

SENATE BILL NO. 1163

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Rehabilitation and Social Services

on _____)

(Patron Prior to Substitute—Senator McDougle)

A BILL to amend and reenact §§ 4.1-100, 4.1-111, and 4.1-206.3, as it is currently effective and as it shall become effective, of the Code of Virginia, relating to alcoholic beverage control; food-to-beverage ratio.

Be it enacted by the General Assembly of Virginia:

1. That §§ 4.1-100, 4.1-111, and 4.1-206.3, as it is currently effective and as it shall become effective, of the Code of Virginia are amended and reenacted as follows:

§ 4.1-100. Definitions.

As used in this subtitle unless the context requires a different meaning:

"Alcohol" means the product known as ethyl or grain alcohol obtained by distillation of any fermented liquor, rectified either once or more often, whatever the origin, and shall include synthetic ethyl alcohol, but shall not include methyl alcohol and alcohol completely denatured in accordance with formulas approved by the government of the United States.

"Alcohol vaporizing device" means any device, machine, or process that mixes any alcoholic beverages with pure oxygen or other gas to produce a vaporized product for the purpose of consumption by inhalation.

"Alcoholic beverages" includes alcohol, spirits, wine, and beer, and any one or more of such varieties containing one-half of one percent or more of alcohol by volume, including mixed alcoholic beverages, and every liquid or solid, powder or crystal, patented or not, containing alcohol, spirits, wine, or beer and capable of being consumed by a human being. Any liquid or solid containing more than one of the four varieties shall be considered as belonging to that variety which has the higher percentage of alcohol, however obtained, according to the order in which they are set forth in this definition; except that beer may be manufactured to include flavoring materials and other nonbeverage ingredients containing alcohol, as long as no more than 49 percent of the overall alcohol content of the finished product is derived from the addition of flavors and other nonbeverage ingredients containing alcohol for products with an alcohol content of no more than six percent by volume; or, in the case of products with an alcohol content of more than six percent by volume, as long as no more than one and one-half percent of the volume of the finished product consists of alcohol derived from added flavors and other nonbeverage ingredients containing alcohol.

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

33 "Authority" means the Virginia Alcoholic Beverage Control Authority created pursuant to this subtitle.

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

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

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

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

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

47 "Bus" means a motor vehicle that (i) is operated by a common carrier licensed under Chapter 20 (§
48 46.2-2000 et seq.) of Title 46.2 to transport passengers for compensation over the highways of the
49 Commonwealth on regular or irregular routes of not less than 100 miles, (ii) seats no more than 24
50 passengers, (iii) is 40 feet in length or longer, (iv) offers wireless Internet services, (v) is equipped with
51 charging stations at every seat for cellular phones or other portable devices, and (vi) during the transportation
52 of passengers, is staffed by an attendant who has satisfied all training requirements set forth in this subtitle or
53 Board regulation.

54 "Club" means any private nonprofit corporation or association which is the owner, lessee, or occupant of
55 an establishment operated solely for a national, social, patriotic, political, athletic, or other like purpose, but
56 not for pecuniary gain, the advantages of which belong to all of the members. It also means the establishment
57 so operated. A corporation or association shall not lose its status as a club because of the conduct of
58 charitable gaming conducted pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2 in
59 which nonmembers participate frequently or in large numbers, provided that no alcoholic beverages are

served or consumed in the room where such charitable gaming is being conducted while such gaming is being conducted and that no alcoholic beverages are made available upon the premises to any person who is neither a member nor a bona fide guest of a member.

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

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

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

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

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

"Culinary lodging resort" means a facility (i) having not less than 13 overnight guest rooms in a building

89 that has at least 20,000 square feet of indoor floor space; (ii) located on a farm in the Commonwealth with at
90 least 1,000 acres of land zoned agricultural; (iii) equipped with a full-service kitchen; and (iv) offering to the
91 public, for compensation, at least one meal per day, lodging, and recreational and educational activities
92 related to farming, livestock, and other rural activities.

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

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

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

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

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

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

118 otherwise limit or affect local zoning authority.

119 *"Food-to-beverage ratio" means, for purposes of mixed beverage restaurant licenses, the percentage*
120 *calculated by dividing (i) the licensee's gross receipts from the sale of food cooked or prepared and*
121 *consumed on the premises and nonalcoholic beverages served on the premises by (ii) the licensee's gross*
122 *receipts from the sale of food cooked or prepared and consumed on the premises, nonalcoholic beverages*
123 *served on the premises, and mixed beverages served on the premises. "Food-to-beverage ratio" means, for*
124 *purposes of mixed beverage caterer's and limited caterer's licenses, the percentage calculated by dividing (a)*
125 *the licensee's gross receipts from the sale of food cooked and prepared for service and nonalcoholic*
126 *beverages served at private gatherings and special events by (b) the licensee's gross receipts from the sale of*
127 *mixed beverages and from food cooked and prepared for service and nonalcoholic beverages served at*
128 *private gatherings and special events.*

129 "Gift shop" means any bona fide retail store selling, predominantly, gifts, books, souvenirs, specialty
130 items relating to history, original and handmade arts and products, collectibles, crafts, and floral
131 arrangements, which is open to the public on a regular basis. Such shop shall be a permanent structure where
132 stock is displayed and offered for sale and which has facilities to properly secure any stock of wine or beer.
133 Such shop may be located (i) on the premises or grounds of a government registered national, state or local
134 historic building or site or (ii) within the premises of a museum. The Board shall consider the purpose,
135 characteristics, nature, and operation of the shop in determining whether it shall be considered a gift shop.

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

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

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

147 "Government store" means a store established by the Authority for the sale of alcoholic beverages.

148 "Grocery store" means an establishment that sells food and other items intended for human consumption,
149 including a variety of ingredients commonly used in the preparation of meals.

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

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

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

158 "Internet wine and beer retailer" means a person who owns or operates an establishment with adequate
159 inventory, shelving, and storage facilities, where, in consideration of payment, Internet or telephone orders
160 are taken and shipped directly to consumers and which establishment is not a retail store open to the public.

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

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

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

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

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

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

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

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

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

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

191 "Municipal golf course" means any golf course that is owned by any town incorporated in 1849 and which
192 is the county seat of Smyth County.

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

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

201 "Principal stockholder" means any person who individually or in concert with his spouse and immediate
202 family members beneficially owns or controls, directly or indirectly, five percent or more of the equity
203 ownership of any person that is a licensee of the Authority, or who in concert with his spouse and immediate
204 family members has the power to vote or cause the vote of five percent or more of any such equity

205 ownership. "Principal stockholder" does not include a broker-dealer registered under the Securities Exchange
206 Act of 1934, as amended, that holds in inventory shares for sale on the financial markets for a publicly traded
207 corporation holding, directly or indirectly, a license from the Authority.

208 "Public place" means any place, building, or conveyance to which the public has, or is permitted to have,
209 access, including restaurants, soda fountains, hotel dining areas, lobbies and corridors of hotels, and any park,
210 place of public resort or amusement, highway, street, lane, or sidewalk adjoining any highway, street, or lane.

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

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

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

234 considered as a resort complex. All other pertinent qualifications established by the Board for a hotel
235 operation shall be observed by such licensee.

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

239 "Restaurant" means, for a mixed beverage license other than a limited mixed beverage restaurant license,
240 an established place of business (i) where meals with substantial entrees are regularly sold ~~and~~; (ii) ~~which th~~
241 *at has at least as many seats at tables as at counters; and (iii) that* has adequate facilities and sufficient
242 employees for cooking, preparing, and serving such meals for consumption at tables in dining areas on the
243 premises, and includes establishments specializing in full course meals with a single substantial entree.

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

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

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

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

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

257 "Sports facility" means a coliseum, stadium, racetrack, or similar facility at which professional sports, as
258 defined in § 58.1-4030, or similar events, the types of which are approved by the Authority, are conducted.

259 "Wine" means any alcoholic beverage, including cider, obtained by the fermentation of the natural sugar
260 content of fruits or other agricultural products containing (i) sugar, including honey and milk, either with or
261 without additional sugar; (ii) one-half of one percent or more of alcohol by volume; and (iii) no product of
262 distillation. "Wine" includes any wine to which wine spirits have been added, as provided in the Internal

263 Revenue Code, to make products commonly known as "fortified wine" which do not exceed an alcohol
264 content of 21 percent by volume.

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

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

275 **§ 4.1-111. Regulations of Board.**

276 A. The Board may promulgate reasonable regulations, not inconsistent with this subtitle or the general
277 laws of the Commonwealth, which it deems necessary to carry out the provisions of this subtitle and to
278 prevent the illegal manufacture, bottling, sale, distribution, and transportation of alcoholic beverages. The
279 Board may amend or repeal such regulations. Such regulations shall be promulgated, amended or repealed in
280 accordance with the Administrative Process Act (§ 2.2-4000 et seq.) and shall have the effect of law.

281 B. The Board shall promulgate regulations that:

282 1. Prescribe what hours and on what days alcoholic beverages shall not be sold by licensees or consumed
283 on any licensed premises, including a provision that mixed beverages may be sold only at such times as wine
284 and beer may be sold.

285 2. Require mixed beverage caterer licensees to notify the Board in advance of any event to be served by
286 such licensee.

287 3. Maintain the reasonable separation of retailer interests from those of the manufacturers, bottlers,
288 brokers, importers, and wholesalers in accordance with § 4.1-216 and in consideration of the established trade
289 customs, quantity, and value of the articles or services involved; prevent undue competitive domination of
290 any person by any other person engaged in the manufacture, distribution, and sale at retail or wholesale of
291 alcoholic beverages in the Commonwealth; and promote reasonable accommodation of arm's length business

transactions.

4. Establish requirements for the form, content, and retention of all records and accounts, including the (i) reporting and collection of taxes required by § 4.1-236 and (ii) the sale of alcoholic beverages in kegs, by all licensees.

5. Require retail licensees to file an appeal from any hearing decision rendered by a hearing officer within 30 days of the date the notice of the decision is sent. The notice shall be sent to the licensee at the address on record with the Board by certified mail, return receipt requested, and by regular mail.

6. Prescribe the terms and conditions under which persons who collect or trade designer or vintage spirit bottles may sell such bottles at auction, provided that (i) the auction is conducted in accordance with the provisions of Chapter 6 (§ 54.1-600 et seq.) of Title 54.1 and (ii) the bottles are unopened and the manufacturers' seals, marks, or stamps affixed to the bottles are intact.

7. Prescribe the terms and conditions under which credit or debit cards may be accepted from licensees for purchases at government stores, including provision for the collection, where appropriate, of related fees, penalties, and service charges.

8. Require that banquet licensees in charge of public events as defined by Board regulations report to the Board the income and expenses associated with the public event on a form prescribed by the Board when the banquet licensee engages another person to organize, conduct, or operate the event on behalf of the banquet licensee. Such regulations shall be applicable only to public events where alcoholic beverages are being sold.

9. Provide alternative methods for licensees to maintain and store business records that are subject to Board inspection, including methods for Board-approved electronic and off-site storage.

10. Require off-premises retail licensees to place any premixed alcoholic energy drinks containing one-half of one percent or more of alcohol by volume in the same location where wine and beer are available for sale within the licensed premises.

11. Prescribe the terms and conditions under which mixed beverage licensees may infuse, store, and sell flavored distilled spirits, including a provision that limits infusion containers to a maximum of 20 liters.

12. Prescribe the schedule of proration for refunded license taxes to licensees who qualify pursuant to subsection C of § 4.1-232.

13. Establish reasonable time, place, and manner restrictions on outdoor advertising of alcoholic beverages, not inconsistent with the provisions of this subtitle, so that such advertising does not encourage or

321 otherwise promote the consumption of alcoholic beverages by persons to whom alcoholic beverages may not
322 be lawfully sold. Such regulations shall:

323 a. Restrict outdoor advertising of alcoholic beverages in publicly visible locations consistent with (i) the
324 general prohibition against tied interests between retail licensees and manufacturers or wholesale licensees as
325 provided in §§ 4.1-215 and 4.1-216; (ii) the prohibition against manufacturer control of wholesale licensees
326 as set forth in § 4.1-223 and Board regulations adopted pursuant thereto; and (iii) the general prohibition
327 against cooperative advertising between manufacturers, wholesalers, or importers and retail licensees as set
328 forth in Board regulation; and

329 b. Permit (i) any outdoor signage or advertising not otherwise prohibited by this subtitle and (ii) the
330 display of outdoor alcoholic beverage advertising on lawfully erected billboard signs regulated under Chapter
331 12 (§ 33.2-1200 et seq.) of Title 33.2 where such signs are located on commercial real estate as defined in §
332 55.1-1100, but only in accordance with this subtitle.

333 14. Prescribe the terms and conditions under which a licensed brewery may manufacture beer pursuant to
334 an agreement with a brand owner not under common control with the manufacturing brewery and sell and
335 deliver the beer so manufactured to the brand owner. The regulations shall require that (i) the brand owner be
336 an entity appropriately licensed as a brewery or beer wholesaler, (ii) a written agreement be entered into by
337 the parties, and (iii) records as deemed appropriate by the Board are maintained by the parties.

338 15. Prescribe the terms for any "happy hour" conducted by on-premises licensees. Such regulations shall
339 permit on-premises licensees to advertise any alcoholic beverage products featured during a happy hour and
340 any pricing related to such happy hour. Such regulations shall not prohibit on-premises licensees from using
341 creative marketing techniques in such advertisements, provided that such techniques do not tend to induce
342 overconsumption or consumption by minors.

343 16. Permit retail on-premises licensees to give a gift of one alcoholic beverage to a patron or one bottle of
344 wine to a group of two or more patrons, provided that (i) such gifts only are made to individuals to whom
345 such products may lawfully be sold and (ii) only one such gift is given during any 24-hour period and subject
346 to any Board limitations on the frequency of such gifts.

347 17. Permit the sale of beer and cider for off-premises consumption in resealable growlers made of glass,
348 ceramic, metal, or other materials approved by the Board, or other resealable containers approved by the
349 Board, with a maximum capacity of 128 fluid ounces or, for metric-sized containers, four liters.

18. Permit the sale of wine for off-premises consumption in resealable growlers made of glass, ceramic, metal, or other materials approved by the Board, or other resealable containers approved by the Board, with a maximum capacity of 64 fluid ounces or, for metric-sized containers, two liters. Wine growlers may be used only by persons licensed to sell wine for both on-premises and off-premises consumption or by gourmet shops granted a retail off-premises wine and beer license. Growlers sold by gourmet shops shall be labeled with (i) the manufacturer's name or trade name, (ii) the place of production, (iii) the net contents in fluid ounces, and (iv) the name and address of the retailer.

19. Permit the sale of wine, cider, and beer by retailers licensed to sell beer and wine for both on-premises and off-premises consumption, or by gourmet shops granted a retail off-premises wine and beer license for off-premises consumption in sealed containers made of metal or other materials approved by the Board with a maximum capacity of 32 fluid ounces or, for metric-sized containers, one liter, provided that the alcoholic beverage is placed in the container following an order from the consumer.

20. Permit mixed beverage licensees to premix containers of sangria and other mixed alcoholic beverages and to serve such alcoholic beverages in pitchers, subject to size and quantity limitations established by the Board.

21. Establish and make available to all licensees and permittees for which on-premises consumption of alcoholic beverages is allowed and employees of such licensees and permittees who serve as a bartender or otherwise sell, serve, or dispense alcoholic beverages for on-premises consumption a bar bystander training module, which shall include (i) information that enables licensees, permittees, and their employees to recognize situations that may lead to sexual assault and (ii) intervention strategies to prevent such situations from culminating in sexual assault.

22. Require mixed beverage licensees, except for mixed beverage casino licensees, to have food, *including meals as defined in § 4.1-100*, cooked or prepared on the licensed premises, available for on-premises consumption until at least 30 minutes prior to an establishment's closing. Such food shall be available in all areas of the licensed premises in which spirits are sold or served. *No mixed beverages may be served once food is no longer being sold for on-premises consumption.*

23. Prescribe the terms and conditions under which the Board may suspend the privilege of a mixed beverage licensee to purchase spirits from the Board upon such licensee's failure to submit any records or other documents necessary to verify the licensee's compliance with applicable minimum food sale

379 requirements within 30 days of the date such records or documents are due.

380 24. Prescribe the terms and conditions under which manufacturers, brokers, importers, and wholesalers
381 may advertise and promote alcoholic beverages via the Internet, social media, direct-to-consumer electronic
382 communication, or other electronic means in a manner not inconsistent with the provisions of this subtitle.

383 25. *Prescribe the terms and conditions under which persons holding a mixed beverage restaurant,*
384 *caterer's, or limited caterer's license comply with the food-to-beverage ratio provision requiring such*
385 *licensees with monthly food sales of at least \$4,000 to have a food-to-beverage ratio that meets or exceeds 30*
386 *percent.*

387 C. The Board may promulgate regulations that:

388 1. Provide for the waiver of the license tax for an applicant for a banquet license, such waiver to be based
389 on (i) the amount of alcoholic beverages to be provided by the applicant, (ii) the not-for-profit status of the
390 applicant, and (iii) the condition that no profits are to be generated from the event. For the purposes of clause
391 (ii), the applicant shall submit with the application, an affidavit certifying its not-for-profit status. The
392 granting of such waiver shall be limited to two events per year for each applicant.

393 2. Establish limitations on the quantity and value of any gifts of alcoholic beverages made in the course of
394 any business entertainment pursuant to subdivision A 22 of § 4.1-325 or subsection C of § 4.1-325.2.

395 3. Provide incentives to licensees with a proven history of compliance with state and federal laws and
396 regulations to encourage licensees to conduct their business and related activities in a manner that is
397 beneficial to the Commonwealth.

398 D. Board regulations shall be uniform in their application, except those relating to hours of sale for
399 licensees.

400 E. Courts shall take judicial notice of Board regulations.

401 F. The Board's power to regulate shall be broadly construed.

402 **§ 4.1-206.3. (Effective until July 1, 2026) Retail licenses.**

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

404 1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed
405 beverages for on-premises consumption in dining areas and other designated areas of such restaurant or
406 off-premises consumption. Such license may be granted only to persons ~~(i)~~ who operate a restaurant ~~and (ii)~~
407 ~~whose gross receipts from the sale of food cooked, or prepared, and consumed on the premises and~~

~~nonalcoholic beverages served on the premises, after issuance of such license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food that complies with the food-to-beverage ratio provision set by Board regulation pursuant to § 4.1-111.~~ For the purposes of this subdivision, other designated areas shall include outdoor dining areas, whether or not contiguous to the licensed premises, which outdoor dining areas may have more than one means of ingress and egress to an adjacent public thoroughfare, provided such areas are under the control of the licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A 5 of § 4.1-201.

If the restaurant is located on the premises of a hotel or motel with no fewer than four permanent bedrooms where food and beverage service is customarily provided by the restaurant in designated areas, bedrooms, and other private rooms of such hotel or motel, such licensee may ~~(a)~~ (i) sell and serve mixed beverages for on-premises consumption in such designated areas, bedrooms, and other private rooms or off-premises consumption and ~~(b)~~ (ii) sell spirits packaged in original closed containers purchased from the Board for on-premises consumption to registered guests and at scheduled functions of such hotel or motel only in such bedrooms or private rooms. However, with regard to a hotel classified as a resort complex, 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 from keeping and consuming his own lawfully acquired spirits in bedrooms or private rooms.

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

437 ~~food~~ club shall comply with the food-to-beverage ratio provision set by Board regulation pursuant to §
438 4.1-111. The food sales made by a restaurant to such a club shall be excluded in any consideration of the
439 qualifications of such restaurant for a license from the Board.

440 If the restaurant is located on the premises of and operated by a municipal golf course, the Board shall
441 recognize the seasonal nature of the business and waive any applicable monthly food sales requirements for
442 those months when weather conditions may reduce patronage of the golf course, provided that prepared food,
443 including meals, is available to patrons during the same months. The ~~gross receipts from the sale of food~~
444 ~~cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after~~
445 ~~the issuance of such license, shall amount to at least 45 percent of the gross receipts from the sale of mixed~~
446 ~~beverages and food on an annualized basis~~ restaurant shall comply with the food-to-beverage ratio provision
447 set by Board regulation pursuant to § 4.1-111.

448 If the restaurant is located on the premises of and operated by a culinary lodging resort, such license shall
449 authorize the licensee to ~~(A)~~ (1) sell alcoholic beverages, without regard to the amount of gross receipts from
450 the sale of food prepared and consumed on the premises, for off-premises consumption or for on-premises
451 consumption in areas upon the licensed premises approved by the Board and other designated areas of the
452 resort, including outdoor areas under the control of the licensee, and ~~(B)~~ (2) permit the possession and
453 consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is being
454 provided in bedrooms and private guest rooms.

455 If the restaurant is located on the premises of a mixed beverage casino licensee owned by an operator
456 licensed under Article 3 (§ 58.1-4108 et seq.) of Chapter 41 of Title 58.1, such mixed beverage restaurant
457 license shall authorize the licensee to sell alcoholic beverages for on-premises consumption on the licensed
458 premises of the restaurant during all hours of operation of the mixed beverage casino licensee. Any alcoholic
459 beverages purchased from such restaurant may be ~~(H)~~ (A) taken onto the premises of the mixed beverage
460 casino licensee and ~~(H)~~ (B) possessed or consumed in areas designated by the Board, after consultation with
461 the mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed
462 beverage casino licensee, including entertainment venues, conference rooms, private rooms, hotels, pools,
463 marinas, or green spaces. Alcoholic beverages purchased from a restaurant pursuant to this subdivision shall
464 be contained in glassware or a paper, plastic, or similar disposable container that clearly displays the name or
465 logo of the restaurant from which the alcoholic beverage was purchased.

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

2. Mixed beverage 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, 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~~ *comply with the food-to-beverage ratio provision set by Board regulation pursuant to § 4.1-111.*

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~~ *comply with the food-to-beverage ratio provision set by Board regulation pursuant to § 4.1-111.*

4. Mixed beverage carrier licenses to (i) persons operating a common carrier of passengers by train, boat, bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere in the Commonwealth to passengers while in transit aboard any such common carrier, and in designated rooms of establishments of air carriers at airports in the Commonwealth and (ii) financial institutions, subsidiaries of a financial institution, or persons approved by the applicable airport authority that have entered into a contract with a financial institution or subsidiary of a financial institution to operate a passenger lounge, which shall authorize the licensee to sell and serve mixed beverages in designated areas of a passenger lounge for ticketed air carrier passengers that is located within an airport in the Commonwealth. For purposes of supplying its airplanes, as well as any airplanes of a licensed express carrier flying under the same brand, an air carrier licensee may appoint an authorized representative to load alcoholic beverages onto the same airplanes and to transport and store alcoholic beverages at or in close proximity to the airport where the alcoholic beverages

495 will be delivered onto airplanes of the air carrier and any such licensed express carrier. The air carrier
496 licensee shall (a) designate for purposes of its license all locations where the inventory of alcoholic beverages
497 may be stored and from which the alcoholic beverages will be delivered onto airplanes of the air carrier and
498 any such licensed express carrier and (b) maintain records of all alcoholic beverages to be transported, stored,
499 and delivered by its authorized representative. The granting of a license pursuant to this subdivision shall
500 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
501 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
502 pay the local fee required for such additional license pursuant to § 4.1-233.1.

503 For the purposes of this subdivision:

504 "Financial institution" means any bank, trust company, savings institution, industrial loan association,
505 consumer finance company, or credit union.

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

508 5. Annual mixed beverage sports facility licenses to persons operating a sports facility or food concessions
509 at a sports facility, which shall authorize the licensee to sell mixed beverages during any event and
510 immediately subsequent thereto to patrons within all seating areas, concourses, walkways, concession areas,
511 and additional locations designated by the Board (i) in closed containers for off-premises consumption or (ii)
512 in paper, plastic, or similar disposable containers or in single original metal cans for on-premises
513 consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully
514 acquired alcoholic beverages on the premises in all areas and locations covered by the license. The granting
515 of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell
516 and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption;
517 however, the licensee shall be required to pay the local fee required for such additional license pursuant to §
518 4.1-233.1.

519 6. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve dessert
520 wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs shall be
521 combined with coffee or other nonalcoholic beverages, for on-premises consumption in dining areas of the
522 restaurant. Such license may be granted only to persons who operate a restaurant and in no event shall the
523 sale of such wine or liqueur-based drinks, together with the sale of any other alcoholic beverages, exceed 10

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

7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee to sell, on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable containers or in single original metal cans for on-premises consumption in all seating areas, concourses, walkways, concession areas, similar facilities, and other areas upon the licensed premises approved by the Board and (ii) 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. Such licenses may be granted to persons operating a performing arts facility or food concessions at a performing arts facility.

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.

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

553 establishment. For purposes of this subdivision, "other designated areas" includes outdoor dining areas,
554 whether or not contiguous to the licensed premises, which may have more than one means of ingress and
555 egress to an adjacent public thoroughfare, provided that such outdoor dining areas are under the control of the
556 licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any retail
557 license issued pursuant to subdivision A 5 of § 4.1-201.

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

564 11. Commercial lifestyle center licenses, which may be issued only to a commercial owners' association
565 governing a commercial lifestyle center, which shall authorize any retail on-premises restaurant licensee that
566 is a tenant of the commercial lifestyle center to sell alcoholic beverages to any bona fide customer to whom
567 alcoholic beverages may be lawfully sold for consumption on that portion of the licensed premises of the
568 commercial lifestyle center designated by the Board, including (i) plazas, seating areas, concourses,
569 walkways, or such other similar areas and (ii) the premises of any tenant location of the commercial lifestyle
570 center that is not a retail licensee of the Board, upon approval of such tenant, but excluding any parking areas.
571 Only alcoholic beverages purchased from such retail on-premises restaurant licensees may be consumed on
572 the licensed premises of the commercial lifestyle center, and such alcoholic beverages shall be contained in
573 paper, plastic, or similar disposable containers with the name or logo of the restaurant licensee that sold the
574 alcoholic beverage clearly displayed. Alcoholic beverages shall not be sold or charged for in any way by the
575 commercial lifestyle center licensee. The licensee shall post appropriate signage clearly demarcating for the
576 public the boundaries of the licensed premises; however, no physical barriers shall be required for this
577 purpose. The licensee shall provide adequate security for the licensed premises to ensure compliance with the
578 applicable provisions of this subtitle and Board regulations.

579 12. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve mixed
580 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be
581 granted only to persons operating a business (i) that is primarily engaged in the sale of meals; (ii) that is

located on property owned by the United States government or an agency thereof and used as a port of entry to or egress from the United States; and (iii) whose gross receipts from the sale of food cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after issuance of such license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food. For the purposes of this subdivision, other designated areas shall include outdoor dining areas, whether or not contiguous to the licensed premises, which outdoor dining areas may have more than one means of ingress and egress to an adjacent public thoroughfare, provided such areas are under the control of the licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A 5 of § 4.1-201. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

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

14. Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve mixed beverages for on-premises consumption in areas designated by the Board, after consultation with the mixed beverage casino licensee, without regard to the amount of gross receipts from the sale of food prepared and consumed on the premises and (ii) provide complimentary mixed beverages to patrons for on-premises consumption in private areas or restricted access areas designated by the Board, after consultation with the

611 mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed
612 beverage casino licensee, including entertainment venues, private rooms, conference rooms, hotels, pools,
613 marinas, or green spaces. The granting of a license pursuant to this subdivision shall authorize the licensee to
614 obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for
615 off-premises consumption in accordance with the provisions of this subdivision governing mixed beverages;
616 however, the licensee shall be required to pay the local fee required for such additional license pursuant to §
617 4.1-233.1. Notwithstanding any law or regulation to the contrary, a mixed beverage casino licensee may
618 exercise the privileges of its license as set forth in this subdivision during all hours of operation of the casino
619 gaming establishment; however, such licensee shall not sell wine or beer for off-premises consumption
620 between the hours of 12 a.m. and 6 a.m.

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

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

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

630 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in closed
631 containers for off-premises consumption or (ii) for on-premises consumption, either with or without meals, in
632 dining areas and other designated areas of such restaurants, or in dining areas, private guest rooms, and other
633 designated areas of such hotels or clubs, for consumption only in such rooms and areas. However, with
634 regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize the sale and
635 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board
636 or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic beverages in
637 dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being
638 provided, for on-premises consumption in such rooms or areas, and without regard to the amount of gross
639 receipts from the sale of food prepared and consumed on the premises, provided that at least one meal is

provided each day by the hotel to such guests. With regard to facilities registered in accordance with Chapter 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are also licensed by the Board under this subdivision, any resident may, upon authorization of the licensee, keep and consume his own lawfully acquired alcoholic beverages on the premises in all areas covered by the license. 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.

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

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

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

5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer during the performance of any event to patrons within all seating areas, concourses, walkways, or concession areas, or other areas approved by the Board (i) in closed containers for off-premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-premises consumption. Upon

669 authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic
670 beverages on the premises in all areas and locations covered by the license. Such licenses may be granted to
671 persons operating food concessions at any performing arts facility.

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

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

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

694 9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises
695 consumption or in closed containers for off-premises consumption in areas approved by the Board. Such
696 licenses may be granted to persons operating a nonprofit museum exempt from taxation under § 501(c)(3) of
697 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.

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

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

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

1. Per-day event licenses.

a. Banquet licenses to persons in charge of private banquets, and to duly organized nonprofit corporations or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas. Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be authorized to sell wine, as part of any fundraising activity, in closed containers for off-premises consumption to persons

727 to whom wine may be lawfully sold; (ii) shall be limited to no more than one such fundraiser per year; and
728 (iii) if conducting such fundraiser through an online meeting platform, may ship such wine, in accordance
729 with Board regulations, in closed containers to persons located within the Commonwealth. Except as
730 provided in § 4.1-215, a separate license shall be required for each day of each banquet or special event. For
731 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
732 the application may also name an alternative location in the event of inclement weather. However, no such
733 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

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

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

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

750 2. Annual licenses.

751 a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable
752 membership organizations that are exempt from state and federal taxation and in charge of banquets
753 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and beer
754 in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or
755 areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. For

the purposes of this subdivision, when the location named in the original application for a license is outdoors, the application may also name an alternative location in the event of inclement weather. However, no such license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

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

c. Designated outdoor refreshment area licenses to a locality, business improvement district, or nonprofit organization, which shall authorize (i) the licensee to permit the consumption of alcoholic beverages within the area designated by the Board for the designated outdoor refreshment area and (ii) any permanent retail on-premises licensee that is located within the area designated by the Board for the designated outdoor refreshment area to sell alcoholic beverages within the permanent retail location for consumption in the area designated for the designated outdoor refreshment area, including sidewalks and the premises of businesses not licensed to sell alcoholic beverages at retail, upon approval of such businesses. In determining the designated area for the designated outdoor refreshment area, the Board shall consult with the locality. Designated outdoor refreshment area licensees shall be limited to 16 events per year, and the duration of any event shall not exceed three consecutive days. However, the Board may increase the frequency and duration of events after adoption of an ordinance by a locality requesting such increase in frequency and duration. Such ordinance shall include the size and scope of the area within which such events will be held, a public safety plan, and any other considerations deemed necessary by the Board. Such limitations on the number of events that may be held shall not apply during the effective dates of any rule, regulation, or order that is issued by the Governor or State Health Commissioner to meet a public health emergency and that effectively

785 reduces allowable restaurant seating capacity; however, designated outdoor refreshment area licensees shall
786 be subject to all other applicable provisions of this subtitle and Board regulations and shall provide notice to
787 the Board regarding the days and times during which the privileges of the license will be exercised. Only
788 alcoholic beverages purchased from permanent retail on-premises licensees located within the designated area
789 may be consumed at the event, and such alcoholic beverages shall be contained in paper, plastic, or similar
790 disposable containers that clearly display the name or logo of the retail on-premises licensee from which the
791 alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged for in any way by the
792 designated outdoor refreshment area licensee. The designated outdoor refreshment area licensee shall post
793 appropriate signage clearly demarcating for the public the boundaries of the event; however, no physical
794 barriers shall be required for this purpose. The designated outdoor refreshment area licensee shall provide
795 adequate security for the event to ensure compliance with the applicable provisions of this subtitle and Board
796 regulations.

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

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

811 f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the licensee
812 participating in a community art walk that is open to the public to serve lawfully acquired wine or beer on the
813 premises of the licensee to adult patrons thereof during such events. However, alcoholic beverages shall not

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

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

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

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

843 wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under the laws of the United
844 States sailing for ports of call of a foreign country or another state, and (iii) persons outside the
845 Commonwealth for resale outside the Commonwealth.

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

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

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

861 **§ 4.1-206.3. (Effective July 1, 2026) Retail licenses.**

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

863 1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed
864 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be
865 granted only to persons ~~(i) who operate a restaurant and (ii) whose gross receipts from the sale of food~~
866 ~~cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises, after~~
867 ~~issuance of such license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages~~
868 ~~and food that complies with the food-to-beverage ratio provision set by Board regulation pursuant to §~~
869 ~~4.1-111.~~ For the purposes of this subdivision, other designated areas shall include outdoor dining areas,
870 whether or not contiguous to the licensed premises, which outdoor dining areas may have more than one
871 means of ingress and egress to an adjacent public thoroughfare, provided such areas are under the control of

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

If the restaurant is located on the premises of a hotel or motel with no fewer than four permanent bedrooms where food and beverage service is customarily provided by the restaurant in designated areas, bedrooms, and other private rooms of such hotel or motel, such licensee may ~~(a)~~ (i) sell and serve mixed beverages for consumption in such designated areas, bedrooms, and other private rooms and ~~(b)~~ (ii) sell spirits packaged in original closed containers purchased from the Board for on-premises consumption to registered guests and at scheduled functions of such hotel or motel only in such bedrooms or private rooms. However, with regard to a hotel classified as a resort complex, 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 from keeping and consuming his own lawfully acquired spirits in bedrooms or private rooms.

If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club exclusively for its members and their guests, or members of another private, nonprofit, or profit club in another city with which it has an agreement for reciprocal dining privileges, such license shall also authorize the licensees to ~~(1)~~ (a) sell and serve mixed beverages for on-premises consumption and ~~(2)~~ (b) sell spirits that are packaged in original closed containers with a maximum capacity of two fluid ounces or 50 milliliters and purchased from the Board for on-premises consumption. Where such club prepares no food in its restaurant but purchases its food requirements from a restaurant licensed by the Board and located on another portion of the premises of the same hotel or motel building, this fact shall not prohibit the granting of a license by the Board to such club qualifying in all other respects. ~~The club's gross receipts from the sale of nonalcoholic beverages consumed on the premises and food resold to its members and guests and consumed on the premises shall amount to at least 45 percent of its gross receipts from the sale of mixed beverages and food.~~ *club shall comply with the food-to-beverage ratio provision set by Board regulation pursuant to § 4.1-111.* The food sales made by a restaurant to such a club shall be excluded in any consideration of the qualifications of such restaurant for a license from the Board.

If the restaurant is located on the premises of and operated by a municipal golf course, the Board shall recognize the seasonal nature of the business and waive any applicable monthly food sales requirements for those months when weather conditions may reduce patronage of the golf course, provided that prepared food,

including meals, is available to patrons during the same months. The gross receipts 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 *restaurant shall comply with the food-to-beverage ratio provision set by Board regulation pursuant to § 4.1-111.*

If the restaurant is located on the premises of and operated by a culinary lodging resort, such license shall authorize the licensee to ~~(A)~~ (1) sell alcoholic beverages for on-premises consumption, without regard to the amount of gross receipts from the sale of food prepared and consumed on the premises, in areas upon the licensed premises approved by the Board and other designated areas of the resort, including outdoor areas under the control of the licensee, and ~~(B)~~ (2) permit the possession and consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is being provided in bedrooms and private guest rooms.

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

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

2. Mixed beverage 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,

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~~ comply with the food-to-beverage ratio provision set by Board regulation pursuant to § 4.1-111.

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~~ comply with the food-to-beverage ratio provision set by Board regulation pursuant to § 4.1-111.

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

959 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
960 pay the local fee required for such additional license pursuant to § 4.1-233.1.

961 For the purposes of this subdivision:

962 "Financial institution" means any bank, trust company, savings institution, industrial loan association,
963 consumer finance company, or credit union.

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

966 5. Annual mixed beverage sports facility licenses to persons operating a sports facility or food concessions
967 at a sports facility, which shall authorize the licensee to sell mixed beverages during any event and
968 immediately subsequent thereto to patrons within all seating areas, concourses, walkways, concession areas,
969 and additional locations designated by the Board (i) in closed containers for off-premises consumption or (ii)
970 in paper, plastic, or similar disposable containers or in single original metal cans for on-premises
971 consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully
972 acquired alcoholic beverages on the premises in all areas and locations covered by the license. The granting
973 of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell
974 and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption;
975 however, the licensee shall be required to pay the local fee required for such additional license pursuant to §
976 4.1-233.1.

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

986 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee to sell,
987 on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable containers

or in single original metal cans for on-premises consumption in all seating areas, concourses, walkways, concession areas, similar facilities, and other areas upon the licensed premises approved by the Board and (ii) 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. Such licenses may be granted to persons operating a performing arts facility or food concessions at a performing arts facility.

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.

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)

1017 of the Internal Revenue Code, which shall authorize the licensee to (i) permit the consumption of lawfully
1018 acquired alcoholic beverages on the premises of the licensee by any bona fide member and guests thereof and
1019 (ii) serve alcoholic beverages on the premises of the licensee to any bona fide member and guests thereof.
1020 However, alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of
1021 this license shall be limited to the premises of the museum, regularly occupied and utilized as such.

1022 11. Commercial lifestyle center licenses, which may be issued only to a commercial owners' association
1023 governing a commercial lifestyle center, which shall authorize any retail on-premises restaurant licensee that
1024 is a tenant of the commercial lifestyle center to sell alcoholic beverages to any bona fide customer to whom
1025 alcoholic beverages may be lawfully sold for consumption on that portion of the licensed premises of the
1026 commercial lifestyle center designated by the Board, including (i) plazas, seating areas, concourses,
1027 walkways, or such other similar areas and (ii) the premises of any tenant location of the commercial lifestyle
1028 center that is not a retail licensee of the Board, upon approval of such tenant, but excluding any parking areas.
1029 Only alcoholic beverages purchased from such retail on-premises restaurant licensees may be consumed on
1030 the licensed premises of the commercial lifestyle center, and such alcoholic beverages shall be contained in
1031 paper, plastic, or similar disposable containers with the name or logo of the restaurant licensee that sold the
1032 alcoholic beverage clearly displayed. Alcoholic beverages shall not be sold or charged for in any way by the
1033 commercial lifestyle center licensee. The licensee shall post appropriate signage clearly demarcating for the
1034 public the boundaries of the licensed premises; however, no physical barriers shall be required for this
1035 purpose. The licensee shall provide adequate security for the licensed premises to ensure compliance with the
1036 applicable provisions of this subtitle and Board regulations.

1037 12. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve mixed
1038 beverages for consumption in dining areas and other designated areas of such restaurant. Such license may be
1039 granted only to persons operating a business (i) that is primarily engaged in the sale of meals; (ii) that is
1040 located on property owned by the United States government or an agency thereof and used as a port of entry
1041 to or egress from the United States; and (iii) whose gross receipts from the sale of food cooked, or prepared,
1042 and consumed on the premises and nonalcoholic beverages served on the premises, after issuance of such
1043 license, amount to at least 45 percent of the gross receipts from the sale of mixed beverages and food. For the
1044 purposes of this subdivision, other designated areas shall include outdoor dining areas, whether or not
1045 contiguous to the licensed premises, which outdoor dining areas may have more than one means of ingress

1046 and egress to an adjacent public thoroughfare, provided such areas are under the control of the licensee and
1047 approved by the Board. Such noncontiguous designated areas shall not be approved for any retail license
1048 issued pursuant to subdivision A 5 of § 4.1-201. The granting of a license pursuant to this subdivision shall
1049 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises
1050 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to
1051 pay the local fee required for such additional license pursuant to § 4.1-233.1.

1052 13. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation or
1053 association operating either a performing arts facility or an art education and exhibition facility; (ii) a
1054 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and objects
1055 significant in American history and culture; (iii) persons operating an agricultural event and entertainment
1056 park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space and equine and other
1057 livestock show areas, which includes barns, pavilions, or other structures equipped with roofs, exterior walls,
1058 and open-door or closed-door access; or (iv) a locality for special events conducted on the premises of a
1059 museum for historic interpretation that is owned and operated by the locality. The operation in all cases shall
1060 be upon premises owned by such licensee or occupied under a bona fide lease, the original term of which was
1061 for more than one year's duration. Such license shall authorize the licensee to sell alcoholic beverages during
1062 scheduled events and performances for on-premises consumption in areas upon the licensed premises
1063 approved by the Board.

1064 14. Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve mixed
1065 beverages for on-premises consumption in areas designated by the Board, after consultation with the mixed
1066 beverage casino licensee, without regard to the amount of gross receipts from the sale of food prepared and
1067 consumed on the premises and (ii) provide complimentary mixed beverages to patrons for on-premises
1068 consumption in private areas or restricted access areas designated by the Board, after consultation with the
1069 mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed
1070 beverage casino licensee, including entertainment venues, private rooms, conference rooms, hotels, pools,
1071 marinas, or green spaces. The granting of a license pursuant to this subdivision shall authorize the licensee to
1072 obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for
1073 off-premises consumption in accordance with the provisions of this subdivision governing mixed beverages;
1074 however, the licensee shall be required to pay the local fee required for such additional license pursuant to §

1075 4.1-233.1. Notwithstanding any law or regulation to the contrary, a mixed beverage casino licensee may
1076 exercise the privileges of its license as set forth in this subdivision during all hours of operation of the casino
1077 gaming establishment; however, such licensee shall not sell wine or beer for off-premises consumption
1078 between the hours of 12 a.m. and 6 a.m.

1079 A mixed beverage casino licensee may (a) provide patrons gifts of alcoholic beverages in closed
1080 containers for personal consumption off the licensed premises or in areas designated by the Board, after
1081 consultation with the mixed beverage casino licensee, and (b) enable patrons who participate in a loyalty or
1082 reward credit program to redeem credits for the purchase of alcoholic beverages for on-premises
1083 consumption. A summary of the operation of such loyalty or reward credit program shall be provided to the
1084 Board upon request.

1085 A mixed beverage casino license may only be issued to a casino gaming establishment owned by an
1086 operator licensed under Article 3 (§ 58.1-4108 et seq.) of Chapter 41 of Title 58.1.

1087 B. The Board may grant an on-and-off-premises wine and beer license to the following:

1088 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in closed
1089 containers for off-premises consumption or (ii) for on-premises consumption, either with or without meals, in
1090 dining areas and other designated areas of such restaurants, or in dining areas, private guest rooms, and other
1091 designated areas of such hotels or clubs, for consumption only in such rooms and areas. However, with
1092 regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize the sale and
1093 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board
1094 or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic beverages in
1095 dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being
1096 provided, for on-premises consumption in such rooms or areas, and without regard to the amount of gross
1097 receipts from the sale of food prepared and consumed on the premises, provided that at least one meal is
1098 provided each day by the hotel to such guests. With regard to facilities registered in accordance with Chapter
1099 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are also licensed by the Board
1100 under this subdivision, any resident may, upon authorization of the licensee, keep and consume his own
1101 lawfully acquired alcoholic beverages on the premises in all areas covered by the license. For purposes of this
1102 subdivision, "other designated areas" includes outdoor dining areas, whether or not contiguous to the licensed
1103 premises, which may have more than one means of ingress and egress to an adjacent public thoroughfare,

1104 provided that such outdoor dining areas are under the control of the licensee and approved by the Board. Such
1105 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A
1106 5 of § 4.1-201.

1107 2. Hospitals, which shall authorize the licensee to sell wine and beer (i) in the rooms of patients for their
1108 on-premises consumption only in such rooms, provided the consent of the patient's attending physician is first
1109 obtained or (ii) in closed containers for off-premises consumption.

1110 3. Rural grocery stores, which shall authorize the licensee to sell wine and beer for on-premises
1111 consumption or in closed containers for off-premises consumption. No license shall be granted unless (i) the
1112 grocery store is located in any town or in a rural area outside the corporate limits of any city or town and (ii)
1113 it appears affirmatively that a substantial public demand for such licensed establishment exists and that public
1114 convenience and the purposes of this subtitle will be promoted by granting the license.

1115 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer during any
1116 event and immediately subsequent thereto to patrons within all seating areas, concourses, walkways,
1117 concession areas, and additional locations designated by the Board (i) in closed containers for off-premises
1118 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-
1119 premises consumption. Upon authorization of the licensee, any person may keep and consume his own
1120 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such
1121 licenses may be granted to persons operating food concessions at coliseums, stadiums, racetracks, or similar
1122 facilities.

1123 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer during
1124 the performance of any event to patrons within all seating areas, concourses, walkways, or concession areas,
1125 or other areas approved by the Board (i) in closed containers for off-premises consumption or (ii) in paper,
1126 plastic, or similar disposable containers or in single original metal cans for on-premises consumption. Upon
1127 authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic
1128 beverages on the premises in all areas and locations covered by the license. Such licenses may be granted to
1129 persons operating food concessions at any performing arts facility.

1130 6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to patrons or
1131 attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, and such
1132 additional locations designated by the Board in such facilities (i) in closed containers for off-premises

1133 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-
1134 premises consumption. Upon authorization of the licensee, any person may keep and consume his own
1135 lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such
1136 licenses may be granted to persons operating food concessions at exhibition or exposition halls, convention
1137 centers, or similar facilities located in any county operating under the urban county executive form of
1138 government or any city that is completely surrounded by such county. For purposes of this subdivision,
1139 "exhibition or exposition hall" and "convention centers" mean facilities conducting private or public trade
1140 shows or exhibitions in an indoor facility having in excess of 100,000 square feet of floor space.

1141 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during events to
1142 patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, dining
1143 areas, and such additional locations designated by the Board in such facilities, for on-premises consumption
1144 or in closed containers for off-premises consumption. Persons licensed pursuant to this subdivision shall
1145 serve food, prepared on or off premises, whenever wine or beer is served. Such licenses may be granted to
1146 persons operating concert or dinner-theater venues on property fronting Natural Bridge School Road in
1147 Natural Bridge Station and formerly operated as Natural Bridge High School.

1148 8. Historic cinema houses, which shall authorize the licensee to sell wine and beer, either with or without
1149 meals, during any showing of a motion picture to patrons to whom alcoholic beverages may be lawfully sold,
1150 for on-premises consumption or in closed containers for off-premises consumption. The privileges of this
1151 license shall be limited to the premises of the historic cinema house regularly occupied and utilized as such.

1152 9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises
1153 consumption or in closed containers for off-premises consumption in areas approved by the Board. Such
1154 licenses may be granted to persons operating a nonprofit museum exempt from taxation under § 501(c)(3) of
1155 the Internal Revenue Code, located in the Town of Front Royal, and dedicated to educating the consuming
1156 public about historic beer products. The privileges of this license shall be limited to the premises of the
1157 museum, regularly occupied and utilized as such.

1158 C. The Board may grant the following off-premises wine and beer licenses:

1159 1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery store,
1160 delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina store as
1161 defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine and beer in

1162 closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-308, to give to
1163 any person to whom wine or beer may be lawfully sold a sample of wine or beer for on-premises
1164 consumption; however, no single sample shall exceed four ounces of beer or two ounces of wine and no more
1165 than 12 ounces of beer or five ounces of wine shall be served to any person per day. The licensee may also
1166 give samples of wine and beer in designated areas at events held by the licensee for the purpose of featuring
1167 and educating the consuming public about the alcoholic beverages being tasted. With the consent of the
1168 licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or authorized representatives
1169 of such licensees may participate in such tastings, including the pouring of samples. The licensee shall
1170 comply with any food inventory and sales volume requirements established by Board regulation.

1171 2. Gourmet brewing shop licenses, which shall authorize the licensee to sell to any person to whom wine
1172 or beer may be lawfully sold, ingredients for making wine or brewing beer, including packaging, and to rent
1173 to such persons facilities for manufacturing, fermenting, and bottling such wine or beer, for off-premises
1174 consumption in accordance with subdivision 6 of § 4.1-200.

1175 3. Confectionery licenses, which shall authorize the licensee to prepare and sell on the licensed premises
1176 for off-premises consumption confectionery that contains five percent or less alcohol by volume. Any alcohol
1177 contained in such confectionery shall not be in liquid form at the time such confectionery is sold.

1178 D. The Board may grant the following banquet, special event, and tasting licenses:

1179 1. Per-day event licenses.

1180 a. Banquet licenses to persons in charge of private banquets, and to duly organized nonprofit corporations
1181 or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer in
1182 rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas.
1183 Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be authorized
1184 to sell wine, as part of any fundraising activity, in closed containers for off-premises consumption to persons
1185 to whom wine may be lawfully sold; (ii) shall be limited to no more than one such fundraiser per year; and
1186 (iii) if conducting such fundraiser through an online meeting platform, may ship such wine, in accordance
1187 with Board regulations, in closed containers to persons located within the Commonwealth. Except as
1188 provided in § 4.1-215, a separate license shall be required for each day of each banquet or special event. For
1189 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
1190 the application may also name an alternative location in the event of inclement weather. However, no such

1191 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

1192 b. Mixed beverage special events licenses to a duly organized nonprofit corporation or association in
1193 charge of a special event, which shall authorize the licensee to sell and serve mixed beverages for on-
1194 premises consumption in areas approved by the Board on the premises of the place designated in the license.
1195 A separate license shall be required for each day of each special event.

1196 c. Mixed beverage club events licenses to a club holding a wine and beer club license, which shall
1197 authorize the licensee to sell and serve mixed beverages for on-premises consumption by club members and
1198 their guests in areas approved by the Board on the club premises. A separate license shall be required for each
1199 day of each club event. No more than 12 such licenses shall be granted to a club in any calendar year. The
1200 granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license
1201 to sell and serve wine and beer for on-premises consumption; however, the licensee shall be required to pay
1202 the local fee required for such additional license pursuant to § 4.1-233.1.

1203 d. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic beverages of the
1204 type specified in the license in designated areas at events held by the licensee. A tasting license shall be
1205 issued for the purpose of featuring and educating the consuming public about the alcoholic beverages being
1206 tasted. A separate license shall be required for each day of each tasting event. No tasting license shall be
1207 required for conduct authorized by § 4.1-201.1.

1208 2. Annual licenses.

1209 a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable
1210 membership organizations that are exempt from state and federal taxation and in charge of banquets
1211 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and beer
1212 in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or
1213 areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. For
1214 the purposes of this subdivision, when the location named in the original application for a license is outdoors,
1215 the application may also name an alternative location in the event of inclement weather. However, no such
1216 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

1217 b. Banquet facility licenses to volunteer fire departments and volunteer emergency medical services
1218 agencies, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic
1219 beverages on the premises of the licensee by any person, and bona fide members and guests thereof,

1220 otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall not be
1221 purchased or sold by the licensee or sold or charged for in any way by the person permitted to use the
1222 premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency station or
1223 both, regularly occupied as such and recognized by the governing body of the county, city, or town in which
1224 it is located. Under conditions as specified by Board regulation, such premises may be other than a volunteer
1225 fire or volunteer emergency medical services agency station, provided such other premises are occupied and
1226 under the control of the volunteer fire department or volunteer emergency medical services agency while the
1227 privileges of its license are being exercised.

1228 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or nonprofit
1229 organization, which shall authorize (i) the licensee to permit the consumption of alcoholic beverages within
1230 the area designated by the Board for the designated outdoor refreshment area and (ii) any permanent retail on-
1231 premises licensee that is located within the area designated by the Board for the designated outdoor
1232 refreshment area to sell alcoholic beverages within the permanent retail location for consumption in the area
1233 designated for the designated outdoor refreshment area, including sidewalks and the premises of businesses
1234 not licensed to sell alcoholic beverages at retail, upon approval of such businesses. In determining the
1235 designated area for the designated outdoor refreshment area, the Board shall consult with the locality.
1236 Designated outdoor refreshment area licensees shall be limited to 16 events per year, and the duration of any
1237 event shall not exceed three consecutive days. However, the Board may increase the frequency and duration
1238 of events after adoption of an ordinance by a locality requesting such increase in frequency and duration.
1239 Such ordinance shall include the size and scope of the area within which such events will be held, a public
1240 safety plan, and any other considerations deemed necessary by the Board. Such limitations on the number of
1241 events that may be held shall not apply during the effective dates of any rule, regulation, or order that is
1242 issued by the Governor or State Health Commissioner to meet a public health emergency and that effectively
1243 reduces allowable restaurant seating capacity; however, designated outdoor refreshment area licensees shall
1244 be subject to all other applicable provisions of this subtitle and Board regulations and shall provide notice to
1245 the Board regarding the days and times during which the privileges of the license will be exercised. Only
1246 alcoholic beverages purchased from permanent retail on-premises licensees located within the designated area
1247 may be consumed at the event, and such alcoholic beverages shall be contained in paper, plastic, or similar
1248 disposable containers that clearly display the name or logo of the retail on-premises licensee from which the

1249 alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged for in any way by the
1250 designated outdoor refreshment area licensee. The designated outdoor refreshment area licensee shall post
1251 appropriate signage clearly demarcating for the public the boundaries of the event; however, no physical
1252 barriers shall be required for this purpose. The designated outdoor refreshment area licensee shall provide
1253 adequate security for the event to ensure compliance with the applicable provisions of this subtitle and Board
1254 regulations.

1255 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, or
1256 charitable membership organizations that are exempt from state and federal taxation and in charge of
1257 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve
1258 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the place
1259 designated in the license. Such license shall authorize the licensee to conduct no more than 12 banquets per
1260 calendar year. The granting of a license pursuant to this subdivision shall automatically authorize the licensee
1261 to obtain a license to sell and serve wine and beer for on-premises consumption; however, the licensee shall
1262 be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

1263 e. Equine sporting event licenses, which may be issued to organizations holding equestrian, hunt, and
1264 steeplechase events, which shall authorize the licensee to permit the consumption of lawfully acquired
1265 alcoholic beverages on the premises of the licensee by patrons thereof during such event. However, alcoholic
1266 beverages shall not be sold or charged for in any way by the licensee. The privileges of this license shall be
1267 (i) limited to the premises of the licensee, regularly occupied and utilized for equestrian, hunt, and
1268 steeplechase events, and (ii) exercised on no more than four calendar days per year.

1269 f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the licensee
1270 participating in a community art walk that is open to the public to serve lawfully acquired wine or beer on the
1271 premises of the licensee to adult patrons thereof during such events. However, alcoholic beverages shall not
1272 be sold or charged for in any way, directly or indirectly, by the licensee, and the licensee shall not give more
1273 than two five-ounce glasses of wine or two 12-ounce glasses of beer to any one adult patron. The privileges
1274 of this license shall be (i) limited to the premises of the arts venue regularly occupied and used as such and
1275 (ii) exercised on no more than 12 calendar days per year.

1276 E. The Board may grant a marketplace license to persons operating a business enterprise of which the
1277 primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve

1278 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations
1279 imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or two
1280 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such customer
1281 for the wine or beer served or consumed. In order to be eligible for and retain a marketplace license, the
1282 applicant's business enterprise must (i) provide a single category of goods or services in a manner intended to
1283 create a personalized experience for the customer; (ii) employ staff with expertise in such goods or services;
1284 (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic beverage control manager
1285 on the licensed premises at all times alcohol is served; (v) ensure that all employees satisfy any training
1286 requirements imposed by the Board; and (vi) purchase all wine and beer to be served from a licensed
1287 wholesaler or the Authority and retain purchase records as prescribed by the Board. In determining whether
1288 to grant a marketplace license, the Board shall consider (a) the average amount of time customers spend at the
1289 business; (b) the business's hours of operation; (c) the amount of time that the business has been in operation;
1290 and (d) any other requirements deemed necessary by the Board to protect the public health, safety, and
1291 welfare.

1292 F. The Board may grant the following shipper, bottler, and related licenses:

1293 1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in § 4.1-209.1.

1294 2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside the
1295 Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations, in
1296 closed containers to persons in the Commonwealth to whom wine and beer may be lawfully sold for
1297 off-premises consumption. Such licensee shall not be required to comply with the monthly food sale
1298 requirement established by Board regulations.

1299 3. Bottler licenses, which shall authorize the licensee to acquire and receive deliveries and shipments of
1300 beer in closed containers and to bottle, sell, and deliver or ship it, in accordance with Board regulations to (i)
1301 wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under the laws of the United
1302 States sailing for ports of call of a foreign country or another state, and (iii) persons outside the
1303 Commonwealth for resale outside the Commonwealth.

1304 4. Fulfillment warehouse licenses, which shall authorize associations as defined in § 13.1-313 with a place
1305 of business located in the Commonwealth to (i) receive deliveries and shipments of wine or beer owned by
1306 holders of wine and beer shipper's licenses; (ii) store such wine or beer on behalf of the owner; and (iii) pick,

1307 pack, and ship such wine or beer as directed by the owner, all in accordance with Board regulations. No
1308 wholesale wine or wholesale beer licensee, whether licensed in the Commonwealth or not, or any person
1309 under common control of such licensee, shall acquire or hold any financial interest, direct or indirect, in the
1310 business for which any fulfillment warehouse license is issued.

1311 5. Marketing portal licenses, which shall authorize agricultural cooperative associations organized under
1312 the provisions of the Agricultural Cooperative Association Act (§ 13.1-312 et seq.), with a place of business
1313 located in the Commonwealth, in accordance with Board regulations, to solicit and receive orders for wine or
1314 beer through the use of the Internet from persons in the Commonwealth to whom wine or beer may be
1315 lawfully sold, on behalf of holders of wine and beer shipper's licenses. Upon receipt of an order for wine or
1316 beer, the licensee shall forward it to a holder of a wine and beer shipper's license for fulfillment. Marketing
1317 portal licensees may also accept payment on behalf of the shipper.

1318 **2. That the provisions of this act shall expire on July 1, 2027.**

1319 **3. That the Virginia Alcoholic Beverage Control Authority's (the Authority) initial adoption of**
1320 **regulations necessary to implement the provisions of this act shall be exempt from the provisions of the**
1321 **Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia), except that the Authority shall**
1322 **provide an opportunity for public comment on the regulations prior to adoption.**

1323 **4. That the Virginia Alcoholic Beverage Control Authority (the Authority) shall collect data regarding**
1324 **the compliance of mixed beverage licensees with the provisions of this act and the impact of the change**
1325 **to the food-to-beverage ratio pursuant to this act on the gross amount of food consumed on a licensee's**
1326 **premises. The Authority shall report such data to the Chairmen of the House Committee on General**
1327 **Laws and the Senate Committee on Rehabilitation and Social Services by November 1, 2026.**