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HOUSE BILL NO. 1484  
AMENDMENT IN THE NATURE OF A SUBSTITUTE  
(Proposed by the House Committee on General Laws  
on \_\_\_\_\_)  
(Patron Prior to Substitute—Delegate Wilt)

*A BILL to amend and reenact § 4.1-206.3 of the Code of Virginia, relating to alcoholic beverage control; designated outdoor refreshment areas.*

**Be it enacted by the General Assembly of Virginia:**

**1. That § 4.1-206.3 of the Code of Virginia is amended and reenacted as follows:**

**§ 4.1-206.3. Retail licenses.**

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

1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed beverages for on-premises consumption in dining areas and other designated areas of such restaurant or off-premises consumption. Such license may be granted only to persons (i) who operate a restaurant and (ii) 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.

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) sell and serve mixed beverages for on-premises consumption in such designated areas, bedrooms, and other private rooms or off-premises consumption and (b) 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

32 consuming his own lawfully acquired spirits in bedrooms or private rooms.

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

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

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

60 If the restaurant is located on the premises of a mixed beverage casino licensee owned by an operator

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

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

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

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

87 4. Mixed beverage carrier licenses to (i) persons operating a common carrier of passengers by train, boat,  
88 bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere in the  
89 Commonwealth to passengers while in transit aboard any such common carrier, and in designated rooms of  
90 establishments of air carriers at airports in the Commonwealth and (ii) financial institutions, subsidiaries of a

91 financial institution, or persons approved by the applicable airport authority that have entered into a contract  
92 with a financial institution or subsidiary of a financial institution to operate a passenger lounge, which shall  
93 authorize the licensee to sell and serve mixed beverages in designated areas of a passenger lounge for ticketed  
94 air carrier passengers that is located within an airport in the Commonwealth. For purposes of supplying its  
95 airplanes, as well as any airplanes of a licensed express carrier flying under the same brand, an air carrier  
96 licensee may appoint an authorized representative to load alcoholic beverages onto the same airplanes and to  
97 transport and store alcoholic beverages at or in close proximity to the airport where the alcoholic beverages  
98 will be delivered onto airplanes of the air carrier and any such licensed express carrier. The air carrier  
99 licensee shall (a) designate for purposes of its license all locations where the inventory of alcoholic beverages  
100 may be stored and from which the alcoholic beverages will be delivered onto airplanes of the air carrier and  
101 any such licensed express carrier and (b) maintain records of all alcoholic beverages to be transported, stored,  
102 and delivered by its authorized representative. The granting of a license pursuant to this subdivision shall  
103 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises  
104 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to  
105 pay the local fee required for such additional license pursuant to § 4.1-233.1.

106 For the purposes of this subdivision:

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

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

111 5. Annual mixed beverage sports facility licenses to persons operating a sports facility or food concessions  
112 at a sports facility, which shall authorize the licensee to sell mixed beverages during any event and  
113 immediately subsequent thereto to patrons within all seating areas, concourses, walkways, concession areas,  
114 and additional locations designated by the Board (i) in closed containers for off-premises consumption or (ii)  
115 in paper, plastic, or similar disposable containers or in single original metal cans for on-premises  
116 consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully  
117 acquired alcoholic beverages on the premises in all areas and locations covered by the license. The granting  
118 of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell  
119 and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption;  
120 however, the licensee shall be required to pay the local fee required for such additional license pursuant to  
121 § 4.1-233.1.

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

132 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee to sell,  
133 on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable containers  
134 or in single original metal cans for on-premises consumption in all seating areas, concourses, walkways,  
135 concession areas, similar facilities, and other areas upon the licensed premises approved by the Board and (ii)  
136 automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises  
137 consumption or in closed containers for off-premises consumption; however, the licensee shall be required to  
138 pay the local fee required for such additional license pursuant to § 4.1-233.1. Such licenses may be granted to  
139 persons operating a performing arts facility or food concessions at a performing arts facility.

140 8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any restaurant or  
141 hotel that meets the qualifications for both a mixed beverage restaurant pursuant to subdivision 1 and mixed  
142 beverage caterer pursuant to subdivision 2 for the same business location, and which license shall authorize  
143 the licensee to operate as both a mixed beverage restaurant and mixed beverage caterer at the same business  
144 premises designated in the license, with a common alcoholic beverage inventory for purposes of the  
145 restaurant and catering operations. Such licensee shall meet the separate food qualifications established for  
146 the mixed beverage restaurant license pursuant to subdivision 1 and mixed beverage caterer's license pursuant  
147 to subdivision 2. The granting of a license pursuant to this subdivision shall automatically authorize the  
148 licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed  
149 containers for off-premises consumption; however, the licensee shall be required to pay the local fee required  
150 for such additional license pursuant to § 4.1-233.1.

151 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages in dining  
152 areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being

153 provided, with or without meals, for on-premises consumption only in such rooms and areas, and without  
154 regard to the amount of gross receipts from the sale of food prepared and consumed on the premises and (ii)  
155 permit the consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is  
156 being provided in (a) bedrooms or private guest rooms or (b) other designated areas of the bed and breakfast  
157 establishment. For purposes of this subdivision, "other designated areas" includes outdoor dining areas,  
158 whether or not contiguous to the licensed premises, which may have more than one means of ingress and  
159 egress to an adjacent public thoroughfare, provided that such outdoor dining areas are under the control of the  
160 licensee and approved by the Board. Such noncontiguous designated areas shall not be approved for any retail  
161 license issued pursuant to subdivision A 5 of § 4.1-201.

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

168 11. Commercial lifestyle center licenses, which may be issued only to a commercial owners' association  
169 governing a commercial lifestyle center, which shall authorize any retail on-premises restaurant licensee that  
170 is a tenant of the commercial lifestyle center to sell alcoholic beverages to any bona fide customer to whom  
171 alcoholic beverages may be lawfully sold for consumption on that portion of the licensed premises of the  
172 commercial lifestyle center designated by the Board, including (i) plazas, seating areas, concourses,  
173 walkways, or such other similar areas and (ii) the premises of any tenant location of the commercial lifestyle  
174 center that is not a retail licensee of the Board, upon approval of such tenant, but excluding any parking areas.  
175 Only alcoholic beverages purchased from such retail on-premises restaurant licensees may be consumed on  
176 the licensed premises of the commercial lifestyle center, and such alcoholic beverages shall be contained in  
177 paper, plastic, or similar disposable containers with the name or logo of the restaurant licensee that sold the  
178 alcoholic beverage clearly displayed. Alcoholic beverages shall not be sold or charged for in any way by the  
179 commercial lifestyle center licensee. The licensee shall post appropriate signage clearly demarcating for the  
180 public the boundaries of the licensed premises; however, no physical barriers shall be required for this  
181 purpose. The licensee shall provide adequate security for the licensed premises to ensure compliance with the

182 applicable provisions of this subtitle and Board regulations.

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

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

210 14. Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve mixed  
211 beverages for on-premises consumption in areas designated by the Board, after consultation with the mixed

212 beverage casino licensee, without regard to the amount of gross receipts from the sale of food prepared and  
213 consumed on the premises and (ii) provide complimentary mixed beverages to patrons for on-premises  
214 consumption in private areas or restricted access areas designated by the Board, after consultation with the  
215 mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed  
216 beverage casino licensee, including entertainment venues, private rooms, conference rooms, hotels, pools,  
217 marinas, or green spaces. The granting of a license pursuant to this subdivision shall authorize the licensee to  
218 obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for  
219 off-premises consumption in accordance with the provisions of this subdivision governing mixed beverages;  
220 however, the licensee shall be required to pay the local fee required for such additional license pursuant to  
221 § 4.1-233.1. Notwithstanding any law or regulation to the contrary, a mixed beverage casino licensee may  
222 exercise the privileges of its license as set forth in this subdivision during all hours of operation of the casino  
223 gaming establishment; however, such licensee shall not sell wine or beer for off-premises consumption  
224 between the hours of 12 a.m. and 6 a.m.

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

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

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

234 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in closed  
235 containers for off-premises consumption or (ii) for on-premises consumption, either with or without meals, in  
236 dining areas and other designated areas of such restaurants, or in dining areas, private guest rooms, and other  
237 designated areas of such hotels or clubs, for consumption only in such rooms and areas. However, with  
238 regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize the sale and  
239 consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board  
240 or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic beverages in  
241 dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being  
242 provided, for on-premises consumption in such rooms or areas, and without regard to the amount of gross

243 receipts from the sale of food prepared and consumed on the premises, provided that at least one meal is  
244 provided each day by the hotel to such guests. With regard to facilities registered in accordance with Chapter  
245 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are also licensed by the Board  
246 under this subdivision, any resident may, upon authorization of the licensee, keep and consume his own  
247 lawfully acquired alcoholic beverages on the premises in all areas covered by the license. For purposes of this  
248 subdivision, "other designated areas" includes outdoor dining areas, whether or not contiguous to the licensed  
249 premises, which may have more than one means of ingress and egress to an adjacent public thoroughfare,  
250 provided that such outdoor dining areas are under the control of the licensee and approved by the Board. Such  
251 noncontiguous designated areas shall not be approved for any retail license issued pursuant to subdivision A  
252 5 of § 4.1-201.

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

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

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

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

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

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

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

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

298 9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises  
299 consumption or in closed containers for off-premises consumption in areas approved by the Board. Such  
300 licenses may be granted to persons operating a nonprofit museum exempt from taxation under § 501(c)(3) of  
301 the Internal Revenue Code, located in the Town of Front Royal, and dedicated to educating the consuming

302 public about historic beer products. The privileges of this license shall be limited to the premises of the  
303 museum, regularly occupied and utilized as such.

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

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

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

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

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

325 1. Per-day event licenses.

326 a. Banquet licenses to persons in charge of private banquets, and to duly organized nonprofit corporations  
327 or associations, *including nonprofit organizations that hold a designated outdoor refreshment area license*, in  
328 charge of special events, which shall authorize the licensee to sell or give wine and beer in rooms or areas  
329 approved by the Board for the occasion for on-premises consumption in such rooms or areas. Licensees who  
330 are nonprofit corporations or associations conducting fundraisers (i) shall also be authorized to sell wine, as  
331 part of any fundraising activity, in closed containers for off-premises consumption to persons to whom wine  
332 may be lawfully sold; (ii) shall be limited to no more than one such fundraiser per year; and (iii) if conducting

333 such fundraiser through an online meeting platform, may ship such wine, in accordance with Board  
334 regulations, in closed containers to persons located within the Commonwealth. Except as provided in  
335 § 4.1-215, a separate license shall be required for each day of each banquet or special event. For the purposes  
336 of this subdivision, when the location named in the original application for a license is outdoors, the  
337 application may also name an alternative location in the event of inclement weather. However, no such  
338 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

339 b. Mixed beverage special events licenses to a duly organized nonprofit corporation or association,  
340 *including nonprofit organizations that hold a designated outdoor refreshment area license*, in charge of a  
341 special event, which shall authorize the licensee to sell and serve mixed beverages for on-premises  
342 consumption in areas approved by the Board on the premises of the place designated in the license. A  
343 separate license shall be required for each day of each special event.

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

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

356 2. Annual licenses.

357 a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable  
358 membership organizations that are exempt from state and federal taxation and in charge of banquets  
359 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine and beer  
360 in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or  
361 areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. For  
362 the purposes of this subdivision, when the location named in the original application for a license is outdoors,

363 the application may also name an alternative location in the event of inclement weather. However, no such  
364 license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

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

376 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or nonprofit  
377 organization, which shall authorize (i) the licensee to permit the consumption of alcoholic beverages within  
378 the area designated by the Board for the designated outdoor refreshment area and (ii) any permanent retail  
379 on-premises licensee that is located within the area designated by the Board for the designated outdoor  
380 refreshment area to sell alcoholic beverages within the permanent retail location for consumption in the area  
381 designated for the designated outdoor refreshment area, including sidewalks and the premises of businesses  
382 not licensed to sell alcoholic beverages at retail, upon approval of such businesses. In determining the  
383 designated area for the designated outdoor refreshment area, the Board shall consult with the locality.  
384 Designated outdoor refreshment area licensees shall be limited to 16 events per year, and the duration of any  
385 event shall not exceed three consecutive days. However, the Board may increase the frequency and duration  
386 of events after adoption of an ordinance by a locality requesting such increase in frequency and duration.  
387 Such ordinance shall include the size and scope of the area within which such events will be held, a public  
388 safety plan, and any other considerations deemed necessary by the Board. Such limitations on the number of  
389 events that may be held shall not apply during the effective dates of any rule, regulation, or order that is  
390 issued by the Governor or State Health Commissioner to meet a public health emergency and that effectively  
391 reduces allowable restaurant seating capacity; however, designated outdoor refreshment area licensees shall  
392 be subject to all other applicable provisions of this subtitle and Board regulations and shall provide notice to

393 the Board regarding the days and times during which the privileges of the license will be exercised. Only  
394 alcoholic beverages purchased from permanent retail on-premises licensees located within the designated area  
395 may be consumed at the event, and such alcoholic beverages shall be contained in paper, plastic, or similar  
396 disposable *or nondisposable* containers that clearly display the name or logo of the retail on-premises  
397 licensee from which the alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged  
398 for in any way by the designated outdoor refreshment area licensee; *however, designated outdoor*  
399 *refreshment area licensees that are nonprofit organizations shall be permitted to sell tickets or charge for*  
400 *wristbands for an event to cover expenses of the event.* The designated outdoor refreshment area licensee  
401 shall post appropriate signage clearly demarcating for the public the boundaries of the event; however, no  
402 physical barriers shall be required for this purpose. The designated outdoor refreshment area licensee shall  
403 provide adequate security for the event *as deemed appropriate by the local law-enforcement agency* to ensure  
404 compliance with the applicable provisions of this subtitle and Board regulations. *Notwithstanding any other*  
405 *provision of law, a designated outdoor refreshment area licensee that is a nonprofit organization exempt*  
406 *from taxation pursuant to § 501(c)(3) or 501(c)(6) of the Internal Revenue Code shall be permitted to receive*  
407 *in-kind and financial sponsorships and donations from a manufacturer and may collect participation fees*  
408 *from breweries, wineries, and retail licensees for events held under a designated outdoor refreshment area*  
409 *license.*

410 *Notwithstanding any other provision of law, (a) a designated outdoor refreshment area licensee that is a*  
411 *nonprofit organization may obtain a banquet special event license or a mixed beverage special event license*  
412 *as provided in this section and (b) a brewery, winery, cidery, or distillery may obtain a manufacturer's beer*  
413 *or wine event license as provided in § 4.1-215 for an event to be held within the boundaries of the designated*  
414 *outdoor refreshment area, including an event hosted by the designated outdoor area licensee that is a*  
415 *nonprofit organization, as long as any such event held pursuant to clause (a) or (b) is not held at the same*  
416 *time as an event utilizing the designated outdoor refreshment area license. Any such event shall not count*  
417 *toward the 16 events per-year limit for designated outdoor refreshment area licenses.*

418 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, or  
419 charitable membership organizations that are exempt from state and federal taxation and in charge of  
420 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve  
421 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the place  
422 designated in the license. Such license shall authorize the licensee to conduct no more than 12 banquets per  
423 calendar year. The granting of a license pursuant to this subdivision shall automatically authorize the licensee

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

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

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

439 E. The Board may grant a marketplace license to persons operating a business enterprise of which the  
440 primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve  
441 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations  
442 imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or two  
443 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such customer  
444 for the wine or beer served or consumed. In order to be eligible for and retain a marketplace license, the  
445 applicant's business enterprise must (i) provide a single category of goods or services in a manner intended to  
446 create a personalized experience for the customer; (ii) employ staff with expertise in such goods or services;  
447 (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic beverage control manager  
448 on the licensed premises at all times alcohol is served; (v) ensure that all employees satisfy any training  
449 requirements imposed by the Board; and (vi) purchase all wine and beer to be served from a licensed  
450 wholesaler or the Authority and retain purchase records as prescribed by the Board. In determining whether  
451 to grant a marketplace license, the Board shall consider (a) the average amount of time customers spend at the  
452 business; (b) the business's hours of operation; (c) the amount of time that the business has been in operation;

453 and (d) any other requirements deemed necessary by the Board to protect the public health, safety, and  
454 welfare.

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

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

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

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

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

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

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