

1 H.781

2 Introduced by Representatives Birong of Vergennes, Durfee of Shaftsbury,

3 Fegard of Berkshire, and Lanpher of Vergennes

4 Referred to Committee on

5 Date:

6 Subject: Alcoholic beverages; farm-crafted alcoholic beverages

7 Statement of purpose of bill as introduced: This bill proposes to create a farm-
8 based manufacturer's license for alcoholic beverage manufacturers that are
9 located on a farm and produce alcoholic beverages that are made a majority by
10 weight from ingredients produced by that farm.

11 An act relating to farm-based manufacturers of alcoholic beverages

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

13 Sec. 1. 7 V.S.A. § 2 is amended to read:

14 § 2. DEFINITIONS

15 As used in this title:

16 * * *

17 (43) "Farm" shall have the same meaning as in 10 V.S.A. § 6001(31).

18 (44) "Farm-based manufacturer's license" means a license granted by
19 the Board of Liquor and Lottery that permits the holder to manufacture and sell

1 farm-crafted beverages on a manufacturing premises that is located on a parcel
2 that is contiguous with a farm.

3 (45) “Farm-crafted beverages” means farm-crafted malt beverages,
4 farm-crafted vinous beverages, and farm-crafted spirits.

5 (46) “Farm-crafted malt beverages” means a malt beverage that is made
6 with not less than 51 percent by weight of all ingredients, excluding water,
7 produced by a farm that is contiguous with the farm-based manufacturer’s
8 licensed premises.

9 (47) “Farm-crafted vinous beverages” means a vinous beverage that is
10 fermented a minimum of 51 percent by weight of all ingredients, excluding
11 water, produced by a farm that is contiguous with the farm-based
12 manufacturer’s licensed premises.

13 (48) “Farm-crafted spirits” means a spirit manufactured a minimum of
14 51 percent by weight of all ingredients, excluding water, produced by a farm
15 that is contiguous with the farm-based manufacturer’s licensed premises.

16 Sec. 2. 7 V.S.A. § 204 is amended to read:

17 § 204. APPLICATION AND RENEWAL FEES FOR LICENSES AND
18 PERMITS; DISPOSITION OF FEES

19 (a) The following fees shall be paid when applying for a new license or
20 permit or to renew a license or permit:

21 * * *

1 (1) farm-crafted spirits and fortified wine may be manufactured for sale
2 to the Board of Liquor and Lottery or first-class licensees, or for export, or
3 both; and

4 (2) farm-crafted malt beverages and farm-crafted vinous beverages may
5 be manufactured or rectified for sale to packagers, wholesale dealers, or first-
6 class licensees, or for export, or both.

7 (c) A licensed farm-based manufacturer of farm-crafted vinous beverages
8 or fortified wines may receive from another manufacturer licensed in or
9 outside this State bulk shipments of vinous beverages to rectify with the
10 licensee's own product, provided that the farm-crafted vinous beverages or
11 fortified wines produced by the licensed farm-based manufacturer may contain
12 not more than 25 percent imported vinous beverages.

13 (d) A farm-based manufacturer's license permits the holder to sell farm-
14 crafted beverages:

15 (1) by the glass for consumption on the licensed premises; and

16 (2) in sealed containers for consumption off the premises.

17 (e) Rules applicable to second-class licenses and pertaining to financial
18 responsibility, age of employees, the selling and furnishing to apparently
19 intoxicated persons, and leases of businesses shall all apply to farm-based
20 manufacturers.

1 (f) A licensed farm-based manufacturer of farm-crafted malt beverages or
2 farm-crafted vinous beverages may be granted an in-state consumer shipping
3 license pursuant to section 277 of this title.

4 Sec. 6. EFFECTIVE DATE

5 This act shall take effect on January 1, 2021.