1	SENATE BILL NO. 254
2	AMENDMENT IN THE NATURE OF A SUBSTITUTE
3	(Proposed by the Senate Committee on Rehabilitation and Social Services
4	on January 28, 2022)
5	(Patron Prior to SubstituteSenator Bell)
6	A BILL to amend and reenact §§ 4.1-204, 4.1-206.3, and 4.1-212.1, as they are currently effective and as
7	they shall become effective, 4.1-230, 4.1-231.1, and 18.2-323.1 of the Code of Virginia and the
8	second enactment of Chapter 281 and the second enactment of Chapter 282 of the Acts of
9	Assembly of 2021, Special Session I, and to amend the Code of Virginia by adding a section
10	numbered 4.1-212.2, relating to alcoholic beverage control; delivery of alcoholic beverages; third-
11	party delivery license; container.
12	Be it enacted by the General Assembly of Virginia:
13	1. That §§ 4.1-204, 4.1-206.3, and 4.1-212.1, as they are currently effective and as they shall become
14	effective, 4.1-230, 4.1-231.1, and 18.2-323.1 of the Code of Virginia are amended and reenacted and
15	that the Code of Virginia is amended by adding a section numbered 4.1-212.2 as follows:
16	§ 4.1-204. (Effective until July 1, 2022) Records of licensees; inspection of records and places
17	of business.
18	A. Manufacturers, bottlers or wholesalers. — Every licensed manufacturer, bottler or wholesaler
19	shall keep complete, accurate and separate records in accordance with Board regulations of all alcoholic
20	beverages purchased, manufactured, bottled, sold or shipped by him, and the applicable tax required by §
21	4.1-234 or 4.1-236, if any.
22	B. Retailers. — Every retail licensee shall keep complete, accurate, and separate records, in
23	accordance with Board regulations, of all purchases of alcoholic beverages, the prices charged such
24	licensee therefor, and the names and addresses of the persons from whom purchased. Every retail licensee
25	shall also preserve all invoices showing his purchases for a period as specified by Board regulations. He
26	shall also keep an accurate account of daily sales, showing quantities of alcoholic beverages sold and the

total price charged by him therefor. Except as otherwise provided in subsection D, such account need not
give the names or addresses of the purchasers thereof, except as may be required by Board regulation for
the sale of alcoholic beverages in kegs. In the case of persons holding retail licenses that require sales of
food to determine their qualifications for such licenses, the records shall also include purchases and sales
of food and nonalcoholic beverages.

Notwithstanding the provisions of subsection F, electronic records of retail licensees may be stored off site, provided that such records are readily retrievable and available for electronic inspection by the Board or its special agents at the licensed premises. However, in the case that such electronic records are not readily available for electronic inspection on the licensed premises, the retail licensee may obtain Board approval, for good cause shown, to permit the retail licensee to provide the records to a special agent of the Board within three business days or less, as determined by the Board, after a request is made to inspect the records.

39 C. Common carriers. — Common carriers of passengers by train, boat, bus, or airplane shall keep
40 records of purchases and sales of alcoholic beverages and food as required by Board regulation.

D. Wine and beer shippers. — Every wine and beer shipper licensee shall keep complete, accurate, and separate records in accordance with Board regulations of all shipments of wine or beer to persons in the Commonwealth. Such licensees shall also remit on a monthly basis an accurate account stating whether any wine, farm wine, or beer products were sold and shipped and, if so, stating the total quantities of wine and beer sold and the total price charged for such wine and beer. Such records shall include the names and addresses of the purchasers to whom the wine and beer is shipped.

E. Deliveries. — Every licensee or permittee that is authorized to make deliveries pursuant to §
48 4.1-212.1 shall keep complete, accurate, and separate records for a period of at least two years in
49 accordance with Board regulations of all deliveries of wine or beer alcoholic beverages to persons in the
50 Commonwealth. Such records shall include (i) the brands types of wine and beer alcoholic beverages sold,
51 (ii) the total quantities of wine and beer alcoholic beverages sold, (iii) the total price charged for such wine
52 and beer, and alcoholic beverages. (iv) the names, addresses, and signatures of the purchasers name and
53 date of birth of the person to whom the wine and beer is alcoholic beverages are delivered. Such purchaser

54 signatures may be in an electronic format, and (v) the address to which the alcoholic beverages are 55 delivered. Licensees and permittees shall remit such records on a monthly basis for any month during 56 which the licensee or permittee makes a delivery for which the licensee or permittee is required to collect 57 and remit excise taxes due to the Authority pursuant to subsection H of § 4.1-212.1.

58 Every licensee that is authorized to make deliveries pursuant to § 4.1-212.2 shall keep complete,
59 accurate, and separate records for a period of at least two years in accordance with Board regulations of
60 all deliveries of alcoholic beverages to persons in the Commonwealth. Such records shall include all
61 information prescribed by Board regulations. Licensees shall remit such records within 24 hours of a
62 records request by the Authority; however, the licensee may obtain Board approval, for good cause shown,
63 to permit the licensee to provide records to a special agent of the Board within three business days or less,
64 as determined by the Board, after a request is made to inspect the records.

65 F. Inspection. — The Board and its special agents shall be allowed free access during reasonable 66 hours to every place in the Commonwealth and to the premises of both (i) every wine and beer shipper 67 licensee and (ii) every licensee or permittee authorized to make deliveries wherever located where 68 alcoholic beverages are manufactured, bottled, stored, offered for sale or sold, for the purpose of 69 examining and inspecting such place and all records, invoices and accounts therein. The Board may 70 engage the services of alcoholic beverage control authorities in any state to assist with the inspection of 71 the premises of a wine and beer shipper licensee, licensee or permittee authorized to make deliveries, or 72 any applicant for such license or permit.

For purposes of a Board inspection of the records of any retail licensees, "reasonable hours" means the hours between 9 a.m. and 5 p.m.; however, if the licensee generally is not open to the public substantially during the same hours, "reasonable hours" shall mean the business hours when the licensee is open to the public. At any other time of day, if the retail licensee's records are not available for inspection, the retailer shall provide the records to a special agent of the Board within 24 hours after a request is made to inspect the records.

8 4.1-204. (Effective July 1, 2022) Records of licensees; inspection of records and places of
business.

A. Manufacturers, bottlers or wholesalers. — Every licensed manufacturer, bottler or wholesaler
shall keep complete, accurate and separate records in accordance with Board regulations of all alcoholic
beverages purchased, manufactured, bottled, sold or shipped by him, and the applicable tax required by §
4.1-234 or 4.1-236, if any.

85 B. Retailers. — Every retail licensee shall keep complete, accurate, and separate records, in 86 accordance with Board regulations, of all purchases of alcoholic beverages, the prices charged such 87 licensee therefor, and the names and addresses of the persons from whom purchased. Every retail licensee 88 shall also preserve all invoices showing his purchases for a period as specified by Board regulations. He 89 shall also keep an accurate account of daily sales, showing quantities of alcoholic beverages sold and the 90 total price charged by him therefor. Except as otherwise provided in subsection D, such account need not 91 give the names or addresses of the purchasers thereof, except as may be required by Board regulation for 92 the sale of alcoholic beverages in kegs. In the case of persons holding retail licenses that require sales of 93 food to determine their qualifications for such licenses, the records shall also include purchases and sales 94 of food and nonalcoholic beverages.

95 Notwithstanding the provisions of subsection F, electronic records of retail licensees may be stored 96 off site, provided that such records are readily retrievable and available for electronic inspection by the 97 Board or its special agents at the licensed premises. However, in the case that such electronic records are 98 not readily available for electronic inspection on the licensed premises, the retail licensee may obtain 99 Board approval, for good cause shown, to permit the retail licensee to provide the records to a special 100 agent of the Board within three business days or less, as determined by the Board, after a request is made 101 to inspect the records.

102 C. Common carriers. — Common carriers of passengers by train, boat, bus, or airplane shall keep
 103 records of purchases and sales of alcoholic beverages and food as required by Board regulation.

D. Wine and beer shippers. — Every wine and beer shipper licensee shall keep complete, accurate, and separate records in accordance with Board regulations of all shipments of wine or beer to persons in the Commonwealth. Such licensees shall also remit on a monthly basis an accurate account stating whether any wine, farm wine, or beer products were sold and shipped and, if so, stating the total quantities of wine

and beer sold and the total price charged for such wine and beer. Such records shall include the names andaddresses of the purchasers to whom the wine and beer is shipped.

110 E. Deliveries. — Every licensee or permittee that is authorized to make deliveries pursuant to \S 111 4.1-212.1 shall keep complete, accurate, and separate records for a period of at least two years in 112 accordance with Board regulations of all deliveries of wine or beer to persons in the Commonwealth. Such 113 records shall include (i) the brands types of wine and beer sold, (ii) the total quantities of wine and beer 114 sold, (iii) the total price charged for such wine and beer, and (iv) the names, addresses, and signatures of 115 the purchasers name and date of birth of the person to whom the wine and beer is delivered. Such purchaser 116 signatures may be in an electronic format, and (v) the address to which the wine and beer is delivered. 117 Licensees and permittees shall remit such records on a monthly basis for any month during which the 118 licensee or permittee makes a delivery for which the licensee or permittee is required to collect and remit 119 excise taxes due to the Authority pursuant to subsection E of § 4.1-212.1.

Every licensee that is authorized to make deliveries pursuant to § 4.1-212.2 shall keep complete,
accurate, and separate records for a period of at least two years in accordance with Board regulations of
all deliveries of alcoholic beverages to persons in the Commonwealth. Such records shall include all
information prescribed by Board regulations. Licensees shall remit such records within 24 hours of a
records request by the Authority; however, the licensee may obtain Board approval, for good cause shown,
to permit the licensee to provide records to a special agent of the Board within three business days or less,
as determined by the Board, after a request is made to inspect the records.

127 F. Inspection. — The Board and its special agents shall be allowed free access during reasonable 128 hours to every place in the Commonwealth and to the premises of both (i) every wine and beer shipper 129 licensee and (ii) every licensee or permittee authorized to make deliveries wherever located where 130 alcoholic beverages are manufactured, bottled, stored, offered for sale or sold, for the purpose of 131 examining and inspecting such place and all records, invoices and accounts therein. The Board may 132 engage the services of alcoholic beverage control authorities in any state to assist with the inspection of 133 the premises of a wine and beer shipper licensee, licensee or permittee authorized to make deliveries, or 134 any applicant for such license or permit.

For purposes of a Board inspection of the records of any retail licensees, "reasonable hours" means the hours between 9 a.m. and 5 p.m.; however, if the licensee generally is not open to the public substantially during the same hours, "reasonable hours" shall mean the business hours when the licensee is open to the public. At any other time of day, if the retail licensee's records are not available for inspection, the retailer shall provide the records to a special agent of the Board within 24 hours after a request is made to inspect the records.

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§ 4.1-206.3. (Effective until July 1, 2022) Retail licenses.

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

143 1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed 144 beverages for on-premises consumption in dining areas and other designated areas of such restaurant or 145 off-premises consumption. Such license may be granted only to persons (i) who operate a restaurant and 146 (ii) whose gross receipts from the sale of food cooked, or prepared, and consumed on the premises and 147 nonalcoholic beverages served on the premises, after issuance of such license, amount to at least 45 percent 148 of the gross receipts from the sale of mixed beverages and food. For the purposes of this subdivision, other 149 designated areas shall include outdoor dining areas, whether or not contiguous to the licensed premises, 150 which outdoor dining areas may have more than one means of ingress and egress to an adjacent public 151 thoroughfare, provided such areas are under the control of the licensee and approved by the Board. Such 152 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision 153 A 5 of § 4.1-201.

154 If the restaurant is located on the premises of a hotel or motel with no fewer than four permanent 155 bedrooms where food and beverage service is customarily provided by the restaurant in designated areas, 156 bedrooms, and other private rooms of such hotel or motel, such licensee may (a) sell and serve mixed 157 beverages for on-premises consumption in such designated areas, bedrooms, and other private rooms or 158 off-premises consumption and (b) sell spirits packaged in original closed containers purchased from the 159 Board for on-premises consumption to registered guests and at scheduled functions of such hotel or motel 160 only in such bedrooms or private rooms. However, with regard to a hotel classified as a resort complex, 161 the Board may authorize the sale and on-premises consumption of alcoholic beverages in all areas within

the resort complex deemed appropriate by the Board. Nothing herein shall prohibit any person fromkeeping and consuming his own lawfully acquired spirits in bedrooms or private rooms.

164 If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club 165 exclusively for its members and their guests, or members of another private, nonprofit, or profit club in 166 another city with which it has an agreement for reciprocal dining privileges, such license shall also 167 authorize the licensees to (1) sell and serve mixed beverages for on-premises or off-premises consumption 168 and (2) sell spirits that are packaged in original closed containers with a maximum capacity of two fluid 169 ounces or 50 milliliters and purchased from the Board for on-premises consumption. Where such club 170 prepares no food in its restaurant but purchases its food requirements from a restaurant licensed by the 171 Board and located on another portion of the premises of the same hotel or motel building, this fact shall 172 not prohibit the granting of a license by the Board to such club qualifying in all other respects. The club's 173 gross receipts from the sale of nonalcoholic beverages consumed on the premises and food resold to its 174 members and guests and consumed on the premises shall amount to at least 45 percent of its gross receipts 175 from the sale of mixed beverages and food. The food sales made by a restaurant to such a club shall be 176 excluded in any consideration of the qualifications of such restaurant for a license from the Board.

177 If the restaurant is located on the premises of and operated by a municipal golf course, the Board 178 shall recognize the seasonal nature of the business and waive any applicable monthly food sales 179 requirements for those months when weather conditions may reduce patronage of the golf course, provided 180 that prepared food, including meals, is available to patrons during the same months. The gross receipts 181 from the sale of food cooked, or prepared, and consumed on the premises and nonalcoholic beverages 182 served on the premises, after the issuance of such license, shall amount to at least 45 percent of the gross 183 receipts from the sale of mixed beverages and food on an annualized basis.

184 If the restaurant is located on the premises of and operated by a culinary lodging resort, such license 185 shall authorize the licensee to (A) sell alcoholic beverages, without regard to the amount of gross receipts 186 from the sale of food prepared and consumed on the premises, for off-premises consumption or for on-187 premises consumption in areas upon the licensed premises approved by the Board and other designated 188 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 beingprovided in bedrooms and private guest rooms.

191 The granting of a license pursuant to this subdivision shall automatically authorize the licensee to 192 obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for 193 off-premises consumption; however, the licensee shall be required to pay the local fee required for such 194 additional license pursuant to § 4.1-233.1.

195 2. Mixed beverage caterer's licenses, which may be granted only to a person regularly engaged in 196 the business of providing food and beverages to others for service at private gatherings or at special events, 197 which shall authorize the licensee to sell and serve alcoholic beverages for on-premises consumption. The 198 annual gross receipts from the sale of food cooked and prepared for service and nonalcoholic beverages 199 served at gatherings and events referred to in this subdivision shall amount to at least 45 percent of the 200 gross receipts from the sale of mixed beverages and food.

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

208 4. Mixed beverage carrier licenses to persons operating a common carrier of passengers by train, 209 boat, bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere in 210 the Commonwealth to passengers while in transit aboard any such common carrier, and in designated 211 rooms of establishments of air carriers at airports in the Commonwealth. For purposes of supplying its 212 airplanes, as well as any airplanes of a licensed express carrier flying under the same brand, an air carrier 213 licensee may appoint an authorized representative to load alcoholic beverages onto the same airplanes and 214 to transport and store alcoholic beverages at or in close proximity to the airport where the alcoholic 215 beverages will be delivered onto airplanes of the air carrier and any such licensed express carrier. The air

carrier licensee shall (i) designate for purposes of its license all locations where the inventory of alcoholic beverages may be stored and from which the alcoholic beverages will be delivered onto airplanes of the air carrier and any such licensed express carrier and (ii) maintain records of all alcoholic beverages to be transported, stored, and delivered by its authorized representative. 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.

223 5. Annual mixed beverage motor sports facility licenses, which shall authorize the licensee to sell 224 mixed beverages, in paper, plastic, or similar disposable containers or in single original metal cans, during 225 scheduled events, as well as events or performances immediately subsequent thereto, to patrons in all 226 dining facilities, seating areas, viewing areas, walkways, concession areas, or similar facilities, for on-227 premises consumption. Such license may be granted to persons operating food concessions at an outdoor 228 motor sports facility that (i) is located on 1,200 acres of rural property bordering the Dan River and has a 229 track surface of 3.27 miles in length or (ii) hosts a NASCAR national touring race. Upon authorization of 230 the licensee, any person may keep and consume his own lawfully acquired alcoholic beverages on the 231 premises in all areas and locations covered by the license. The granting of a license pursuant to this 232 subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer 233 for on-premises consumption or in closed containers for off-premises consumption; however, the licensee 234 shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

235 6. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve 236 dessert wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs 237 shall be combined with coffee or other nonalcoholic beverages, for on-premises consumption in dining 238 areas of the restaurant or off-premises consumption. Such license may be granted only to persons who 239 operate a restaurant and in no event shall the sale of such wine or liqueur-based drinks, together with the 240 sale of any other alcoholic beverages, exceed 10 percent of the total annual gross sales of all food and 241 alcoholic beverages. The granting of a license pursuant to this subdivision shall automatically authorize 242 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 feerequired for such additional license pursuant to § 4.1-233.1.

245 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee 246 to sell, on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable 247 containers or in single original metal cans for on-premises consumption in all seating areas, concourses, 248 walkways, concession areas, similar facilities, and other areas upon the licensed premises approved by the 249 Board and (ii) automatically authorize the licensee to obtain a license to sell and serve wine and beer for 250 on-premises consumption or in closed containers for off-premises consumption; however, the licensee 251 shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1. Such 252 licenses may be granted to the following:

a. Corporations or associations operating a performing arts facility, provided the 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
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;

c. Persons operating food concessions at any performing arts facility located in the City of
Waynesboro, 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 total capacity in
excess of 550 patrons; and (iii) has been rehabilitated in accordance with historic preservation standards;
d. Persons operating food concessions at any performing arts facility located in the arts and cultural

269 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) has been rehabilitated in accordance with historic preservation standards; (iii) 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; 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;

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

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

301 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages 302 in dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is 303 being provided, with or without meals, for on-premises consumption only in such rooms and areas, and 304 without regard to the amount of gross receipts from the sale of food prepared and consumed on the 305 premises and (ii) permit the consumption of lawfully acquired alcoholic beverages by persons to whom 306 overnight lodging is being provided in (a) bedrooms or private guest rooms or (b) other designated areas 307 of the bed and breakfast establishment. For purposes of this subdivision, "other designated areas" includes 308 outdoor dining areas, whether or not contiguous to the licensed premises, which may have more than one 309 means of ingress and egress to an adjacent public thoroughfare, provided that such outdoor dining areas 310 are under the control of the licensee and approved by the Board. Such noncontiguous designated areas 311 shall not be approved for any retail license issued pursuant to subdivision A 5 of § 4.1-201.

312 10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under § 313 501(c)(3) of the Internal Revenue Code, which shall authorize the licensee to (i) permit the consumption 314 of lawfully acquired alcoholic beverages on the premises of the licensee by any bona fide member and 315 guests thereof and (ii) serve alcoholic beverages on the premises of the licensee to any bona fide member 316 and guests thereof. However, alcoholic beverages shall not be sold or charged for in any way by the 317 licensee. The privileges of this license shall be limited to the premises of the museum, regularly occupied 318 and utilized as such.

319 11. Motor car sporting event facility licenses, which shall authorize the licensee to permit the 320 consumption of lawfully acquired alcoholic beverages on the premises of the licensee by patrons thereof 321 during such events. However, alcoholic beverages shall not be sold or charged for in any way, directly or 322 indirectly, by the licensee. The privileges of this license shall be limited to those areas of the licensee's 323 premises designated by the Board that are regularly occupied and utilized for motor car sporting events.

324 12. Commercial lifestyle center licenses, which may be issued only to a commercial owners' 325 association governing a commercial lifestyle center, which shall authorize any retail on-premises 326 restaurant licensee that is a tenant of the commercial lifestyle center to sell alcoholic beverages to any 327 bona fide customer to whom alcoholic beverages may be lawfully sold for consumption on that portion of 328 the licensed premises of the commercial lifestyle center designated by the Board, including (i) plazas, 329 seating areas, concourses, walkways, or such other similar areas and (ii) the premises of any tenant 330 location of the commercial lifestyle center that is not a retail licensee of the Board, upon approval of such 331 tenant, but excluding any parking areas. Only alcoholic beverages purchased from such retail on-premises 332 restaurant licensees may be consumed on the licensed premises of the commercial lifestyle center, and 333 such alcoholic beverages shall be contained in paper, plastic, or similar disposable containers with the 334 name or logo of the restaurant licensee that sold the alcoholic beverage clearly displayed. Alcoholic 335 beverages shall not be sold or charged for in any way by the commercial lifestyle center licensee. The 336 licensee shall post appropriate signage clearly demarcating for the public the boundaries of the licensed 337 premises; however, no physical barriers shall be required for this purpose. The licensee shall provide 338 adequate security for the licensed premises to ensure compliance with the applicable provisions of this 339 title and Board regulations.

340 13. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve 341 mixed beverages for consumption in dining areas and other designated areas of such restaurant. Such 342 license may be granted only to persons operating a business (i) that is primarily engaged in the sale of 343 meals; (ii) that is located on property owned by the United States government or an agency thereof and 344 used as a port of entry to or egress from the United States; and (iii) whose gross receipts from the sale of 345 food cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the 346 premises, after issuance of such license, amount to at least 45 percent of the gross receipts from the sale 347 of mixed beverages and food. For the purposes of this subdivision, other designated areas shall include 348 outdoor dining areas, whether or not contiguous to the licensed premises, which outdoor dining areas may 349 have more than one means of ingress and egress to an adjacent public thoroughfare, provided such areas 350 are under the control of the licensee and approved by the Board. Such noncontiguous designated areas

351 shall not be approved for any retail license issued pursuant to subdivision A 5 of § 4.1-201. The granting 352 of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to 353 sell and serve wine and beer for on-premises consumption or in closed containers for off-premises 354 consumption; however, the licensee shall be required to pay the local fee required for such additional 355 license pursuant to § 4.1-233.1.

356 14. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation or 357 association operating either a performing arts facility or an art education and exhibition facility; (ii) a 358 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and 359 objects significant in American history and culture; (iii) persons operating an agricultural event and 360 entertainment park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space 361 and equine and other livestock show areas, which includes barns, pavilions, or other structures equipped 362 with roofs, exterior walls, and open-door or closed-door access; or (iv) a locality for special events 363 conducted on the premises of a museum for historic interpretation that is owned and operated by the 364 locality. The operation in all cases shall be upon premises owned by such licensee or occupied under a 365 bona fide lease, the original term of which was for more than one year's duration. Such license shall 366 authorize the licensee to sell alcoholic beverages during scheduled events and performances for on-367 premises consumption in areas upon the licensed premises approved by the Board.

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

369 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in 370 closed containers for off-premises consumption or (ii) for on-premises consumption, either with or without 371 meals, in dining areas and other designated areas of such restaurants, or in dining areas, private guest 372 rooms, and other designated areas of such hotels or clubs, for consumption only in such rooms and areas. 373 However, with regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize 374 the sale and consumption of alcoholic beverages in all areas within the resort complex deemed appropriate 375 by the Board or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic 376 beverages in dining areas, private guest rooms, and other designated areas to persons to whom overnight 377 lodging is being provided, for on-premises consumption in such rooms or areas, and without regard to the

378 amount of gross receipts from the sale of food prepared and consumed on the premises, provided that at 379 least one meal is provided each day by the hotel to such guests. With regard to facilities registered in 380 accordance with Chapter 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are 381 also licensed by the Board under this subdivision, any resident may, upon authorization of the licensee, 382 keep and consume his own lawfully acquired alcoholic beverages on the premises in all areas covered by 383 the license. For purposes of this subdivision, "other designated areas" includes outdoor dining areas, 384 whether or not contiguous to the licensed premises, which may have more than one means of ingress and 385 egress to an adjacent public thoroughfare, provided that such outdoor dining areas are under the control 386 of the licensee and approved by the Board. Such noncontiguous designated areas shall not be approved 387 for any retail license issued pursuant to subdivision A 5 of § 4.1-201.

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

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

396 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer 397 during any event and immediately subsequent thereto to patrons within all seating areas, concourses, 398 walkways, concession areas, and additional locations designated by the Board (i) in closed containers for 399 off-premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original 400 metal cans for on-premises consumption. Upon authorization of the licensee, any person may keep and 401 consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations covered 402 by the license. Such licenses may be granted to persons operating food concessions at coliseums, stadiums, 403 racetracks, or similar facilities.

404 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer 405 during the performance of any event to patrons within all seating areas, concourses, walkways, or 406 concession areas, or other areas approved by the Board (i) in closed containers for off-premises 407 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for 408 on-premises consumption. Upon authorization of the licensee, any person may keep and consume his own 409 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. 410 Such licenses may be granted to persons operating food concessions at any outdoor performing arts 411 amphitheater, arena, or similar facility that (a) has seating for more than 20,000 persons and is located in 412 Prince William County or the City of Virginia Beach; (b) has seating or capacity for more than 3,500 413 persons and is located in the County of Albemarle, Alleghany, Augusta, Nelson, Pittsylvania, or 414 Rockingham or the City of Charlottesville, Danville, or Roanoke; or (c) has capacity for more than 9,500 415 persons and is located in Henrico County.

416 6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to 417 patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, 418 and such additional locations designated by the Board in such facilities (i) in closed containers for off-419 premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal 420 cans for on-premises consumption. Upon authorization of the licensee, any person may keep and consume 421 his own lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the 422 license. Such licenses may be granted to persons operating food concessions at exhibition or exposition 423 halls, convention centers, or similar facilities located in any county operating under the urban county 424 executive form of government or any city that is completely surrounded by such county. For purposes of 425 this subdivision, "exhibition or exposition hall" and "convention centers" mean facilities conducting 426 private or public trade shows or exhibitions in an indoor facility having in excess of 100,000 square feet 427 of floor space.

428 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during
429 events to patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession
430 areas, dining areas, and such additional locations designated by the Board in such facilities, for on-

premises consumption or in closed containers for off-premises consumption. Persons licensed pursuant to
this subdivision shall serve food, prepared on or off premises, whenever wine or beer is served. Such
licenses may be granted to persons operating concert or dinner-theater venues on property fronting Natural
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.

446

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

447 1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery 448 store, delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina 449 store as defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine 450 and beer in closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-451 308, to give to any person to whom wine or beer may be lawfully sold a sample of wine or beer for on-452 premises consumption; however, no single sample shall exceed four ounces of beer or two ounces of wine 453 and no more than 12 ounces of beer or five ounces of wine shall be served to any person per day. The 454 licensee may also give samples of wine and beer in designated areas at events held by the licensee for the 455 purpose of featuring and educating the consuming public about the alcoholic beverages being tasted. With 456 the consent of the licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or 457 authorized representatives of such licensees may participate in such tastings, including the pouring of

458 samples. The licensee shall comply with any food inventory and sales volume requirements established459 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.

468

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

469 1. Per-day event licenses.

470 a. Banquet licenses to persons in charge of banquets, and to duly organized nonprofit corporations 471 or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer 472 in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or 473 areas. Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be 474 authorized to sell wine, as part of any fundraising activity, in closed containers for off-premises 475 consumption to persons to whom wine may be lawfully sold; (ii) shall be limited to no more than one such 476 fundraiser per year; and (iii) if conducting such fundraiser through an online meeting platform, may ship 477 such wine, in accordance with Board regulations, in closed containers to persons located within the 478 Commonwealth. Except as provided in § 4.1-215, a separate license shall be required for each day of each 479 banquet or special event. For the purposes of this subdivision, when the location named in the original 480 application for a license is outdoors, the application may also name an alternative location in the event of 481 inclement weather. However, no such license shall be required of any hotel, restaurant, or club holding a 482 retail wine and beer license.

483 b. Mixed beverage special events licenses to a duly organized nonprofit corporation or association484 in charge of a special event, which shall authorize the licensee to sell and serve mixed beverages for on-

485 premises consumption in areas approved by the Board on the premises of the place designated in the**486** 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.

499 2. Annual licenses.

500 a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable 501 membership organizations that are exempt from state and federal taxation and in charge of banquets 502 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and 503 beer in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms 504 or areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. 505 For the purposes of this subdivision, when the location named in the original application for a license is 506 outdoors, the application may also name an alternative location in the event of inclement weather. 507 However, no such license shall be required of any hotel, restaurant, or club holding a retail wine and beer 508 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

512 thereof, otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall 513 not be purchased or sold by the licensee or sold or charged for in any way by the person permitted to use 514 the premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency 515 station or both, regularly occupied as such and recognized by the governing body of the county, city, or 516 town in which it is located. Under conditions as specified by Board regulation, such premises may be other 517 than a volunteer fire or volunteer emergency medical services agency station, provided such other 518 premises are occupied and under the control of the volunteer fire department or volunteer emergency 519 medical services agency while the privileges of its license are being exercised.

520 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or 521 nonprofit organization, which shall authorize (i) the licensee to permit the consumption of alcoholic 522 beverages within the area designated by the Board for the designated outdoor refreshment area and (ii) 523 any permanent retail on-premises licensee that is located within the area designated by the Board for the 524 designated outdoor refreshment area to sell alcoholic beverages within the permanent retail location for 525 consumption in the area designated for the designated outdoor refreshment area, including sidewalks and 526 the premises of businesses not licensed to sell alcoholic beverages at retail, upon approval of such 527 businesses. In determining the designated area for the designated outdoor refreshment area, the Board 528 shall consult with the locality. Designated outdoor refreshment area licensees shall be limited to 16 events 529 per year, and the duration of any event shall not exceed three consecutive days. However, the Board may 530 increase the frequency and duration of events after adoption of an ordinance by a locality requesting such 531 increase in frequency and duration. Such ordinance shall include the size and scope of the area within 532 which such events will be held, a public safety plan, and any other considerations deemed necessary by 533 the Board. Such limitations on the number of events that may be held shall not apply during the effective 534 dates of any rule, regulation, or order that is issued by the Governor or State Health Commissioner to meet 535 a public health emergency and that effectively reduces allowable restaurant seating capacity; however, 536 designated outdoor refreshment area licensees shall be subject to all other applicable provisions of this 537 title and Board regulations and shall provide notice to the Board regarding the days and times during 538 which the privileges of the license will be exercised. Only alcoholic beverages purchased from permanent

539 retail on-premises licensees located within the designated area may be consumed at the event, and such 540 alcoholic beverages shall be contained in paper, plastic, or similar disposable containers that clearly 541 display the name or logo of the retail on-premises licensee from which the alcoholic beverage was 542 purchased. Alcoholic beverages shall not be sold or charged for in any way by the designated outdoor 543 refreshment area licensee. The designated outdoor refreshment area licensee shall post appropriate signage 544 clearly demarcating for the public the boundaries of the event; however, no physical barriers shall be 545 required for this purpose. The designated outdoor refreshment area licensee shall provide adequate 546 security for the event to ensure compliance with the applicable provisions of this title and Board 547 regulations.

548 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, 549 or charitable membership organizations that are exempt from state and federal taxation and in charge of 550 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve 551 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the 552 place designated in the license. Such license shall authorize the licensee to conduct no more than 12 553 banquets per calendar year. The granting of a license pursuant to this subdivision shall automatically 554 authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption; 555 however, the licensee shall be required to pay the local fee required for such additional license pursuant 556 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

566 beverages shall not be sold or charged for in any way, directly or indirectly, by the licensee, and the 567 licensee shall not give more than two five-ounce glasses of wine or two 12-ounce glasses of beer to any 568 one adult patron. The privileges of this license shall be (i) limited to the premises of the arts venue 569 regularly occupied and used as such and (ii) exercised on no more than 12 calendar days per year.

570 E. The Board may grant a marketplace license to persons operating a business enterprise of which 571 the primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve 572 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations 573 imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or 574 two 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such 575 customer for the wine or beer served or consumed. In order to be eligible for and retain a marketplace 576 license, the applicant's business enterprise must (i) provide a single category of goods or services in a 577 manner intended to create a personalized experience for the customer; (ii) employ staff with expertise in 578 such goods or services; (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic 579 beverage control manager on the licensed premises at all times alcohol is served; (v) ensure that all 580 employees satisfy any training requirements imposed by the Board; and (vi) purchase all wine and beer to 581 be served from a licensed wholesaler or the Authority and retain purchase records as prescribed by the 582 Board. In determining whether to grant a marketplace license, the Board shall consider (a) the average 583 amount of time customers spend at the business; (b) the business's hours of operation; (c) the amount of **584** time that the business has been in operation; and (d) any other requirements deemed necessary by the 585 Board to protect the public health, safety, and welfare.

586

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

587 1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in §588 4.1-209.1.

589 2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside
590 the Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations,
591 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 salerequirement established by Board regulations.

- 594 3. Bottler licenses, which shall authorize the licensee to acquire and receive deliveries and 595 shipments of beer in closed containers and to bottle, sell, and deliver or ship it, in accordance with Board 596 regulations to (i) wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under 597 the laws of the United States sailing for ports of call of a foreign country or another state, and (iii) persons 598 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
 for wine or beer, the licensee shall forward it to a holder of a wine and beer shipper's license for fulfillment.
 Marketing portal licensees may also accept payment on behalf of the shipper.
- 613 <u>6. Third-party delivery licenses, which shall carry the privileges and limitations set forth in § 4.1-</u>
 614 212.2.
- 615

§ 4.1-206.3. (Effective July 1, 2022) Retail licenses.

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

617 1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed618 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may

619 be granted only to persons (i) who operate a restaurant and (ii) whose gross receipts from the sale of food 620 cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, 621 after issuance of such license, amount to at least 45 percent of the gross receipts from the sale of mixed 622 beverages and food. For the purposes of this subdivision, other designated areas shall include outdoor 623 dining areas, whether or not contiguous to the licensed premises, which outdoor dining areas may have 624 more than one means of ingress and egress to an adjacent public thoroughfare, provided such areas are 625 under the control of the licensee and approved by the Board. Such noncontiguous designated areas shall 626 not be approved for any retail license issued pursuant to subdivision A 5 of § 4.1-201.

627 If the restaurant is located on the premises of a hotel or motel with no fewer than four permanent 628 bedrooms where food and beverage service is customarily provided by the restaurant in designated areas, 629 bedrooms, and other private rooms of such hotel or motel, such licensee may (a) sell and serve mixed 630 beverages for consumption in such designated areas, bedrooms, and other private rooms and (b) sell spirits 631 packaged in original closed containers purchased from the Board for on-premises consumption to 632 registered guests and at scheduled functions of such hotel or motel only in such bedrooms or private 633 rooms. However, with regard to a hotel classified as a resort complex, the Board may authorize the sale 634 and on-premises consumption of alcoholic beverages in all areas within the resort complex deemed 635 appropriate by the Board. Nothing herein shall prohibit any person from keeping and consuming his own 636 lawfully acquired spirits in bedrooms or private rooms.

637 If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club 638 exclusively for its members and their guests, or members of another private, nonprofit, or profit club in 639 another city with which it has an agreement for reciprocal dining privileges, such license shall also 640 authorize the licensees to (1) sell and serve mixed beverages for on-premises consumption and (2) sell 641 spirits that are packaged in original closed containers with a maximum capacity of two fluid ounces or 50 642 milliliters and purchased from the Board for on-premises consumption. Where such club prepares no food 643 in its restaurant but purchases its food requirements from a restaurant licensed by the Board and located 644 on another portion of the premises of the same hotel or motel building, this fact shall not prohibit the 645 granting of a license by the Board to such club qualifying in all other respects. The club's gross receipts

646 from the sale of nonalcoholic beverages consumed on the premises and food resold to its members and
647 guests and consumed on the premises shall amount to at least 45 percent of its gross receipts from the sale
648 of mixed beverages and food. The food sales made by a restaurant to such a club shall be excluded in any
649 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.

657 If the restaurant is located on the premises of and operated by a culinary lodging resort, such license 658 shall authorize the licensee to (A) sell alcoholic beverages for on-premises consumption, without regard 659 to the amount of gross receipts from the sale of food prepared and consumed on the premises, in areas 660 upon the licensed premises approved by the Board and other designated areas of the resort, including 661 outdoor areas under the control of the licensee, and (B) permit the possession and consumption of lawfully 662 acquired alcoholic beverages by persons to whom overnight lodging is being provided in bedrooms and 663 private guest rooms.

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.

668 2. Mixed beverage caterer's licenses, which may be granted only to a person regularly engaged in
669 the business of providing food and beverages to others for service at private gatherings or at special events,
670 which shall authorize the licensee to sell and serve alcoholic beverages for on-premises consumption. The
671 annual gross receipts from the sale of food cooked and prepared for service and nonalcoholic beverages

672 served at gatherings and events referred to in this subdivision shall amount to at least 45 percent of the673 gross receipts from the sale of mixed beverages and food.

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

681 4. Mixed beverage carrier licenses to persons operating a common carrier of passengers by train, 682 boat, bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere in 683 the Commonwealth to passengers while in transit aboard any such common carrier, and in designated 684 rooms of establishments of air carriers at airports in the Commonwealth. For purposes of supplying its 685 airplanes, as well as any airplanes of a licensed express carrier flying under the same brand, an air carrier 686 licensee may appoint an authorized representative to load alcoholic beverages onto the same airplanes and 687 to transport and store alcoholic beverages at or in close proximity to the airport where the alcoholic 688 beverages will be delivered onto airplanes of the air carrier and any such licensed express carrier. The air 689 carrier licensee shall (i) designate for purposes of its license all locations where the inventory of alcoholic 690 beverages may be stored and from which the alcoholic beverages will be delivered onto airplanes of the 691 air carrier and any such licensed express carrier and (ii) maintain records of all alcoholic beverages to be 692 transported, stored, and delivered by its authorized representative. The granting of a license pursuant to 693 this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and 694 beer for on-premises consumption or in closed containers for off-premises consumption; however, the 695 licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

696 5. Annual mixed beverage motor sports facility licenses, which shall authorize the licensee to sell
 697 mixed beverages, in paper, plastic, or similar disposable containers or in single original metal cans, during
 698 scheduled events, as well as events or performances immediately subsequent thereto, to patrons in all

699 dining facilities, seating areas, viewing areas, walkways, concession areas, or similar facilities, for on-700 premises consumption. Such license may be granted to persons operating food concessions at an outdoor 701 motor sports facility that (i) is located on 1,200 acres of rural property bordering the Dan River and has a 702 track surface of 3.27 miles in length or (ii) hosts a NASCAR national touring race. Upon authorization of 703 the licensee, any person may keep and consume his own lawfully acquired alcoholic beverages on the 704 premises in all areas and locations covered by the license. The granting of a license pursuant to this 705 subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer 706 for on-premises consumption or in closed containers for off-premises consumption; however, the licensee 707 shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

708 6. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve 709 dessert wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs 710 shall be combined with coffee or other nonalcoholic beverages, for consumption in dining areas of the 711 restaurant. Such license may be granted only to persons who operate a restaurant and in no event shall the 712 sale of such wine or liqueur-based drinks, together with the sale of any other alcoholic beverages, exceed 713 10 percent of the total annual gross sales of all food and alcoholic beverages. The granting of a license 714 pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve 715 wine and beer for on-premises consumption or in closed containers for off-premises consumption; 716 however, the licensee shall be required to pay the local fee required for such additional license pursuant 717 to § 4.1-233.1.

718 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee 719 to sell, on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable 720 containers or in single original metal cans for on-premises consumption in all seating areas, concourses, 721 walkways, concession areas, similar facilities, and other areas upon the licensed premises approved by the 722 Board and (ii) automatically authorize the licensee to obtain a license to sell and serve wine and beer for 723 on-premises consumption or in closed containers for off-premises consumption; however, the licensee 724 shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1. Such 725 licenses may be granted to the following:

a. Corporations or associations operating a performing arts facility, provided the 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
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;

c. Persons operating food concessions at any performing arts facility located in the City of
Waynesboro, 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 total capacity in
excess of 550 patrons; and (iii) has been rehabilitated in accordance with historic preservation standards;

d. Persons operating food concessions at any performing arts facility located in the arts and cultural
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)
has been rehabilitated in accordance with historic preservation standards; (iii) 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; 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;

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

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

763 8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any 764 restaurant or hotel that meets the qualifications for both a mixed beverage restaurant pursuant to 765 subdivision 1 and mixed beverage caterer pursuant to subdivision 2 for the same business location, and 766 which license shall authorize the licensee to operate as both a mixed beverage restaurant and mixed 767 beverage caterer at the same business premises designated in the license, with a common alcoholic 768 beverage inventory for purposes of the restaurant and catering operations. Such licensee shall meet the 769 separate food qualifications established for the mixed beverage restaurant license pursuant to subdivision 770 1 and mixed beverage caterer's license pursuant to subdivision 2. The granting of a license pursuant to this 771 subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer 772 for on-premises consumption or in closed containers for off-premises consumption; however, the licensee 773 shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages in dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being provided, with or without meals, for on-premises consumption only in such rooms and areas, and without regard to the amount of gross receipts from the sale of food prepared and consumed on the

premises and (ii) permit the consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is being provided in (a) bedrooms or private guest rooms or (b) other designated areas of the bed and breakfast establishment. For purposes of this subdivision, "other designated areas" includes outdoor dining areas, whether or not contiguous to the licensed premises, which may have more than one means of ingress and egress to an adjacent public thoroughfare, provided that such outdoor dining 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.

10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under § 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.

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 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.

797 12. Commercial lifestyle center licenses, which may be issued only to a commercial owners' 798 association governing a commercial lifestyle center, which shall authorize any retail on-premises 799 restaurant licensee that is a tenant of the commercial lifestyle center to sell alcoholic beverages to any 800 bona fide customer to whom alcoholic beverages may be lawfully sold for consumption on that portion of 801 the licensed premises of the commercial lifestyle center designated by the Board, including (i) plazas, 802 seating areas, concourses, walkways, or such other similar areas and (ii) the premises of any tenant 803 location of the commercial lifestyle center that is not a retail licensee of the Board, upon approval of such 804 tenant, but excluding any parking areas. Only alcoholic beverages purchased from such retail on-premises

805 restaurant licensees may be consumed on the licensed premises of the commercial lifestyle center, and 806 such alcoholic beverages shall be contained in paper, plastic, or similar disposable containers with the 807 name or logo of the restaurant licensee that sold the alcoholic beverage clearly displayed. Alcoholic 808 beverages shall not be sold or charged for in any way by the commercial lifestyle center licensee. The 809 licensee shall post appropriate signage clearly demarcating for the public the boundaries of the licensed 810 premises; however, no physical barriers shall be required for this purpose. The licensee shall provide 811 adequate security for the licensed premises to ensure compliance with the applicable provisions of this 812 title and Board regulations.

813 13. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve 814 mixed beverages for consumption in dining areas and other designated areas of such restaurant. Such 815 license may be granted only to persons operating a business (i) that is primarily engaged in the sale of 816 meals; (ii) that is located on property owned by the United States government or an agency thereof and 817 used as a port of entry to or egress from the United States; and (iii) whose gross receipts from the sale of 818 food cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the 819 premises, after issuance of such license, amount to at least 45 percent of the gross receipts from the sale 820 of mixed beverages and food. For the purposes of this subdivision, other designated areas shall include 821 outdoor dining areas, whether or not contiguous to the licensed premises, which outdoor dining areas may 822 have more than one means of ingress and egress to an adjacent public thoroughfare, provided such areas 823 are under the control of the licensee and approved by the Board. Such noncontiguous designated areas 824 shall not be approved for any retail license issued pursuant to subdivision A 5 of § 4.1-201. The granting 825 of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to 826 sell and serve wine and beer for on-premises consumption or in closed containers for off-premises 827 consumption; however, the licensee shall be required to pay the local fee required for such additional 828 license pursuant to § 4.1-233.1.

829 14. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation or
830 association operating either a performing arts facility or an art education and exhibition facility; (ii) a
831 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and

832 objects significant in American history and culture; (iii) persons operating an agricultural event and 833 entertainment park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space 834 and equine and other livestock show areas, which includes barns, pavilions, or other structures equipped 835 with roofs, exterior walls, and open-door or closed-door access; or (iv) a locality for special events 836 conducted on the premises of a museum for historic interpretation that is owned and operated by the 837 locality. The operation in all cases shall be upon premises owned by such licensee or occupied under a 838 bona fide lease, the original term of which was for more than one year's duration. Such license shall 839 authorize the licensee to sell alcoholic beverages during scheduled events and performances for on-840 premises consumption in areas upon the licensed premises approved by the Board.

841

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

842 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in 843 closed containers for off-premises consumption or (ii) for on-premises consumption, either with or without 844 meals, in dining areas and other designated areas of such restaurants, or in dining areas, private guest 845 rooms, and other designated areas of such hotels or clubs, for consumption only in such rooms and areas. 846 However, with regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize 847 the sale and consumption of alcoholic beverages in all areas within the resort complex deemed appropriate 848 by the Board or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic 849 beverages in dining areas, private guest rooms, and other designated areas to persons to whom overnight 850 lodging is being provided, for on-premises consumption in such rooms or areas, and without regard to the 851 amount of gross receipts from the sale of food prepared and consumed on the premises, provided that at 852 least one meal is provided each day by the hotel to such guests. With regard to facilities registered in 853 accordance with Chapter 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are 854 also licensed by the Board under this subdivision, any resident may, upon authorization of the licensee, 855 keep and consume his own lawfully acquired alcoholic beverages on the premises in all areas covered by 856 the license. For purposes of this subdivision, "other designated areas" includes outdoor dining areas, 857 whether or not contiguous to the licensed premises, which may have more than one means of ingress and 858 egress to an adjacent public thoroughfare, provided that such outdoor dining areas are under the control

of the licensee and approved by the Board. Such noncontiguous designated areas shall not be approvedfor any retail license issued pursuant to subdivision A 5 of § 4.1-201.

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

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

869 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer 870 during any event and immediately subsequent thereto to patrons within all seating areas, concourses, 871 walkways, concession areas, and additional locations designated by the Board (i) in closed containers for 872 off-premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original 873 metal cans for on-premises consumption. Upon authorization of the licensee, any person may keep and 874 consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations covered 875 by the license. Such licenses may be granted to persons operating food concessions at coliseums, stadiums, 876 racetracks, or similar facilities.

877 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer 878 during the performance of any event to patrons within all seating areas, concourses, walkways, or 879 concession areas, or other areas approved by the Board (i) in closed containers for off-premises 880 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for 881 on-premises consumption. Upon authorization of the licensee, any person may keep and consume his own 882 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. 883 Such licenses may be granted to persons operating food concessions at any outdoor performing arts 884 amphitheater, arena, or similar facility that (a) has seating for more than 20,000 persons and is located in 885 Prince William County or the City of Virginia Beach; (b) has seating or capacity for more than 3,500

persons and is located in the County of Albemarle, Alleghany, Augusta, Nelson, Pittsylvania, or
Rockingham or the City of Charlottesville, Danville, or Roanoke; or (c) has capacity for more than 9,500
persons and is located in Henrico County.

889 6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to 890 patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, 891 and such additional locations designated by the Board in such facilities (i) in closed containers for off-892 premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal 893 cans for on-premises consumption. Upon authorization of the licensee, any person may keep and consume 894 his own lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the 895 license. Such licenses may be granted to persons operating food concessions at exhibition or exposition 896 halls, convention centers, or similar facilities located in any county operating under the urban county 897 executive form of government or any city that is completely surrounded by such county. For purposes of 898 this subdivision, "exhibition or exposition hall" and "convention centers" mean facilities conducting 899 private or public trade shows or exhibitions in an indoor facility having in excess of 100,000 square feet 900 of floor space.

901 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during 902 events to patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession 903 areas, dining areas, and such additional locations designated by the Board in such facilities, for on-904 premises consumption or in closed containers for off-premises consumption. Persons licensed pursuant to 905 this subdivision shall serve food, prepared on or off premises, whenever wine or beer is served. Such 906 licenses may be granted to persons operating concert or dinner-theater venues on property fronting Natural 907 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.

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

919

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

920 1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery 921 store, delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina 922 store as defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine 923 and beer in closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-924 308, to give to any person to whom wine or beer may be lawfully sold a sample of wine or beer for on-925 premises consumption; however, no single sample shall exceed four ounces of beer or two ounces of wine 926 and no more than 12 ounces of beer or five ounces of wine shall be served to any person per day. The 927 licensee may also give samples of wine and beer in designated areas at events held by the licensee for the 928 purpose of featuring and educating the consuming public about the alcoholic beverages being tasted. With 929 the consent of the licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or 930 authorized representatives of such licensees may participate in such tastings, including the pouring of 931 samples. The licensee shall comply with any food inventory and sales volume requirements established 932 by Board regulation.

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

937 3. Confectionery licenses, which shall authorize the licensee to prepare and sell on the licensed938 premises for off-premises consumption confectionery that contains five percent or less alcohol by volume.

939 Any alcohol contained in such confectionery shall not be in liquid form at the time such confectionery is940 sold.

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

942 1. Per-day event licenses.

943 a. Banquet licenses to persons in charge of banquets, and to duly organized nonprofit corporations 944 or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer 945 in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or 946 areas. Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be 947 authorized to sell wine, as part of any fundraising activity, in closed containers for off-premises 948 consumption to persons to whom wine may be lawfully sold; (ii) shall be limited to no more than one such 949 fundraiser per year; and (iii) if conducting such fundraiser through an online meeting platform, may ship 950 such wine, in accordance with Board regulations, in closed containers to persons located within the 951 Commonwealth. Except as provided in § 4.1-215, a separate license shall be required for each day of each 952 banquet or special event. For the purposes of this subdivision, when the location named in the original 953 application for a license is outdoors, the application may also name an alternative location in the event of 954 inclement weather. However, no such license shall be required of any hotel, restaurant, or club holding a 955 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

965 obtain a license to sell and serve wine and beer for on-premises consumption; however, the licensee shall966 be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

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

972 2. Annual licenses.

973 a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable 974 membership organizations that are exempt from state and federal taxation and in charge of banquets 975 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and 976 beer in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms 977 or areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. 978 For the purposes of this subdivision, when the location named in the original application for a license is 979 outdoors, the application may also name an alternative location in the event of inclement weather. 980 However, no such license shall be required of any hotel, restaurant, or club holding a retail wine and beer 981 license.

982 b. Banquet facility licenses to volunteer fire departments and volunteer emergency medical 983 services agencies, which shall authorize the licensee to permit the consumption of lawfully acquired 984 alcoholic beverages on the premises of the licensee by any person, and bona fide members and guests 985 thereof, otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall 986 not be purchased or sold by the licensee or sold or charged for in any way by the person permitted to use 987 the premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency 988 station or both, regularly occupied as such and recognized by the governing body of the county, city, or 989 town in which it is located. Under conditions as specified by Board regulation, such premises may be other 990 than a volunteer fire or volunteer emergency medical services agency station, provided such other

991 premises are occupied and under the control of the volunteer fire department or volunteer emergency992 medical services agency while the privileges of its license are being exercised.

993 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or 994 nonprofit organization, which shall authorize (i) the licensee to permit the consumption of alcoholic 995 beverages within the area designated by the Board for the designated outdoor refreshment area and (ii) 996 any permanent retail on-premises licensee that is located within the area designated by the Board for the 997 designated outdoor refreshment area to sell alcoholic beverages within the permanent retail location for 998 consumption in the area designated for the designated outdoor refreshment area, including sidewalks and 999 the premises of businesses not licensed to sell alcoholic beverages at retail, upon approval of such 1000 businesses. In determining the designated area for the designated outdoor refreshment area, the Board 1001 shall consult with the locality. Designated outdoor refreshment area licensees shall be limited to 16 events 1002 per year, and the duration of any event shall not exceed three consecutive days. However, the Board may 1003 increase the frequency and duration of events after adoption of an ordinance by a locality requesting such 1004 increase in frequency and duration. Such ordinance shall include the size and scope of the area within 1005 which such events will be held, a public safety plan, and any other considerations deemed necessary by 1006 the Board. Such limitations on the number of events that may be held shall not apply during the effective 1007 dates of any rule, regulation, or order that is issued by the Governor or State Health Commissioner to meet 1008 a public health emergency and that effectively reduces allowable restaurant seating capacity; however, 1009 designated outdoor refreshment area licensees shall be subject to all other applicable provisions of this 1010 title and Board regulations and shall provide notice to the Board regarding the days and times during 1011 which the privileges of the license will be exercised. Only alcoholic beverages purchased from permanent 1012 retail on-premises licensees located within the designated area may be consumed at the event, and such 1013 alcoholic beverages shall be contained in paper, plastic, or similar disposable containers that clearly 1014 display the name or logo of the retail on-premises licensee from which the alcoholic beverage was 1015 purchased. Alcoholic beverages shall not be sold or charged for in any way by the designated outdoor 1016 refreshment area licensee. The designated outdoor refreshment area licensee shall post appropriate signage 1017 clearly demarcating for the public the boundaries of the event; however, no physical barriers shall be

1018 required for this purpose. The designated outdoor refreshment area licensee shall provide adequate
1019 security for the event to ensure compliance with the applicable provisions of this title and Board
1020 regulations.

1021 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, 1022 or charitable membership organizations that are exempt from state and federal taxation and in charge of 1023 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve 1024 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the 1025 place designated in the license. Such license shall authorize the licensee to conduct no more than 12 1026 banquets per calendar year. The granting of a license pursuant to this subdivision shall automatically 1027 authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption; 1028 however, the licensee shall be required to pay the local fee required for such additional license pursuant 1029 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.

1036 f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the 1037 licensee participating in a community art walk that is open to the public to serve lawfully acquired wine 1038 or beer on the premises of the licensee to adult patrons thereof during such events. However, alcoholic 1039 beverages shall not be sold or charged for in any way, directly or indirectly, by the licensee, and the 1040 licensee shall not give more than two five-ounce glasses of wine or two 12-ounce glasses of beer to any 1041 one adult patron. The privileges of this license shall be (i) limited to the premises of the arts venue 1042 regularly occupied and used as such and (ii) exercised on no more than 12 calendar days per year.

E. The Board may grant a marketplace license to persons operating a business enterprise of whichthe primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve

1045 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations 1046 imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or 1047 two 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such 1048 customer for the wine or beer served or consumed. In order to be eligible for and retain a marketplace 1049 license, the applicant's business enterprise must (i) provide a single category of goods or services in a 1050 manner intended to create a personalized experience for the customer; (ii) employ staff with expertise in 1051 such goods or services; (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic 1052 beverage control manager on the licensed premises at all times alcohol is served; (v) ensure that all 1053 employees satisfy any training requirements imposed by the Board; and (vi) purchase all wine and beer to 1054 be served from a licensed wholesaler or the Authority and retain purchase records as prescribed by the 1055 Board. In determining whether to grant a marketplace license, the Board shall consider (a) the average 1056 amount of time customers spend at the business; (b) the business's hours of operation; (c) the amount of 1057 time that the business has been in operation; and (d) any other requirements deemed necessary by the 1058 Board to protect the public health, safety, and welfare.

1059

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

1060 1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in §4.1-209.1.

1062 2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside
1063 the Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations,
1064 in closed containers to persons in the Commonwealth to whom wine and beer may be lawfully sold for
1065 off-premises consumption. Such licensee shall not be required to comply with the monthly food sale
1066 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.

1079 5. Marketing portal licenses, which shall authorize agricultural cooperative associations organized
1080 under the provisions of the Agricultural Cooperative Association Act (§ 13.1-312 et seq.), with a place of
1081 business located in the Commonwealth, in accordance with Board regulations, to solicit and receive orders
1082 for wine or beer through the use of the Internet from persons in the Commonwealth to whom wine or beer
1083 may be lawfully sold, on behalf of holders of wine and beer shipper's licenses. Upon receipt of an order
1084 for wine or beer, the licensee shall forward it to a holder of a wine and beer shipper's license for fulfillment.
1085 Marketing portal licensees may also accept payment on behalf of the shipper.

1086 <u>6. Third-party delivery licenses, which shall carry the privileges and limitations set forth in § 4.1-</u>
 1087 <u>212.2.</u>

1088 § 4.1-212.1. (Effective until July 1, 2022) Delivery of wine and beer; kegs; regulations of 1089 Board.

A. Any brewery, winery, or farm winery located within or outside the Commonwealth that is
authorized to engage in the retail sale of wine or beer for off-premises consumption may deliver the brands
of beer, wine, and farm wine produced by the same brewery, winery, or farm winery in closed containers
to consumers within the Commonwealth for personal off-premises consumption.

B. Any person licensed to sell wine and beer at retail for off-premises consumption in the Commonwealth, and who is not a brewery, winery, or farm winery, may deliver the brands of beer, wine, and farm wine it is authorized to sell in closed containers to consumers within the Commonwealth for personal off-premises consumption. Notwithstanding any provision of law to the contrary, such deliveries may be made to (i) a person's vehicle if located in a designated parking area of the licensee's premises

where such person has electronically ordered beer, wine, or farm wine in advance of the delivery or (ii)such other locations as may be permitted by Board regulation.

1101 C. Any person located outside the Commonwealth who is authorized to sell wine or beer at retail 1102 for off-premises consumption in its state of domicile, and who is not a brewery, winery, or farm winery, 1103 may apply for a delivery permit that shall authorize the delivery of any brands of beer, wine, and farm 1104 wine it is authorized to sell in its state of domicile, in closed containers, to consumers within the 1105 Commonwealth for personal off-premises consumption.

D. Any person licensed to sell mixed beverages at retail for off-premises consumption in the Commonwealth may deliver any mixed beverages it is authorized to sell in closed containers to consumers within the Commonwealth for personal off-premises consumption. Notwithstanding any provision of law to the contrary, such deliveries may be made to (i) a person's vehicle if located in a designated parking area of the licensee's premises where such person has electronically ordered mixed beverages in advance of the delivery or (ii) such other locations as may be permitted by Board regulation.

E. Any distiller that has been appointed as an agent of the Board pursuant to subsection D of § 4.1-1113 119 may deliver to consumers within the Commonwealth for personal consumption any alcoholic 1114 beverages the distiller is authorized to sell through organized tasting events in accordance with subsection 1115 G of § 4.1-119 and Board regulations. Notwithstanding any provision of law to the contrary, such 1116 deliveries may be made to (i) a person's vehicle if located in a designated parking area of the licensee's 1117 premises where such person has electronically ordered mixed beverages in advance of the delivery or (ii) 1118 such other locations as may be permitted by Board regulation.

F. All deliveries made pursuant to this section shall be to consumers within the Commonwealth for personal consumption only and not for resale. Such deliveries shall be performed by either (i) the owner or any-agent, officer, director, shareholder, or employee of the licensee or permittee or (ii)-an independent contractor of the licensee or permittee, provided that (a) the licensee or permittee has entered into a written agreement with the independent contractor establishing that the licensee or permittee shall be vicariously a third-party delivery licensee pursuant to § 4.1-212.2. The licensee performing the delivery shall be liable for any administrative violations of this section or § 4.1-304 committed by the independent

1126 contractor relating to any deliveries of alcoholic beverages made on behalf of the licensee or permittee 1127 and (b) only during transport through completion of the delivery. Alcoholic beverages shall not be 1128 delivered after 11:00 p.m. or before 6:00 a.m. Only one individual-takes may take possession of the 1129 alcoholic beverages during the course of the delivery. No more than four cases of wine nor more than four 1130 cases of beer may be delivered at one time to any person in Virginia to whom alcoholic beverages may be 1131 lawfully sold, except that the licensee or permittee may deliver more than four cases of wine or more than 1132 four cases of beer if he notifies the Authority in writing at least one business day in advance of any such 1133 delivery, which notice contains the name and address of the intended recipient. Except as otherwise 1134 provided in this subtitle, alcoholic beverages sold for off-premises consumption or delivered pursuant to 1135 this section that are not in the manufacturer's original sealed container shall (a) be enclosed in a container 1136 that has no straw holes or other openings and is sealed in a manner that allows a person to readily discern 1137 whether the container has been opened or tampered with subsequent to its original closure; (b) display the 1138 name of the licensee from which the alcoholic beverages were purchased; (c) be clearly marked with the 1139 phrase "contains alcoholic beverages"; (d) in the case of wine, beer, or, if purchased from a mixed 1140 beverage restaurant or limited mixed beverage restaurant licensee, mixed beverages, have a maximum 1141 volume of 16 ounces per beverage; and (e) during delivery, be stored (1) in the trunk of the vehicle, (2) in 1142 an area that is rear of the driver's seat, (3) in a locked container or compartment, or (4) in the case of 1143 delivery by bicycle, in a compartment behind the bicyclist.

1144 The Board may adopt such regulations as it reasonably deems necessary to implement the 1145 provisions of this section. Such regulations shall include provisions that require (1) (A) the recipient to 1146 demonstrate, upon delivery, that he is at least 21 years of age and (2) (B) the recipient to sign an electronic 1147 or paper form or other acknowledgement of receipt as approved by the Board.

G. In addition to other applicable requirements set forth in this section, the following provisions
shall apply to the sale of mixed beverages for off-premises consumption and the delivery of mixed
beverages pursuant to this section:

1151 1. Mixed beverages shall not be sold for off-premises consumption or delivered after 11:00 p.m.
 1152 or before 6:00 a.m.;

2. No distiller shall sell for off-premises consumption or deliver more than two mixed beverages
 at any one time, and no mixed beverage restaurant or limited mixed beverage restaurant licensee may sell
 for off-premises consumption or deliver more than four mixed beverages at any one time;

1156 <u>3.-2.</u> All mixed beverages sold for off-premises consumption or delivered by a mixed beverage
 1157 restaurant or limited mixed beverage restaurant licensee shall contain at least one mixer and have a
 1158 maximum combined volume of 16 ounces; and

4.3. Mixed beverage restaurant and limited mixed beverage restaurant licensees shall serve at least
 one meal with every two mixed beverages sold for off-premises consumption or delivered; and

5. Mixed beverages sold for off premises consumption or delivered shall be in single original metal
 cans or in glass, paper, plastic, or similar disposable containers that include a secure lid, cap, or similar
 closure that prevents the mixed beverage from being consumed without removal of such lid, cap, or similar
 closure.

1165 The Board may summarily revoke a licensee's privileges to sell or deliver mixed beverages for off-1166 premises consumption for noncompliance with the provisions of this section or § 4.1-225 or 4.1-325. Any 1167 summary revocation by the Board pursuant to this paragraph (i) shall not be subject to the provisions of § 1168 4.1-227, (ii) shall not be subject to appeal, and (iii) shall become effective upon personal service of the 1169 notice of summary revocation to the licensee or upon the fourth business day after such notice is mailed 1170 to the licensee's residence or the address listed for the licensed premises on the initial license application. 1171 H. For purposes of §§ 4.1-234 and 4.1-236 and Chapter 6 (§ 58.1-600 et seq.) of Title 58.1, each 1172 delivery of wine, beer, or mixed beverages by a licensee or permittee shall constitute a sale in Virginia. 1173 The licensee or permittee shall collect the taxes due to the Commonwealth and remit any excise taxes 1174 monthly to the Authority and any sales taxes to the Department of Taxation, if such taxes have not already 1175 been paid.

I. Any manufacturer or retailer who is licensed to sell wine, beer, or both for off-premises
consumption may sell such wine or beer in kegs, subject to any limitations imposed by Board regulation.
The Board may impose a fee for keg registration seals. For purposes of this subsection, "keg registration
seal" means any document, stamp, declaration, seal, decal, sticker, or device that is approved by the Board,

designed to be affixed to kegs, and displays a registration number and such other information as may beprescribed by the Board.

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§ 4.1-212.1. (Effective July 1, 2022) Delivery of wine and beer; kegs; regulations of Board.

A. Any brewery, winery, or farm winery located within or outside the Commonwealth that is authorized to engage in the retail sale of wine or beer for off-premises consumption may deliver the brands of beer, wine, and farm wine produced by the same brewery, winery, or farm winery in closed containers to consumers within the Commonwealth for personal off-premises consumption.

B. Any person licensed to sell wine and beer at retail for off-premises consumption in the Commonwealth, and who is not a brewery, winery, or farm winery, may deliver the brands of beer, wine, and farm wine it is authorized to sell in closed containers to consumers within the Commonwealth for personal off-premises consumption. Notwithstanding any provision of law to the contrary, such deliveries may be made to (i) a person's vehicle if located in a designated parking area of the licensee's premises where such person has electronically ordered beer, wine, or farm wine in advance of the delivery or (ii) such other locations as may be permitted by Board regulation.

1194 C. Any person located outside the Commonwealth who is authorized to sell wine or beer at retail 1195 for off-premises consumption in its state of domicile, and who is not a brewery, winery, or farm winery, 1196 may apply for a delivery permit that shall authorize the delivery of any brands of beer, wine, and farm 1197 wine it is authorized to sell in its state of domicile, in closed containers, to consumers within the 1198 Commonwealth for personal off-premises consumption.

1199 D. All such deliveries shall be to consumers within the Commonwealth for personal consumption 1200 only and not for resale. All such deliveries of beer, wine, or farm wine shall be performed by either (i) the 1201 owner or any-agent, officer, director, shareholder, or employee of the licensee or permittee or (ii)-an 1202 independent contractor of the licensee or permittee, provided that (a) the licensee or permittee has entered 1203 into a written agreement with the independent contractor establishing that the licensee or permittee shall 1204 be vicariously a third-party delivery licensee pursuant to § 4.1-212.2. The licensee performing the delivery 1205 shall be liable for any administrative violations of this section or § 4.1-304 committed by the independent 1206 contractor relating to any deliveries of beer, wine, or farm wine made on behalf of the licensee or permittee

1207 and (b) only during transport through completion of the delivery. Alcoholic beverages shall not be 1208 delivered after 11:00 p.m. or before 6:00 a.m. Only one individual-takes may take possession of the beer, 1209 wine, or farm wine during the course of the delivery. No more than four cases of wine nor more than four 1210 cases of beer may be delivered at one time to any person in Virginia to whom alcoholic beverages may be 1211 lawfully sold, except that the licensee or permittee may deliver more than four cases of wine or more than 1212 four cases of beer if he notifies the Authority in writing at least one business day in advance of any such 1213 delivery, which notice contains the name and address of the intended recipient. Except as otherwise 1214 provided in this subtitle, wine or beer sold for off-premises consumption or delivered pursuant to this 1215 section that are not in the manufacturer's original sealed container shall (a) be enclosed in a container that 1216 has no straw holes or other openings and is sealed in a manner that allows a person to readily discern 1217 whether the container has been opened or tampered with subsequent to its original closure; (b) display the 1218 name of the licensee from which the wine or beer was purchased; (c) be clearly marked with the phrase 1219 "contains alcoholic beverages"; (d) have a maximum volume of 16 ounces per beverage; and (e) during 1220 delivery, be stored (1) in the trunk of the vehicle, (2) in an area that is rear of the driver's seat, (3) in a 1221 locked container or compartment, or (4) in the case of delivery by bicycle, in a compartment behind the 1222 bicyclist.

1223 The Board may adopt such regulations as it reasonably deems necessary to implement the 1224 provisions of this section. Such regulations shall include provisions that require -(1) (A) the recipient to 1225 demonstrate, upon delivery, that he is at least 21 years of age and -(2) (B) the recipient to sign an electronic 1226 or paper form or other acknowledgement of receipt as approved by the Board.

E. For purposes of §§ 4.1-234 and 4.1-236 and Chapter 6 (§ 58.1-600 et seq.) of Title 58.1, each delivery of wine or beer by a licensee or permittee shall constitute a sale in Virginia. The licensee or permittee shall collect the taxes due to the Commonwealth and remit any excise taxes monthly to the Authority and any sales taxes to the Department of Taxation, if such taxes have not already been paid.

F. Any manufacturer or retailer who is licensed to sell wine, beer, or both for off-premises
consumption may sell such wine or beer in kegs, subject to any limitations imposed by Board regulation.
The Board may impose a fee for keg registration seals. For purposes of this subsection, "keg registration

seal" means any document, stamp, declaration, seal, decal, sticker, or device that is approved by the Board,
designed to be affixed to kegs, and displays a registration number and such other information as may be
prescribed by the Board.

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<u>§ 4.1-212.2. Third-party deliveries; limitations; penalties.</u>

A. For the purposes of this section, "delivery personnel" means any employee, agent, or
 independent contractor of the third-party delivery licensee that engages in direct-to-consumer alcoholic
 beverage delivery on behalf of the third-party delivery licensee.

1241 B. A third-party delivery license shall authorize the licensee to deliver alcoholic beverages to a 1242 consumer pursuant to an order for such alcoholic beverages placed with a licensee vested with delivery 1243 privileges. Except as otherwise permitted under § 4.1-212.1, no person shall provide alcoholic beverage 1244 delivery services in the Commonwealth unless such person holds a third-party delivery license and is 1245 registered with the State Corporation Commission. All deliveries of alcoholic beverages by a third-party 1246 delivery licensee shall comply with the following: (i) alcoholic beverages shall be delivered only to 1247 persons who are 21 years of age or older and have provided valid identification that provides bona fide 1248 evidence of legal age, as prescribed in § 4.1-304; (ii) the third-party delivery licensee shall verify at the 1249 time of delivery that the recipient is 21 years of age or older, ensure that the recipient's identification bears 1250 a photograph that reasonably appears to match the appearance of the recipient, and record the recipient's 1251 name and date of birth and the address to which the alcoholic beverages were delivered; (iii) alcoholic 1252 beverages shall not be delivered to any person whom the third-party delivery licensee knows or has reason 1253 to believe is intoxicated; (iv) except for deliveries made on behalf of the Authority, alcoholic beverages 1254 shall be delivered only for personal use and not for resale; (v) alcoholic beverages shall not be delivered 1255 to a correctional facility, a reformatory, a locker mailbox, a package shipping or storage facility, a retail 1256 licensee, or undergraduate housing at an institution of higher education; (vi) any alcoholic beverage that 1257 cannot be lawfully delivered shall be promptly returned to the licensed establishment at which the 1258 alcoholic beverage was purchased; (vii) only alcoholic beverages obtained directly from the licensed 1259 establishment with which the order was placed may be delivered; and (viii) the provisions of § 4.1-212.1

1260	and any other requirements imposed on the delivery of alcoholic beverages by this subtitle or Board
1261	regulation.
1262	C. In addition to the application requirements set forth in § 4.1-230 and any regulations or
1263	requirements adopted pursuant thereto, third-party delivery licensees shall provide to the Board, at the
1264	time of application and annually thereafter or as otherwise required by the Board, written certification that
1265	the third-party delivery licensee is in compliance with all applicable requirements set forth in Article 2 (§
1266	46.2-2141 et seq.) of Chapter 21 of Title 46.2. Third-party delivery licensees shall also provide to the
1267	Board, upon request, a copy of any contracts entered into by the licensee with any person offering
1268	alcoholic beverages for delivery.
1269	D. Third-party delivery licensees shall provide to the Board, at the time of application and annually
1270	thereafter or as otherwise required by the Board, written certification that all delivery personnel (i) prior
1271	to delivering alcoholic beverages and annually thereafter, have completed and passed with a score of no
1272	less than 80 percent a Board-approved public safety course; (ii) are 21 years of age or older; (iii) have a
1273	valid driver's license, vehicle inspection, and vehicle registration; (iv) within the last seven years, have
1274	not been convicted of any of the following offenses under Virginia law or a substantially similar ordinance
1275	or law in any other jurisdiction: driving under the influence in violation of § 18.2-266 or 46.2-341.24 or a
1276	violation of § 4.1-304, 18.2-36.1, 18.2-51.4, 18.2-95, 18.2-357.1, or 46.2-894; (v) within the last three
1277	years, have not been convicted of more than three vehicle moving violations; and (vi) are not required to
1278	register with the Sex Offender and Crimes Against Minors Registry pursuant to Chapter 9 (§ 9.1-900 et
1279	seq.) of Title 9.1 or listed on the U.S. Department of Justice's National Sex Offender Public Website.
1280	E. Any person who violates the provisions of this section shall be required to pay (i) \$2,500 for a
1281	first violation and (ii) \$5,000 for any second or subsequent violation. The penalties provided under this
1282	subsection may be imposed in addition to or without imposing any other penalties or actions provided by
1283	<u>law.</u>
1284	F. Notwithstanding subsection B, a third-party delivery licensee may deliver alcoholic beverages
1285	to a retail licensee if such alcoholic beverages are being delivered on behalf of the Authority.
1286	§ 4.1-230. Applications for licenses; publication; notice to localities; fees; permits.

A. Every person intending to apply for any license authorized by this chapter shall file with the
Board an application on forms provided by the Board and a statement in writing by the applicant swearing
and affirming that all of the information contained therein is true.

1290 Applicants for retail licenses for establishments that serve food or are otherwise required to obtain 1291 a food establishment permit from the Department of Health or an inspection by the Department of 1292 Agriculture and Consumer Services shall provide a copy of such permit, proof of inspection, proof of a 1293 pending application for such permit, or proof of a pending request for such inspection. If the applicant 1294 provides a copy of such permit, proof of inspection, proof of a pending application for a permit, or proof 1295 of a pending request for an inspection, a license may be issued to the applicant. If a license is issued on 1296 the basis of a pending application or inspection, such license shall authorize the licensee to purchase 1297 alcoholic beverages in accordance with the provisions of this title; however, the licensee shall not sell or 1298 serve alcoholic beverages until a permit is issued or an inspection is completed.

1299 B. In addition, each applicant for a license under the provisions of this chapter, except applicants 1300 for annual banquet, banquet, tasting, special events, club events, annual mixed beverage banquet, wine 1301 and beer shipper's, delivery permit, annual arts venue, or museum licenses issued under the provisions of 1302 Chapter 2 (§ 4.1-200 et seq.), or beer or wine importer's licenses, shall post a notice of his application with 1303 the Board on the front door of the building, place, or room where he proposes to engage in such business 1304 for no more than 30 days and not less than 10 days. Such notice shall be of a size and contain such 1305 information as required by the Board, including a statement that any objections shall be submitted to the 1306 Board not more than 30 days following initial publication of the notice required pursuant to this 1307 subsection.

The applicant shall also cause notice to be published at least once a week for two consecutive weeks in a newspaper published in or having a general circulation in the county, city, or town wherein such applicant proposes to engage in such business. Such notice shall contain such information as required by the Board, including a statement that any objections to the issuance of the license be submitted to the Board not later than 30 days from the date of the initial newspaper publication. In the case of wine and

1313 beer shipper's licensees, third-party delivery licensees, delivery permittees, or operators of boats, dining 1314 cars, buffet cars, club cars, buses, and airplanes, the posting and publishing of notice shall not be required. 1315 Except for applicants for annual banquet, banquet, tasting, mixed beverage special events, club 1316 events, annual mixed beverage banquet, wine and beer shipper's, beer or wine importer's, annual arts 1317 venue, or museum licenses, the Board shall conduct a background investigation, to include a criminal 1318 history records search, which may include a fingerprint-based national criminal history records search, on 1319 each applicant for a license. However, the Board may waive, for good cause shown, the requirement for a 1320 criminal history records search and completed personal data form for officers, directors, nonmanaging 1321 members, or limited partners of any applicant corporation, limited liability company, or limited 1322 partnership.

Except for applicants for wine and beer shipper's licenses and delivery permits, the Board shall notify the local governing body of each license application through the county or city attorney or the chief law-enforcement or administrative officer of the locality. Local governing bodies shall submit objections to the granting of a license within 30 days of the filing of the application.

1327 C. Each applicant shall pay the required application fee at the time the application is filed. Each 1328 license application fee, including annual banquet and annual mixed beverage banquet, shall be \$195, plus 1329 the actual cost charged to the Department of State Police by the Federal Bureau of Investigation or the 1330 Central Criminal Records Exchange for processing any fingerprints through the Federal Bureau of 1331 Investigation or the Central Criminal Records Exchange for each criminal history records search required 1332 by the Board, except for banquet, tasting, or mixed beverage club events licenses, in which case the 1333 application fee shall be \$15. The application fee for banquet special event and mixed beverage special 1334 event licenses shall be \$45. Application fees shall be in addition to the state license fee required pursuant 1335 to § 4.1-231.1 and shall not be refunded.

D. Subsection A shall not apply to the continuance of licenses granted under this chapter; however, all licensees shall file and maintain with the Board a current, accurate record of the information required by the Board pursuant to subsection A and notify the Board of any changes to such information in accordance with Board regulations.

E. Every application for a permit granted pursuant to § 4.1-212 shall be on a form provided by the
Board. Such permits shall confer upon their holders no authority to make solicitations in the
Commonwealth as otherwise provided by law.

1343 The fee for a temporary permit shall be one-twelfth of the combined fees required by this section
1344 for applicable licenses to sell wine, beer, or mixed beverages computed to the nearest cent and multiplied
1345 by the number of months for which the permit is granted.

1346 F. The Board shall have the authority to increase state license fees from the amounts set forth in § 1347 4.1-231.1 as it was in effect on January 1, 2022. The Board shall set the amount of such increases on the 1348 basis of the consumer price index and shall not increase fees more than once every three years. Prior to 1349 implementing any state license fee increase, the Board shall provide notice to all licensees and the general 1350 public of (i) the Board's intent to impose a fee increase and (ii) the new fee that would be required for any 1351 license affected by the Board's proposed fee increases. Such notice shall be provided on or before 1352 November 1 in any year in which the Board has decided to increase state license fees, and such increases 1353 shall become effective July 1 of the following year.

1354

§ 4.1-231.1. Fees on state licenses.

1355 A. (Contingent expiration date) The annual fees on state licenses shall be as follows:

1356 1. Manufacturer licenses. For each:

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

b. Brewery license and limited brewery license, if not more than 500 barrels of beer manufactured
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 manufactured
during such year, \$4,690;

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

d. Farm winery license, \$245 for any Class A license and \$4,730 for any Class B license;

- e. Wine importer's license, \$460; and
- f. Beer importer's license, \$460.
- **1370** 2. Wholesale licenses. For each:

1371 a. (1) Wholesale beer license, \$1,005 for any wholesaler who sells 300,000 cases of beer a year or

1372 less, \$1,545 for any wholesaler who sells more than 300,000 but not more than 600,000 cases of beer a1373 year, and \$2,010 for any wholesaler who sells more than 600,000 cases of beer a year; and

1374 (2) Wholesale beer license applicable to two or more premises, the annual state license tax shall
1375 be the amount set forth in subdivision a (1), multiplied by the number of separate locations covered by the
1376 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 that granted pursuant to subdivision 3 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.

1385 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 hotels or motels, or other persons:

1388 (1) With a seating capacity at tables for up to 100 persons, \$1,050;

(2) With a seating capacity at tables for more than 100 but not more than 150 persons, \$1,495;

(3) With a seating capacity at tables for more than 150 persons but not more than 500 persons,\$1,980;

(4) With a seating capacity at tables for more than 500 persons but not more than 1,000 persons,\$2,500; and

1394	(5) With a seating capacity at tables for more than 1,000 persons, \$3,100;
1395	b. Mixed beverage restaurant license for restaurants located on the premises of and operated by
1396	private, nonprofit clubs:
1397	(1) With an average yearly membership of not more than 200 resident members, \$1,250;
1398	(2) With an average yearly membership of more than 200 but not more than 500 resident members,
1399	\$2,440; and
1400	(3) With an average yearly membership of more than 500 resident members, \$3,410;
1401	c. Mixed beverage restaurant license for restaurants located on the premises of and operated by a
1402	casino gaming establishment, \$3,100 plus an additional \$5 for each gaming station located on the premises
1403	of the casino gaming establishment;
1404	d. Mixed beverage caterer's license, \$1,990;
1405	e. Mixed beverage limited caterer's license, \$550;
1406	f. Mixed beverage carrier license:
1407	(1) \$520 for each of the average number of dining cars, buffet cars, or club cars operated daily in
1408	the Commonwealth by a common carrier of passengers by train;
1409	(2) \$910 for each common carrier of passengers by boat;
1410	(3) \$520 for each common carrier of passengers by bus; and
1411	(4) \$2,360 for each license granted to a common carrier of passengers by airplane;
1412	g. Annual mixed beverage motor sports facility license, \$630;
1413	h. Limited mixed beverage restaurant license:
1414	(1) With a seating capacity at tables for up to 100 persons, \$945;
1415	(2) With a seating capacity at tables for more than 100 but not more than 150 persons, \$1,385; and
1416	(3) With a seating capacity at tables for more than 150 persons, \$1,875;
1417	i. Annual mixed beverage performing arts facility license, \$630;
1418	j. Bed and breakfast license, \$100;
1419	k. Museum license, \$260;
1420	1. Motor car sporting event facility license, \$300;

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1421	m. Commercial lifestyle center license, \$300;
1422	n. Mixed beverage port restaurant license, \$1,050; and
1423	o. Annual mixed beverage special events license, \$630.
1424	4. Retail licenses — on-and-off-premises wine and beer. For each on-and-off premises wine and
1425	beer license, \$450.
1426	5. Retail licenses — off-premises wine and beer. For each:
1427	a. Retail off-premises wine and beer license, \$300;
1428	b. Gourmet brewing shop license, \$320; and
1429	c. Confectionery license, \$170.
1430	6. Retail licenses — banquet, special event, and tasting licenses.
1431	a. Per-day event licenses. For each:
1432	(1) Banquet license, \$40 per license granted by the Board, except for banquet licenses granted by
1433	the Board pursuant to subsection A of § 4.1-215, which shall be \$100 per license;
1434	(2) Mixed beverage special events license, \$45 for each day of each event;
1435	(3) Mixed beverage club events license, \$35 for each day of each event; and
1436	(4) Tasting license, \$40.
1437	b. Annual licenses. For each:
1438	(1) Annual banquet license, \$300;
1439	(2) Banquet facility license, \$260;
1440	(3) Designated outdoor refreshment area license, \$300. However, for any designated outdoor
1441	refreshment area license issued pursuant to a local ordinance, the annual fee shall be \$3,000;
1442	(4) Annual mixed beverage banquet license, \$630;
1443	(5) Equine sporting event license, \$300; and
1444	(6) Annual arts venue event license, \$300.
1445	7. Retail licenses — marketplace. For each marketplace license, \$1,000.
1446	8. Retail licenses — shipper, bottler, and related licenses. For each:
1447	a. Wine and beer shipper's license, \$230;

1448 b. Internet wine and beer retailer license, \$240;

1449 c. Bottler license, \$1,500;

d. Fulfillment warehouse license, \$210; and

e. Marketing portal license, \$285; and

1452 <u>f. Third-party delivery license</u>, \$7,500, unless the licensee provides written certification to the

1453 Board that the licensee has no more than 25 delivery personnel, including employees, agents, and

1454 <u>independent contractors that engage in direct-to-consumer alcoholic beverage delivery, in which case the</u>

1455 license fee shall be \$2,500.

1456 9. Temporary licenses. For each temporary license authorized by § 4.1-211, one-half of the tax1457 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.

1462 C. Nothing in this chapter shall exempt any licensee from any state merchants' license or state 1463 restaurant license or any other state tax. Every licensee, in addition to the taxes imposed by this chapter, 1464 shall be liable to state merchants' license taxation and state restaurant license taxation and other state 1465 taxation the same as if the alcoholic beverages were nonalcoholic. In ascertaining the liability of a beer 1466 wholesaler to merchants' license taxation, however, and in computing the wholesale merchants' license 1467 tax on a beer wholesaler, the first \$163,800 of beer purchases shall be disregarded; and in ascertaining the 1468 liability of a wholesale wine distributor to merchants' license taxation, and in computing the wholesale 1469 merchants' license tax on a wholesale wine distributor, the first \$163,800 of wine purchases shall be 1470 disregarded.

1471 D. In addition to the taxes set forth in this section, a fee of \$5 may be imposed on any license1472 purchased in person from the Board if such license is available for purchase online.

\$ 18.2-323.1. Drinking while operating a motor vehicle; possession of open container while
operating a motor vehicle and presumption; penalty.

A. It-shall be is unlawful for any person to consume an alcoholic beverage while driving a motor
vehicle upon a public highway of-this the Commonwealth.

B.-A Unless the driver is delivering alcoholic beverages in accordance with the provisions of § 4.1-212.1, a rebuttable presumption that the driver has consumed an alcoholic beverage in violation of this section shall be created if (i) an open container is located within the passenger area of the motor vehicle, (ii) the alcoholic beverage in the open container has been at least partially removed, and (iii) the appearance, conduct, odor of alcohol, speech, or other physical characteristic of the driver of the motor vehicle may be reasonably associated with the consumption of an alcoholic beverage.

1483 <u>C.</u> For the purposes of this section:

1484 "Open container" means any vessel containing an alcoholic beverage, except the originally sealed1485 manufacturer's container.

1486 "Passenger area" means the area designed to seat the driver of any motor vehicle, any area within 1487 the reach of the driver, including an unlocked glove compartment, and the area designed to seat 1488 passengers. This term shall "Passenger area" does not include the trunk of any passenger vehicle, the area 1489 behind the last upright seat of a passenger van, station wagon, hatchback, sport utility vehicle, or any 1490 similar vehicle, the living quarters of a motor home, or the passenger area of a motor vehicle designed, 1491 maintained, or used primarily for the transportation of persons for compensation, including a bus, taxi, or 1492 limousine, while engaged in the transportation of such persons.

1493

3 C. A violation of this section is punishable as a Class 4 misdemeanor.

1494 2. That the second enactment of Chapter 281 and the second enactment of Chapter 282 of the Acts

1495 of Assembly of 2021, Special Session I, are amended and reenacted as follows:

1496 2. That the provisions of this act shall expire on July 1, <u>2022</u> <u>2024</u>.

1497 3. That the Virginia Alcoholic Beverage Control Authority shall collect data regarding the 1498 compliance of third-party delivery licensees with the provisions of this act and report such data to 1499 the Chairmen of the House Committee on General Laws and the Senate Committee on 1500 Rehabilitation and Social Services by November 1, 2023.

4. That the Virginia Alcoholic Beverage Control Authority (the Authority) shall monitor the
implementation of the provision of this act to identify any difficulties of third-party delivery
licensees in determining locations to which alcoholic beverages may be delivered and the adequacy
of applicable training and education programs. The Board of Directors of the Authority shall
promulgate regulations, if necessary, to address any issues identified during such monitoring
process.

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