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**Senate Bill No. 429**

(By Senators Trump, Williams, D. Hall, Stollings, Miller, Palumbo and Kessler)

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[Introduced February 6, 2015; referred to the Committee on Government Organization; and then  
to the Committee on Finance.]

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A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,  
designated §11-16-11b; and to amend and reenact §60-8-3 of said code, all relating to  
creating a one-day special license for charitable events to sell nonintoxicating beer and wine.

*Be it enacted by the Legislature of West Virginia:*

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new  
section, designated §11-16-11b; and that §60-8-3 of said code be amended and reenacted, all to read  
as follows:

**CHAPTER 11. TAXATION.**

**ARTICLE 16. NONINTOXICATING BEER.**

**§11-16-11b. Special license for one-day charitable events; license fee and application; license  
subject to provisions of article; exceptions.**

The commissioner may issue a special one-day license to be designated a Class S1 license  
for the retail sale of nonintoxicating beer to a duly organized nonprofit corporation, limited liability

1 entity or an association having received federal tax exempt status allowing the sale and serving of  
2 nonintoxicating beer when raising money for artistic, athletic, charitable, educational or religious  
3 purposes. The special license may be issued for a term no longer than one day. The nonrefundable  
4 fee is \$25 for the one-day license. The license application shall contain information the  
5 commissioner requires and shall be submitted to the commissioner at least fifteen days prior to the  
6 event. Nonintoxicating beer used during the event may be donated by or purchased from a licensed  
7 retailer, distributor or resident brewer.

8 A license issued under the provisions of this section and the licensee holding the license is  
9 subject to all other provisions of this article and the rules and orders of the commissioner relating  
10 to the special license: *Provided*, That the commissioner may by rule or order allow waivers or  
11 exceptions with respect to those provisions, rules or orders as the circumstances of each event  
12 requires, including, without limitation, the right to revoke or suspend any license issued pursuant to  
13 this section prior to any notice or hearing notwithstanding the provisions of section twenty-four of  
14 this article: *Provided, however*, That under no circumstances may the provisions of subdivision (1),  
15 (2) or (3), subsection (a), section eighteen of this article be waived or an exception granted with  
16 respect thereto.

17 **CHAPTER 60. STATE CONTROL OF ALCOHOLIC LIQUORS.**

18 **ARTICLE 8. SALE OF WINES.**

19 **§60-8-3. Licenses; fees; general restrictions.**

20 (a) No person may engage in business in the capacity of a winery, farm winery, supplier,  
21 distributor, retailer, private wine bed and breakfast, private wine restaurant, private wine spa or wine  
22 specialty shop without first obtaining a license from the commissioner, nor shall a person continue

1 to engage in any activity after his or her license has expired, been suspended or revoked. No person  
2 may be licensed simultaneously as a distributor and a retailer. No person, except for a winery or  
3 farm winery, may be licensed simultaneously as a supplier and a retailer. No person may be licensed  
4 simultaneously as a supplier and a private wine bed and breakfast, private wine restaurant or a  
5 private wine spa. No person may be licensed simultaneously as a distributor and a private wine bed  
6 and breakfast, a private wine restaurant or a private wine spa. No person may be licensed  
7 simultaneously as a retailer and a private wine bed and breakfast, a private wine restaurant or a  
8 private wine spa.

9 (b) The commissioner shall collect an annual fee for licenses issued under this article as  
10 follows:

11 (1) One hundred fifty dollars per year for a supplier's license;

12 (2) Twenty-five hundred dollars per year for a distributor's license and each separate  
13 warehouse or other facility from which a distributor sells, transfers or delivers wine shall be  
14 separately licensed and there shall be collected with respect to each location the annual license fee  
15 of \$2,500 as herein provided;

16 (3) One hundred fifty dollars per year for a retailer's license;

17 (4) Two hundred fifty dollars per year for a wine specialty shop license, in addition to any  
18 other licensing fees paid by a winery or retailer holding a license, except for the amount of the  
19 license fee and the restriction to sales of winery or farm winery wines, a winery or farm winery  
20 acting as a wine specialty shop retailer is subject to all other provisions of this article which are  
21 applicable to a wine specialty shop retailer as defined in section two of this article;

22 (5) One hundred fifty dollars per year for a wine tasting license;

1 (6) One hundred fifty dollars per year for a private wine bed and breakfast license and each  
2 separate bed and breakfast from which a licensee sells wine shall be separately licensed and there  
3 shall be collected with respect to each location the annual license fee of \$150 as herein provided;

4 (7) Two hundred fifty dollars per year for a private wine restaurant license and each separate  
5 restaurant from which a licensee sells wine shall be separately licensed and there shall be collected  
6 with respect to each location the annual license fee of \$250 as herein provided;

7 (8) One hundred fifty dollars per year for a private wine spa license and each separate private  
8 wine spa from which a licensee sells wine shall be separately licensed and there shall be collected  
9 with respect to each location the annual license fee of \$150 as herein provided;

10 (9) One hundred fifty dollars per year for a wine sampling license issued for a wine specialty  
11 shop under subsection (n) of this section;

12 (10) No fee shall be charged for a special one-day license under subsection (p) of this section  
13 or for a heritage fair and festival license under subsection (q) of this section; and

14 (11) One hundred fifty dollars per year for a direct shipper's license for a licensee who sells  
15 and ships only wine and \$250 per year for a direct shipper's license who ships and sells wine,  
16 nonfortified dessert wine, port, sherry or Madeira wines;

17 (12) Three hundred dollars per year for a multicapacity winery or farm winery license which  
18 shall enable the holder to operate as a retailer, wine specialty shop, supplier and direct shipper  
19 without obtaining an individual license for each capacity.

20 (c) The license period shall begin on July 1 of each year and end on June 30 of the following  
21 year and if granted for a lesser period, the same shall be computed semiannually in proportion to the  
22 remainder of the fiscal year.

1 (d) No retailer may be licensed as a private club as provided by article seven of this chapter,  
2 except as provided by subsection (k) of this section.

3 (e) No retailer may be licensed as a Class A retail dealer in nonintoxicating beer as provided  
4 by article sixteen, chapter eleven of this code: *Provided*, That a delicatessen, a caterer or party supply  
5 store which is a grocery store as defined in section two of this article and which is licensed as a Class  
6 A retail dealer in nonintoxicating beer may be a retailer under this article: *Provided, however*, That  
7 any delicatessen, caterer or party supply store licensed in both capacities must maintain average  
8 monthly sales exclusive of sales of wine and nonintoxicating beer which exceed the average monthly  
9 sales of nonintoxicating beer.

10 (f) A wine specialty shop under this article may also hold a wine tasting license authorizing  
11 the retailer to serve complimentary samples of wine in moderate quantities for tasting. ~~Such~~ The  
12 wine specialty shop shall organize a wine taster's club, which has at least fifty duly elected or  
13 approved dues-paying members in good standing. ~~Such~~ The club shall meet on the wine specialty  
14 shop's premises not more than one time per week and shall either meet at a time when the premises  
15 are closed to the general public or shall meet in a separate segregated facility on the premises to  
16 which the general public is not admitted. Attendance at tastings shall be limited to duly elected or  
17 approved dues-paying members and their guests.

18 (g) A retailer who has more than one place of retail business shall obtain a license for each  
19 separate retail establishment. A retailer's license may be issued only to the proprietor or owner of  
20 a bona fide grocery store or wine specialty shop.

21 (h) The commissioner may issue a special license for the retail sale of wine at any festival  
22 or fair which is endorsed or sponsored by the governing body of a municipality or a county

1 commission. ~~Such~~ The special license ~~shall~~ may be issued for ~~a term of~~ no longer than ten  
2 consecutive days and the fee therefor ~~shall be~~ is \$250 regardless of the term of the license unless the  
3 applicant is the manufacturer of ~~said~~ the wine on a winery or a farm winery as defined in section  
4 five-a, article one of this chapter, in which event the fee ~~shall be~~ is \$50 if the event is held on the  
5 premises of the winery or farm winery. The application for the license shall contain information as  
6 the commissioner may reasonably require and shall be submitted to the commissioner at least thirty  
7 days prior to the first day when wine is to be sold at the festival or fair. A winery or a farm winery  
8 licensed under this subsection may exhibit, conduct tastings or sell samples, not to exceed a  
9 reasonable serving of three ounces, and may sell wine samples for consumption on the premises  
10 during the operation of a festival or fair: *Provided*, That for licensed wineries or farm wineries at a  
11 licensed festival or fair the tastings, samples and off-premises sales shall occur under the hours of  
12 operation as required in this article, except that on Sunday tastings, samples and off-premises sales  
13 are unlawful between the hours of 2:00 a. m. and 10:00 a. m. A special license issued other than to  
14 a winery or a farm winery may be issued to a “wine club” as defined herein below. The festival or  
15 fair committee or the governing body shall designate a person to organize a club under a name which  
16 includes the name of the festival or fair and the words “wine club”. The license shall be issued in  
17 the name of the wine club. A licensee may not commence the sale of wine as provided in this  
18 subsection until the wine club has at least fifty dues-paying members who have been enrolled and  
19 to whom membership cards have been issued. Thereafter, new members may be enrolled and issued  
20 membership cards at any time during the period for which the license is issued. A wine club licensed  
21 under the provisions of this subsection may sell wine only to its members, and in portions not to  
22 exceed eight ounces per serving. The sales shall take place on premises or in an area cordoned or

1 segregated so as to be closed to the general public, and the general public shall not be admitted to  
2 the premises or area. A wine club licensee under the provisions of this subsection ~~shall be~~ is  
3 authorized to serve complimentary samples of wine in moderate quantities for tasting.

4 A license issued under the provisions of this subsection and the licensee holding the license  
5 ~~shall be~~ is subject to all other provisions of this article and the rules and orders of the commissioner  
6 relating to the special license: *Provided*, That the commissioner may by rule ~~regulation~~ or order  
7 provide for certain waivers or exceptions with respect to the provisions, rules ~~regulations~~ or orders  
8 as the circumstances of each festival or fair may require, including, without limitation, the right to  
9 revoke or suspend any license issued pursuant to this section prior to any notice or hearing  
10 notwithstanding the provisions of section twenty-seven and twenty-eight of this article: *Provided*,  
11 *however*, That under no circumstances ~~shall~~ may the provisions of subsection (c) or (d), section  
12 twenty of this article be waived ~~nor shall~~ or any exception ~~be~~ granted with respect thereto.

13 A license issued under the provisions of this subsection and the licensee holding the license  
14 is not subject to the provisions of subsection (g) of this section.

15 (i) (A) The commissioner may issue a special license for the retail sale of wine in a  
16 professional baseball stadium. A license to sell wine granted pursuant to this subsection entitles the  
17 licensee to sell and serve wine, for consumption in a professional baseball stadium. For the purpose  
18 of this subsection, “professional baseball stadium” means a facility constructed primarily for the use  
19 of a major or minor league baseball franchisee affiliated with the National Association of  
20 Professional Baseball Leagues, Inc., or its successor, and used as a major or minor league baseball  
21 park. Any special license issued pursuant to this subsection shall be for a term beginning on the date  
22 of issuance and ending on the next following June 30 and its fee is \$250 regardless of the length of

1 the term of the license. The application for the special license shall contain information as the  
2 commissioner may reasonably require and must be submitted to the commissioner at least thirty days  
3 prior to the first day when wine is to be sold at the professional baseball stadium. The special license  
4 may be issued in the name of the baseball franchisee or the name of the primary food and beverage  
5 vendor under contract with the baseball franchisee. These sales must take place within the confines  
6 of the professional baseball stadium, provided that the exterior of the area where wine sales may  
7 occur are surrounded by a fence or other barrier prohibiting entry except upon the franchisee's  
8 express permission, and under the conditions and restrictions established by the franchisee so that  
9 the wine sales area is closed to free and unrestricted entry by the general public.

10 (B) A license issued under this subsection and the licensee holding the license is subject to  
11 all other provisions of this article and the rules and orders of the commissioner relating to the special  
12 license: *Provided*, That the commissioner may by rule or order grant certain waivers or exceptions  
13 to those rules or orders as the circumstances of each professional baseball stadium may require,  
14 including, without limitation, the right to revoke or suspend any license issued pursuant to this  
15 section prior to any notice or hearing notwithstanding sections twenty-seven and twenty-eight of this  
16 article: *Provided, however*, That under no circumstances may subsection (c) or (d), section twenty  
17 of this article be waived ~~nor shall any~~ or an exception be granted concerning those subsections.

18 (C) The commissioner has the authority to propose rules for legislative approval in  
19 accordance with article three, chapter twenty-nine-a of this code to implement this subsection.

20 (j) A license to sell wine granted to a private wine bed and breakfast, private wine restaurant,  
21 private wine spa or a private club under the provisions of this article entitles the operator to sell and  
22 serve wine, for consumption on the premises of the licensee, when the sale accompanies the serving

1 of food or a meal to its members and their guests in accordance with the provisions of this article:  
2 *Provided*, That a licensed private wine bed and breakfast, private wine restaurant, private wine spa  
3 or a private club may permit a person over twenty-one years of age to purchase wine, consume wine  
4 and recork or reseal, using a tamper resistant cork or seal, up to two separate bottles of unconsumed  
5 wine in conjunction with serving of food or a meal to its members and their guests in accordance  
6 with the provisions of this article and in accordance with ~~regulations~~ rules promulgated by the  
7 commissioner for the purpose of consumption of ~~said~~ the wine off premises: *Provided, however*,  
8 That for this article, food or a meal provided by the private licensee means that the total food  
9 purchase, excluding beverage purchases, taxes, gratuity or other fees is at least \$15: *Provided*  
10 *further*, That a licensed private wine restaurant or a private club may offer for sale for consumption  
11 off the premises sealed bottles of wine to its customers provided that no more than one bottle is sold  
12 per each person over twenty-one years of age, as verified by the private wine restaurant or private  
13 club, for consumption off the premises. ~~Such~~ The licensees are authorized to keep and maintain on  
14 their premises a supply of wine in quantities as may be appropriate for the conduct of operations  
15 thereof. Any sale of wine so made ~~shall be~~ is subject to all restrictions set forth in section twenty  
16 of this article. A private wine restaurant may also be licensed as a Class A retail dealer in  
17 nonintoxicating beer as provided by article sixteen, chapter eleven of this code.

18 (k) With respect to subsections (h), (i), (j), (o) and (p) of this section, the commissioner shall  
19 ~~promulgate~~ propose legislative rules in accordance with the provisions of chapter twenty-nine-a of  
20 this code with regard to the form of the applications, the suitability of both the applicant and location  
21 of the licensed premises and other legislative rules deemed necessary to carry the provisions of the  
22 subsections into effect.

1 (l) The commissioner shall ~~promulgate~~ propose legislative rules in accordance with the  
2 provisions of chapter twenty-nine-a of this code to allow restaurants to serve wine with meals and  
3 to sell wine by the bottle for off-premises consumption as provided in subsection (j) of this section.  
4 Each restaurant so licensed shall be charged an additional \$100 per year fee.

5 (m) The commissioner shall establish guidelines to permit wines to be sold in all stores  
6 licensed for retail sales.

7 (n) Wineries and farm wineries may advertise off premises as provided in section seven,  
8 article twenty-two, chapter seventeen of this code.

9 (o) A wine specialty shop under this article may also hold a wine sampling license  
10 authorizing the wine specialty shop to conduct special wine sampling events at a licensed wine  
11 specialty shop location during regular hours of business. The wine specialty shop may serve up to  
12 three complimentary samples of wine, consisting of no more than one ounce each, to any one  
13 consumer in one day. Persons serving the complimentary samples must be twenty-one years of age  
14 and an authorized representative of the licensed wine specialty shop, winery, farm winery or a  
15 representative of a distributor or registered supplier. Distributor and supplier representatives  
16 attending wine sampling events must be registered with the commissioner. No licensee, employee  
17 or representative may furnish, give or serve complimentary samples of wine to any person less than  
18 twenty-one years of age or to a person who is physically incapacitated due to the consumption of  
19 alcoholic liquor or the use of drugs. The wine specialty shop shall notify and secure permission from  
20 the commissioner for all wine sampling events one month prior to the event. Wine sampling events  
21 may not exceed six hours per calendar day. Licensees must purchase all wines used during these  
22 events from a licensed farm winery or a licensed distributor.

1 (p) The commissioner may issue special one-day licenses to duly organized, nonprofit  
2 corporations and associations having received federal tax exempt status allowing the sale and serving  
3 of wine when raising money for artistic, athletic, charitable, educational or religious purposes. The  
4 nonrefundable fee is \$25 for the one-day license. The license application shall contain information  
5 as the commissioner may reasonably require and shall be submitted to the commissioner at least  
6 ~~thirty~~ fifteen days prior to the event. Wines used during these events may be donated by or  
7 purchased from a licensed retailer, a distributor or a farm winery. Under no circumstances may the  
8 provision of subsection (c), section twenty of this article be waived ~~nor~~ or may ~~any~~ an exception be  
9 granted with respect thereto.

10 (q) The commissioner may issue special licenses to heritage fairs and festivals allowing the  
11 sale, serving and sampling of wine from a licensed farm winery. The license application shall  
12 contain information required by the commissioner and shall be submitted to the commissioner at  
13 least thirty days prior to the event. Wines used during these events may be donated by or purchased  
14 from a licensed farm winery. Under no circumstances may the provision of subsection (c), section  
15 twenty of this article be waived nor may any exception be granted with respect thereto. The  
16 commissioner shall propose rules for legislative approval in accordance with article three, chapter  
17 twenty-nine-a of this code to implement the provisions of this subsection.

18 (r) (1) The commissioner may issue a special license for the retail sale of wine in a college  
19 stadium. A license to sell wine granted pursuant to this subsection entitles the licensee to sell and  
20 serve wine for consumption in a college stadium. For the purpose of this subsection, “college  
21 stadium” means a facility constructed primarily for the use of a Division I college that is a member  
22 of the National Collegiate Athletic Association, or its successor, and used as a football, basketball,

1 baseball, soccer or other Division I sports stadium. A special license issued pursuant to this  
2 subsection shall be for a term beginning on the date of its issuance and ending on the next following  
3 June 30 and its fee is \$250 regardless of the length of the term of the license. The application for  
4 the special license shall contain information as the commissioner may reasonably require and must  
5 be submitted to the commissioner at least thirty days prior to the first day when wine is to be sold.  
6 The special license may be issued in the name of the National Collegiate Athletic Association  
7 Division I college or university or the name of the primary food and beverage vendor under contract  
8 with that college or university. These sales must take place within the confines of the college  
9 stadium: *Provided*, That the exterior of the area where wine sales may occur are surrounded by a  
10 fence or other barrier prohibiting entry except upon the college or university's express permission,  
11 and under the conditions and restrictions established by the college or university, so that the wine  
12 sales area is closed to free and unrestricted entry by the general public.

13 (2) A license issued under this subsection and the licensee are subject to the other  
14 requirements of this article and the rules and orders of the commissioner relating to the special  
15 license: *Provided*, That the commissioner may by rule or order grant certain waivers or exceptions  
16 to those rules or orders as the circumstances of each college stadium may require, including, without  
17 limitation, the right to revoke or suspend any license issued pursuant to this section prior to any  
18 notice or hearing notwithstanding sections twenty-seven and twenty-eight of this article: *Provided*,  
19 *however*, That subsection (c) or (d), section twenty of this article may not be waived, nor ~~shall any~~  
20 may an exception be granted concerning those subsections.

21 (3) The commissioner may propose rules for legislative approval in accordance with article  
22 three, chapter twenty-nine-a of this code to implement this subsection.

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(NOTE: The purpose of this bill is to create a new code section for a one-day special license for charitable events only to sell nonintoxicating beer similar to a wine provision in W. Va. Code §60-8-3 with a small prorated \$25 fee (as compared to the ten-day license at \$250) to cover the costs of licensing and inspection. The bill would also add the \$25 fee to the charitable wine license already in W. Va. Code §60-8-3. The West Virginia Alcohol Beverage Control Administration annually receives numerous requests for these licenses from charitable organizations and grants them for wine but there is no such license for nonintoxicating beer.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.)