merchants' license taxation and state restaurant license taxation and other state 1707 taxation the same as if the alcoholic beverages were nonalcoholic. In ascertaining the liability of a beer 1708 wholesaler to merchants' license taxation, however, and in computing the wholesale merchants' license

1709 tax on a beer wholesaler, the first \$163,800 of beer purchases shall be disregarded; and in ascertaining the 1710 liability of a wholesale wine distributor to merchants' license taxation, and in computing the wholesale merchants' license tax on a wholesale wine distributor, the first \$163,800 of wine purchases shall be 1711 1712 disregarded. 1713 D. In addition to the taxes set forth in this section, a fee of \$5 may be imposed on any license 1714 purchased in person from the Board if such license is available for purchase online. 1715 § 4.1-233.1. Fees on local licenses. 1716 A. In addition to the state license taxes, the annual local license taxes that may be collected shall 1717 not exceed the following sums: 1718 1. Manufacturer licenses. For each: 1719 a. Distiller's license and limited distiller's license, if more than 5,000 gallons but not more than 1720 36,000 gallons manufactured during such year, \$750; if more than 36,000 gallons manufactured during 1721 such year, \$1,000; and no local license shall be required for any person who manufactures not more than 1722 5,000 gallons of alcohol or spirits, or both, during such license year; 1723 b. Brewery license and limited brewery license, if not more than 500 barrels of beer manufactured 1724 during the year in which the license is granted, \$250, and if more than 500 barrels manufactured during 1725 such year, \$1,000; 1726 c. Winery license, \$50; and

d. Farm winery license, \$50.

**1728** 2. Wholesale licenses. For each:

a. Wholesale beer license, in a city, \$250, and in a county or town, \$75; and

- b. Wholesale wine license, \$50.
- **1731** 3. Retail licenses mixed beverage. For each:

a. Mixed beverage restaurant license, granted to persons operating restaurants, includingrestaurants located on premises of and operated by casinos, hotels or motels, or other persons:

(1) With a seating capacity at tables for up to 100 persons, \$200;

1735 (2) With a seating capacity at tables for more than 100 but not more than 150 persons, \$350;

1736	(3) With a seating capacity at tables for more than 150 persons but not more than 500 persons,
1737	\$500;
1738	(4) With a seating capacity at tables for more than 500 persons but not more than 1,000 persons,
1739	\$650; and
1740	(5) With a seating capacity at tables for more than 1,000 persons, \$800;
1741	b. Mixed beverage restaurant license for restaurants located on the premises of and operated by
1742	private, nonprofit clubs, \$350;
1743	c. Mixed beverage casino license, \$800 plus an additional \$2 for each gaming station located on
1744	the premises of the casino gaming establishment. For the purposes of this subdivision, "gaming station"
1745	means each slot machine and each casino gaming table that is in active use, as determined annually on
1746	December 31;
1747	d. Mixed beverage caterer's license, \$500;
1748	e. Mixed beverage limited caterer's license, \$100;
1749	f. Annual mixed beverage-motor sports facility license, \$300;
1750	g. Limited mixed beverage restaurant license:
1751	(1) With a seating capacity at tables for up to 100 persons, \$100;
1752	(2) With a seating capacity at tables for more than 100 but not more than 150 persons, \$250; or
1753	(3) With a seating capacity at tables for more than 150 persons, \$400;
1754	h. Annual mixed beverage performing arts facility license, \$300;
1755	i. Bed and breakfast license, \$40;
1756	j. Museum license, \$10;
1757	k. Motor car sporting event facility license, \$10;
1758	ICommercial lifestyle center license, \$60; and
1759	m. <u>l.</u> Annual mixed beverage special events license, \$300.
1760	4. Retail licenses — on-and-off-premises wine and beer. For each on-and-off premises wine and
1761	beer license issued to:
18()	

a. Hotels, restaurants, and clubs, in a city, \$150, and in a county or town, \$37.50;

1763	b. Hospitals, \$10;
1764	c. Rural grocery stores, \$37.50; and
1765	d. Historic cinema houses, \$20.
1766	5. Retail licenses — off-premises wine and beer. For each:
1767	a. Retail off-premises wine and beer license, in a city, \$150, and in a county or town, \$37.50;
1768	b. Gourmet brewing shop license, \$150; and
1769	c. Confectionery license, \$20.
1770	6. Retail licenses — banquet, special event, and tasting licenses. For each:
1771	a. Per-day event licenses. For each:
1772	(1) Banquet license, \$5 per license granted by the Board, except for banquet licenses granted by
1773	the Board pursuant to subsection A of § 4.1-215, which shall be \$20 per license;
1774	(2) Mixed beverage special events license, \$10 for each day of each event;
1775	(3) Mixed beverage club events license, \$10 for each day of each event; and
1776	(4) Tasting license, \$10.
1777	b. Annual licenses. For each:
1778	(1) Annual banquet license, \$15;
1779	(2) Designated outdoor refreshment area license, \$60. However, for any designated outdoor
1780	refreshment area license issued pursuant to a local ordinance, the annual tax shall be \$600;
1781	(3) Annual mixed beverage banquet license, \$75;
1782	(4) Equine sporting event license, \$10; and
1783	(5) Annual arts venue event license, \$10.
1784	7. Retail licenses — marketplace. For each marketplace license, \$200. However, if the license
1785	privileges are exercised during a period of six or less consecutive months and such period is specified
1786	prior to the beginning of the license year, the annual tax shall be \$100.
1787	8. Retail licenses — shipper, bottler, and related licenses. For each:
1788	a. Wine and beer shipper's license, \$10; and
1789	b. Bottler license, \$500.

B. Common carriers. No local license tax shall be either charged or collected for the privilege of
selling alcoholic beverages in (i) passenger trains, boats, buses, or airplanes or (ii) rooms designated by
the Board of establishments of air carriers of passengers at airports in the Commonwealth for on-premises
consumption only.

1794 C. Merchants' and restaurants' license taxes. The governing body of each county, city, or town in 1795 the Commonwealth, in imposing local wholesale merchants' license taxes measured by purchases, local 1796 retail merchants' license taxes measured by sales, and local restaurant license taxes measured by sales, 1797 may include alcoholic beverages in the base for measuring such local license taxes the same as if the 1798 alcoholic beverages were nonalcoholic. No local alcoholic beverage license authorized by this chapter 1799 shall exempt any licensee from any local merchants' or local restaurant license tax, but such local 1800 merchants' and local restaurant license taxes may be in addition to the local alcoholic beverage license 1801 taxes authorized by this chapter.

1802 The governing body of any county, city, or town, in adopting an ordinance under this section, shall 1803 provide that in ascertaining the liability of (i) a beer wholesaler to local merchants' license taxation under 1804 the ordinance, and in computing the local wholesale merchants' license tax on such beer wholesaler, 1805 purchases of beer up to a stated amount shall be disregarded, which stated amount shall be the amount of 1806 beer purchases which would be necessary to produce a local wholesale merchants' license tax equal to the 1807 local wholesale beer license tax paid by such wholesaler and (ii) a wholesale wine licensee to local 1808 merchants' license taxation under the ordinance, and in computing the local wholesale merchants' license 1809 tax on such wholesale wine licensee, purchases of wine up to a stated amount shall be disregarded, which 1810 stated amount shall be the amount of wine purchases which would be necessary to produce a local 1811 wholesale merchants' license tax equal to the local wholesale wine licensee license tax paid by such 1812 wholesale wine licensee.

1813 D. Delivery. No county, city, or town shall impose any local alcoholic beverage license tax on any
1814 wholesaler for the privilege of delivering alcoholic beverages in the county, city, or town when such
1815 wholesaler maintains no place of business in such county, city, or town.

1816 E. Application of county tax within town. Any county license tax imposed under this section shall
1817 not apply within the limits of any town located in such county, where such town imposes a town license
1818 tax on the same privilege.

1819

§ 4.1-309. Drinking or possessing alcoholic beverages in or on public school grounds; penalty.

1820 A. No person shall possess or drink any alcoholic beverage in or upon the grounds of any public1821 elementary or secondary school during school hours or school or student activities.

- B. In addition, no person shall drink and no organization shall serve any alcoholic beverage in or
  upon the grounds of any public elementary or secondary school after school hours or school or student
  activities, except for religious congregations using wine for sacramental purposes only.
- 1825 C. Any person convicted of a violation of this section shall be guilty of a Class 2 misdemeanor.
- D. This section shall not prohibit any person from possessing or drinking alcoholic beverages or
   any organization from serving alcoholic beverages in areas approved by the Board at a performing arts
   center owned by the City of Alexandria or the City of Portsmouth facility, provided the organization
   operating the performing arts center facility or its lessee has a license granted by the Board.
- 1830

## § 4.1-325. Prohibited acts by mixed beverage licensees; penalty.

- 1831 A. In addition to § 4.1-324, no mixed beverage licensee nor any agent or employee of such licensee1832 shall:
- **1833** 1. Sell or serve any alcoholic beverage other than as authorized by law;
- 1834 2. Sell any authorized alcoholic beverage to any person or at any place except as authorized by1835 law;
- 1836 3. Allow at the place described in his license the consumption of alcoholic beverages in violation1837 of this subtitle;
- 1838 4. Keep at the place described in his license any alcoholic beverage other than that which he is1839 licensed to sell;
- **1840** 5. Misrepresent the brand of any alcoholic beverage sold or offered for sale;
- 1841 6. Keep any alcoholic beverage other than in the bottle or container in which it was purchased by1842 him except (i) for a frozen alcoholic beverage, which may include alcoholic beverages in a frozen drink

1843 dispenser of a type approved by the Board; (ii) in the case of wine, in containers of a type approved by the 1844 Board pending automatic dispensing and sale of such wine; and (iii) as otherwise provided by Board 1845 regulation. Neither this subdivision nor any Board regulation shall prohibit any mixed beverage licensee 1846 from premixing containers of sangria, to which spirits may be added, to be served and sold for 1847 consumption on the licensed premises;

1848 7. Refill or partly refill any bottle or container of alcoholic beverage or dilute or otherwise tamper
1849 with the contents of any bottle or container of alcoholic beverage, except as provided by Board regulation
1850 adopted pursuant to subdivision B 11 of § 4.1-111;

1851 8. Sell or serve any brand of alcoholic beverage which is not the same as that ordered by the1852 purchaser without first advising such purchaser of the difference;

1853 9. Remove or obliterate any label, mark, or stamp affixed to any container of alcoholic beverages1854 offered for sale;

1855 10. Deliver or sell the contents of any container if the label, mark, or stamp has been removed or1856 obliterated;

1857 11. Allow any obscene conduct, language, literature, pictures, performance, or materials on the1858 licensed premises;

**1859** 12. Allow any striptease act on the licensed premises;

**1860** 13. Allow persons connected with the licensed business to appear nude or partially nude;

**1861** 14. Consume or allow the consumption by an employee of any alcoholic beverages while on duty

1862 and in a position that is involved in the selling or serving of alcoholic beverages to customers.

The provisions of this subdivision shall not prohibit any retail licensee or his designated employee from (i) consuming product samples or sample servings of (a) beer or wine provided by a representative of a licensed beer or wine wholesaler or manufacturer or (b) a distilled spirit provided by a permittee of the Board who represents a distiller, if such samples are provided in accordance with Board regulations and the retail licensee or his designated employee does not violate the provisions of subdivision A 1 f of § 4.1-225 or (ii) tasting an alcoholic beverage that has been or will be delivered to a customer for quality control purposes;

1870	15. Deliver to a consumer an original bottle of an alcoholic beverage purchased under such license
1871	whether the closure is broken or unbroken except in accordance with § 4.1-206.3.
1872	The provisions of this subdivision shall not apply to the delivery of:
1873	a. "Soju." For the purposes of this subdivision, "soju" means a traditional Korean alcoholic
1874	beverage distilled from rice, barley or sweet potatoes; or
1875	b. Spirits, provided (i) the original container is no larger than 375 milliliters, (ii) the alcohol content
1876	is no greater than 15 percent by volume, and (iii) the contents of the container are carbonated and
1877	perishable;
1878	16. Be intoxicated while on duty or employ an intoxicated person on the licensed premises;
1879	17. Conceal any sale or consumption of any alcoholic beverages;
1880	18. Fail or refuse to make samples of any alcoholic beverages available to the Board upon request
1881	or obstruct special agents of the Board in the discharge of their duties;
1882	19. Store alcoholic beverages purchased under the license in any unauthorized place or remove
1883	any such alcoholic beverages from the premises;
1884	20. Knowingly employ in the licensed business any person who has the general reputation as a
1885	prostitute, panderer, habitual law violator, person of ill repute, user or peddler of narcotics, or person who
1886	drinks to excess or engages in illegal gambling;
1887	21. Keep on the licensed premises, except for the premises of a mixed beverage casino licensee, a
1888	slot machine or any prohibited gambling or gaming device, machine, or apparatus;
1889	22. Make any gift of an alcoholic beverage, other than as a gift made (i) to a personal friend, as a
1890	matter of normal social intercourse, so long as the gift is in no way a shift or device to evade the restriction
1891	set forth in this subdivision; (ii) to a person responsible for the planning, preparation or conduct on any
1892	conference, convention, trade show or event held or to be held on the premises of the licensee, when such
1893	gift is made in the course of usual and customary business entertainment and is in no way a shift or device
1894	to evade the restriction set forth in this subdivision; (iii) pursuant to subsection C of § 4.1-209; (iv)
1895	pursuant to subdivision A 10 of § 4.1-201; (v) by a mixed beverage casino licensee to a patron of such
1896	licensee in accordance with the provisions of subdivision A-15_14 of § 4.1-206.3; or (vi) pursuant to any

1897 Board regulation. Any gift permitted by this subdivision shall be subject to the taxes imposed by this
1898 subtitle on sales of alcoholic beverages. The licensee shall keep complete and accurate records of gifts
1899 given in accordance with this subdivision; or

1900 23. Establish any normal or customary pricing of its alcoholic beverages that is intended as a shift
1901 or device to evade any "happy hour" regulations adopted by the Board; however, a licensee may increase
1902 the volume of an alcoholic beverage sold to a customer if there is a commensurate increase in the normal
1903 or customary price charged for the same alcoholic beverage.

**1904** B. Any person convicted of a violation of this section is guilty of a Class 1 misdemeanor.

1905 C. The provisions of subdivisions A 12 and A 13 shall not apply to persons operating theaters, 1906 concert halls, art centers, museums, or similar establishments that are devoted primarily to the arts or 1907 theatrical performances, when the performances that are presented are expressing matters of serious 1908 literary, artistic, scientific, or political value.

1909 2. That the provisions of this act shall not prohibit any person from obtaining or retaining an annual 1910 mixed beverage performing arts facility license or an on-and-off-premises wine and beer license as 1911 a performing arts food concessionaire for a premises that operated as (i) a mixed beverage 1912 performing arts facility or a performing arts food concessionaire pursuant to § 4.1-206.3 of the Code 1913 of Virginia on June 30, 2024, or (ii) a mixed beverage performing arts facility pursuant to the third 1914 enactment of this act on December 31, 2024.

1915 3. That the Board of Directors (Board) of the Virginia Alcoholic Beverage Control Authority may 1916 issue an annual mixed beverage performing arts facility license, pursuant to § 4.1-206.3 of the Code 1917 of Virginia, as amended by this act, to persons operating food concessions at any performing arts 1918 facility located in the City of Richmond, provided that the performing arts facility (i) is occupied 1919 under a bona fide long-term lease or concession agreement, the original term of which was more 1920 than five years; (ii) has a capacity in excess of 400 patrons; (iii) has been rehabilitated in accordance 1921 with historic preservation standards; and (iv) has monthly gross receipts from the sale of food 1922 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the

#

- 1923 premises that meet or exceed the monthly minimum established by Board regulations for mixed
- 1924 beverage restaurants. The provisions of this enactment shall expire on January 1, 2025.

1925