WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Second Engrossment

Senate Bill 435

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TRUMP, WOELFEL, UNGER AND PLYMALE

[Introduced January 29, 2016;

Referred to the Committee on Agriculture and Rural

Development; and then to the Committee on

Government Organization]

A BILL to amend and reenact §60-1-5a of the Code of West Virginia, 1931, as amended; to amend
 and reenact §60-4-3b of said code; and to amend and reenact §60-8-3 of said code, all
 relating to permitting farm winery licensure as alternating wine proprietorships; and
 permitting farm wineries to provide samples and off-premises sales at separately licensed
 fairs and festivals.

Be it enacted by the Legislature of West Virginia:

1 That §60-1-5a of the Code of West Virginia, 1931, as amended, be amended and 2 reenacted; that §60-4-3b of said code be amended and reenacted; and that §60-8-3 of said code 3 be amended and reenacted, all to read as follows:

ARTICLE 1. GENERAL PROVISIONS.

§60-1-5a. Farm wineries defined.

1 (a) For the purpose of this chapter "farm winery" means an establishment where in any year fifty thousand gallons or less of wine and nonfortified dessert wine are manufactured 2 3 exclusively by natural fermentation from grapes, other fruits or honey or other agricultural products 4 containing sugar and where port, sherry and Madeira wine may also be manufactured, with 5 twenty-five percent of such raw products being produced by the owner of such farm winery on the 6 premises of that establishment and no more than twenty-five percent of such produce originating 7 from any source outside this state. Any port, sherry or Madeira wine manufactured by a winery or 8 a farm winery must not exceed an alcoholic content of twenty-two percent alcohol by volume and 9 shall be matured in wooden barrels or casks.

10 (b) Notwithstanding the provisions of subsection (a) of this section, a farm winery may 11 include one off-farm location. The owner of a farm winery may provide to the commissioner 12 evidence, accompanied by written findings by the West Virginia Agriculture Commissioner in 13 support thereof, that the owner has planted on the premises of the farm winery young nonbearing 14 fruit plants. The commissioner may grant permission for one off-farm location in an amount equal 15 to that reasonably expected to be produced when the nonbearing fruit plants planted on the farm

16 winery come into full production. The length of time of the permission to use an off-farm location shall be determined by the commissioner after consultation with the Agriculture Commissioner. 17 18 (c) Notwithstanding the provisions of subsection (a) of this section, a licensed farm winery 19 that meets the requirements in this chapter and who is in good standing with the state may enter 20 into an alternating wine proprietorship agreement with the owner of a farm located in West Virginia 21 to rent or lease wine production facilities, equipment and space including a separately bonded 22 wine area at the existing licensed farm winery's premises. The owner of a farm located in West 23 Virginia entering the alternating wine proprietorship agreement must be currently producing 24 grapes, other fruits or honey or other agricultural products containing sugar as certified by the 25 West Virginia Agriculture Commissioner at its farm located in West Virginia. The owner of a farm 26 located in West Virginia renting or leasing wine production facilities, equipment and space, as a 27 tenant of a licensed farm winery must separately meet federal requirements and state 28 requirements for a winery or farm winery and qualify and obtain such licensure. Further, no wine 29 produced by any of the parties to an alternating wine proprietorship agreement may be 30 commingled and also the wine must be maintained in separate bonded areas and storage that is 31 sanitary. The parties to an alternating wine proprietorship agreement must maintain separate 32 businesses, produce wine separately from each entity and may not assist the other parties. The 33 owner of a farm located in West Virginia that is a party to an alternating wine proprietorship 34 agreement may only produce in any year fifty thousand gallons or less of wine and nonfortified 35 dessert wine manufactured exclusively by natural fermentation from grapes, other fruits or honey 36 or other agricultural products containing sugar and where port, sherry and Madeira wine may also 37 be manufactured, with twenty-five percent of such raw products being produced by the owner of 38 such farm on its farm location premises in West Virginia and no more than twenty-five percent of such produce originating from any source outside this state. Any port, sherry or Madeira wine 39 40 manufactured by a licensed winery, farm winery or farm with a validly entered alternating wine 41 proprietorship agreement must not exceed an alcoholic content of twenty-two percent alcohol by 42 volume and shall be matured in wooden barrels or casks. A farm and farm owner that is a party 43 to an alternating wine proprietorship agreement and licensed pursuant to this subsection must 44 obtain licensure as a farm winery and must meet the same requirements in the code and the 45 rules, except where noted. A licensed farm winery may enter into multiple alternating wine 46 proprietorship agreements with separate owners of farms located in West Virginia subject to the 47 requirements of the code and the rules, and must also have the requisite production facilities, 48 equipment and space to safely produce wine for all parties.

49 (d) Notwithstanding the provisions of subsection (a) of this section, alternating wine 50 proprietorship agreements in subsection (c) of this section may also be entered into by two or 51 more separate owners of farms located in West Virginia to co-own and share the use of wine 52 production facilities, equipment and space including a separately bonded wine area for each 53 owner of a farm located in West Virginia. The two or more farms entering the alternating wine 54 proprietorship agreement must all be located in West Virginia and must be currently producing 55 grapes, other fruits or honey or other agricultural products containing sugar as certified by the 56 West Virginia Agriculture Commissioner at the farms located in West Virginia. The farm owners, 57 their farms located in West Virginia and the premises where the wine will be manufactured must 58 be located in West Virginia and must each separately meet federal requirements and state 59 requirements for a winery or farm winery. Further, no wine produced by any of the parties to an 60 alternating wine proprietorship agreement may be commingled and also the wine must be 61 maintained in separate bonded areas and storage that is sanitary. The parties to an alternating 62 wine proprietorship agreement must maintain separate businesses, produce wine separately from 63 each entity and may not assist the other parties. The owners of farms located in West Virginia 64 that are parties to the alternating wine proprietorship agreement may each only produce in any 65 year fifty thousand gallons or less of wine and nonfortified dessert wine manufactured exclusively by natural fermentation from grapes, other fruits or honey or other agricultural products containing 66 67 sugar and where port, sherry and Madeira wine may also be manufactured, with twenty-five 68 percent of such raw products being produced by the owner of such farms at their farm premises

69 located in West Virginia and no more than twenty-five percent of such produce originating from 70 any source outside this state. Any port, sherry or Madeira wine manufactured by a licensed 71 winery, farm winery or farm with a validly entered alternating wine proprietorship agreement must 72 not exceed an alcoholic content of twenty-two percent alcohol by volume and shall be matured in 73 wooden barrels or casks. Farms and farm owners that are a party to an alternating wine 74 proprietorship agreement and licensed pursuant to this subsection must each obtain licensure as a farm winery and must meet the same requirements in the code and the rules, except where 75 76 noted. Owners of farms located in West Virginia that obtain licensure as farm wineries and who 77 are parties to a valid alternating wine proprietorship agreement to co-own or share facilities are subject to the requirements of the code and the rules and must also have the requisite production 78 79 facilities, equipment and space to safely produce wine for all parties to the alternating wine 80 proprietorship agreement. (e) The commissioner shall propose legislative rules for legislative approval in accordance 81 82 with article three, chapter twenty-nine-a of this code as are necessary to implement this section. **ARTICLE 4. LICENSES.** §60-4-3b. Winery and farm winery license to manufacture and sell. 1 (a) Sales of wine. — An operator of a winery or farm winery may offer wine produced by 2 the winery or farm winery for retail sale to customers from the winery, or farm winery or a farm 3 winery's licensed farm location in West Virginia provided in subsections (c) and (d), section five-4 a, article one of this chapter for consumption off the premises only. Except for free complimentary 5 samples, no more than three samples per patron and no greater, in volume, than one fluid ounce 6 per sample, offered pursuant to section one, article six of this chapter, customers are prohibited 7 from consuming any wine on the premises of the winery, or farm winery or farm winery's licensed 8 farm location in West Virginia provided in subsections (c) and (d), section five-a, article one of this 9 chapter unless such winery or farm winery has obtained a multicapacity winery or farm winery

10 license.

(b) *Retail sales.* — Every licensed winery or farm winery shall comply with the provisions
of articles three, four and eight of this chapter as applicable to wine retailers, wineries and
suppliers when properly licensed in such capacities.

(c) *Payment of taxes and fees.* — The winery or farm winery shall pay all taxes and fees
required of licensed wine retailers and meet applicable licensing provisions as required by this
chapter and by rule of the commissioner. Each winery or farm winery acting as its own supplier
shall submit to the Tax Commissioner the liter tax for all sales at the winery or farm winery each
month, as provided in article eight of this chapter.

(d) *Advertising.* — A winery or farm winery may advertise a particular brand or brands of
wine produced by it, and the price of the wine subject to federal requirements or restrictions.

21 (e) Limitations on licensees. — A winery or farm winery must maintain separate winery or 22 farm winery supplier, retailer and direct shipper licenses when acting in one or more of those 23 capacities and must pay all associated license fees, unless such winery or farm winery holds a 24 license issued pursuant to the provisions of subdivision (12), subsection (b), section three, article 25 eight of this chapter. A winery or farm winery, if holding the appropriate licenses or a multicapacity 26 winery or farm winery license, may act as its own supplier; retailer for off-premises consumption 27 of its wine as specified in section two, article six of this chapter; private wine restaurant; and direct 28 shipper for wine produced by the winery or farm winery. All wineries must use a distributor to 29 distribute and sell their wine in the state, except for farm wineries. No more than one winery or 30 farm winery license may be issued to a single person or entity, and no person may hold both a 31 winery and a farm winery license. Farm wineries may enter alternating wine proprietorship 32 agreements pursuant to section five-a, article one of this chapter.

ARTICLE 8. SALE OF WINES.

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

(a) No person may engage in business in the capacity of a winery, farm winery, supplier,
 distributor, retailer, private wine bed and breakfast, private wine restaurant, private wine spa or

3 wine specialty shop without first obtaining a license from the commissioner, nor shall a person 4 continue to engage in any activity after his or her license has expired, been suspended or revoked. 5 No person may be licensed simultaneously as a distributor and a retailer. No person, except for 6 a winery or farm winery, may be licensed simultaneously as a supplier and a retailer. No person 7 may be licensed simultaneously as a supplier and a private wine bed and breakfast, private wine 8 restaurant or a private wine spa. No person may be licensed simultaneously as a distributor and 9 a private wine bed and breakfast, a private wine restaurant or a private wine spa. No person may 10 be licensed simultaneously as a retailer and a private wine bed and breakfast, a private wine 11 restaurant or a private wine spa.

12 (b) The commissioner shall collect an annual fee for licenses issued under this article as13 follows:

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

15 (2) Twenty-five hundred dollars per year for a distributor's license and each separate 16 warehouse or other facility from which a distributor sells, transfers or delivers wine shall be 17 separately licensed and there shall be collected with respect to each location the annual license 18 fee of \$2,500 as herein provided;

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

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

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

(6) One hundred fifty dollars per year for a private wine bed and breakfast license and
each separate bed and breakfast from which a licensee sells wine shall be separately licensed

and there shall be collected with respect to each location the annual license fee of \$150 as herein
provided;

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

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

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

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

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

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

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

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

(e) No retailer may be licensed as a Class A retail dealer in nonintoxicating beer as
provided by article sixteen, chapter eleven of this code: *Provided*, That a delicatessen, a caterer
or party supply store which is a grocery store as defined in section two of this article and which is

54 licensed as a Class A retail dealer in nonintoxicating beer may be a retailer under this article: 55 *Provided, however,* That any delicatessen, caterer or party supply store licensed in both 56 capacities must maintain average monthly sales exclusive of sales of wine and nonintoxicating 57 beer which exceed the average monthly sales of nonintoxicating beer.

58 (f) A wine specialty shop under this article may also hold a wine tasting license authorizing 59 the retailer to serve complimentary samples of wine in moderate quantities for tasting. Such wine 60 specialty shop shall organize a wine taster's club, which has at least fifty duly elected or approved 61 dues-paying members in good standing. Such club shall meet on the wine specialty shop's 62 premises not more than one time per week and shall either meet at a time when the premises are 63 closed to the general public, or shall meet in a separate segregated facility on the premises to 64 which the general public is not admitted. Attendance at tastings shall be limited to duly elected or 65 approved dues-paying members and their guests.

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

69 (h) (A) The commissioner may issue a special license for the retail sale of wine at any 70 festival or fair which is endorsed or sponsored by the governing body of a municipality or a county 71 commission. Such special license shall be issued for a term of no longer than ten consecutive 72 days and the fee therefor shall be is \$250 regardless of the term of the license unless the applicant 73 is the manufacturer of said wine on a winery or a farm winery as defined in section five-a, article 74 one of this chapter, in which event the fee shall be \$50 if the event is held on the premises of the 75 winery or farm winery. The application for the license shall contain information as the 76 commissioner may reasonably require and shall be submitted to the commissioner at least thirty 77 days prior to the first day when wine is to be sold at the festival or fair.

(B) Notwithstanding subdivision (a) of this subsection, if the applicant for the festival or fair
 license is the manufacturer of said wine, a winery or a farm winery as defined in section five-a,

80 <u>article one of this chapter, and the event is located on the premises of a winery or a farm winery,</u>
81 then the fee is \$50.

(C) A licensed winery or a farm winery licensed under this subsection who has the festival 82 83 or fair licensee's written authorization and approval from the commissioner may, in addition to or 84 in conjunction with the festival and fair licensee exhibit, conduct complimentary tastings or sell 85 samples, not to exceed a reasonable serving of three, one fluid ounces, tastings or samples per 86 patron and may sell wine samples for consumption on the premises during the operation of a 87 festival or fair only: and may sell wine for off-premises consumption: Provided. That for licensed 88 wineries or farm wineries at a licensed festival or fair the tastings, samples and off-premises sales 89 shall occur under the hours of operation as required in this article, except that on Sunday tastings, 90 samples and off-premises sales are unlawful between the hours of 2:00 a.m. and 10:00 a.m.

91 (D) A special festival or fair license for a license fee of \$250 may be issued other than to 92 a winery or a farm winery may be issued to a "wine club" as defined herein below. The festival or 93 fair committee or the governing body shall designate a person to organize a club under a name 94 which includes the name of the festival or fair and the words "wine club". The license shall be 95 issued in the name of the wine club. A licensee may not commence the sale of wine as provided 96 in this subsection until the wine club has at least fifty dues-paying members who have been 97 enrolled and to whom membership cards have been issued. Thereafter, new members may be 98 enrolled and issued membership cards at any time during the period for which the license is 99 issued. A wine club licensed under the provisions of this subsection may sell wine only to its 100 members, and in portions not to exceed eight ounces per serving. The sales shall take place on premises or in an area cordoned or segregated so as to be closed to the general public, and the 101 102 general public shall not be admitted to the premises or area. A wine club licensee under the 103 provisions of this subsection shall be authorized to serve complimentary samples of wine in 104 moderate quantities for tasting.

105 (E) A license or farm winery approval to attend a festival or fair issued under the provisions 106 of this subsection section and the licensee holding the license or the licensed winery or farm 107 winery approved to attend a licensed festival or fair shall be subject to all other provisions of this 108 article and the rules and orders of the commissioner relating to the special license: Provided, That 109 the commissioner may by rule, regulation or order provide for certain waivers or exceptions with 110 respect to the provisions, rules, regulations or orders as the circumstances of each festival or fair 111 may require, including, without limitation, the right to revoke or suspend any license issued 112 pursuant to this section prior to any notice or hearing notwithstanding the provisions of sections 113 twenty-seven and twenty-eight of this article: Provided, however, That under no circumstances 114 shall the provisions of subsection (c) or (d), section twenty of this article be waived nor shall any 115 exception be granted with respect thereto.

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

118 (i) (A) The commissioner may issue a special license for the retail sale of wine in a 119 professional baseball stadium. A license to sell wine granted pursuant to this subsection entitles 120 the licensee to sell and serve wine for consumption in a professional baseball stadium. For the purpose of this subsection, "professional baseball stadium" means a facility constructed primarily 121 122 for the use of a major or minor league baseball franchisee affiliated with the National Association 123 of Professional Baseball Leagues, Inc., or its successor, and used as a major or minor league 124 baseball park. Any special license issued pursuant to this subsection shall be for a term beginning 125 on the date of issuance and ending on the next following June 30 and its fee is \$250 regardless 126 of the length of the term of the license. The application for the special license shall contain 127 information as the commissioner may reasonably require and must be submitted to the 128 commissioner at least thirty days prior to the first day when wine is to be sold at the professional 129 baseball stadium. The special license may be issued in the name of the baseball franchisee or 130 the name of the primary food and beverage vendor under contract with the baseball franchisee.

These sales must take place within the confines of the professional baseball stadium, provided that the exterior of the area where wine sales may occur are surrounded by a fence or other barrier prohibiting entry except upon the franchisee's express permission, and under the conditions and restrictions established by the franchisee, so that the wine sales area is closed to free and unrestricted entry by the general public.

136 (B) A license issued under this subsection and the licensee holding the license is subject 137 to all other provisions of this article and the rules and orders of the commissioner relating to the 138 special license: *Provided*, That the commissioner may by rule or order grant certain waivers or 139 exceptions to those rules or orders as the circumstances of each professional baseball stadium 140 may require, including, without limitation, the right to revoke or suspend any license issued 141 pursuant to this section prior to any notice or hearing notwithstanding sections twenty-seven and 142 twenty-eight of this article: *Provided, however,* That under no circumstances may subsection (c) 143 or (d), section twenty of this article be waived nor shall any exception be granted concerning those 144 subsections.

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

(i) A license to sell wine granted to a private wine bed and breakfast, private wine 147 148 restaurant, private wine spa or a private club under the provisions of this article entitles the 149 operator to sell and serve wine, for consumption on the premises of the licensee, when the sale 150 accompanies the serving of food or a meal to its members and their guests in accordance with 151 the provisions of this article: *Provided*. That a licensed private wine bed and breakfast, private 152 wine restaurant, private wine spa or a private club may permit a person over twenty-one years of 153 age to purchase wine, consume wine and recork or reseal, using a tamper resistant cork or seal, 154 up to two separate bottles of unconsumed wine in conjunction with serving of food or a meal to 155 its members and their guests in accordance with the provisions of this article and in accordance 156 with regulations promulgated by the commissioner for the purpose of consumption of said wine

157 off premises: Provided, however, That for this article, food or a meal provided by the private 158 licensee means that the total food purchase, excluding beverage purchases, taxes, gratuity or 159 other fees is at least \$15: Provided further, That a licensed private wine restaurant or a private 160 club may offer for sale for consumption off the premises, sealed bottles of wine to its customers 161 provided that no more than one bottle is sold per each person over twenty-one years of age, as 162 verified by the private wine restaurant or private club, for consumption off the premises. Such 163 licensees are authorized to keep and maintain on their premises a supply of wine in quantities as 164 may be appropriate for the conduct of operations thereof. Any sale of wine so made shall be 165 subject to all restrictions set forth in section twenty of this article. A private wine restaurant may 166 also be licensed as a Class A retail dealer in nonintoxicating beer as provided by article sixteen, 167 chapter eleven of this code.

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

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

177 (m) The commissioner shall establish guidelines to permit wines to be sold in all stores178 licensed for retail sales.

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

(o) A wine specialty shop under this article may also hold a wine sampling licenseauthorizing the wine specialty shop to conduct special wine sampling events at a licensed wine

183 specialty shop location during regular hours of business. The wine specialty shop may serve up 184 to three complimentary samples of wine, consisting of no more than one ounce each, to any one consumer in one day. Persons serving the complimentary samples must be twenty-one years of 185 186 age and an authorized representative of the licensed wine specialty shop, winery, farm winery or 187 a representative of a distributor or registered supplier. Distributor and supplier representatives 188 attending wine sampling events must be registered with the commissioner. No licensee, employee 189 or representative may furnish, give or serve complimentary samples of wine to any person less 190 than twenty-one years of age or to a person who is physically incapacitated due to the 191 consumption of alcoholic liquor or the use of drugs. The wine specialty shop shall notify and 192 secure permission from the commissioner for all wine sampling events one month prior to the 193 event. Wine sampling events may not exceed six hours per calendar day. Licensees must 194 purchase all wines used during these events from a licensed farm winery or a licensed distributor.

195 (p) The commissioner may issue special one-day licenses to duly organized, nonprofit 196 corporations and associations allowing the sale and serving of wine when raising money for 197 athletic, charitable, educational or religious purposes. The license application shall contain 198 information as the commissioner may reasonably require and shall be submitted to the 199 commissioner at least thirty days prior to the event. Wines used during these events may be 200 donated by or purchased from a licensed retailer, a distributor or a farm winery. A licensed farm 201 winery that: Is authorized in writing by a representative of the duly organized, nonprofit corporation 202 and association which has obtained the one-day license; is in good standing with the state; and 203 obtains the commissioner's approval prior to the one-day license event may, in addition to or in 204 conjunction with the one-day licensee, exhibit, conduct complimentary tastings or sell samples 205 not to exceed a reasonable serving of three, one fluid ounces, tastings or samples per patron, for 206 consumption on the premises during the operation of the one-day license event; and may sell 207 wine for off-premises consumption: Provided, That for a licensed farm winery at a licensed one-208 day event the tastings, samples and off-premises sales shall occur under the hours of operation

as required in this article, except on Sunday, tastings, samples and off-premises sales are
 unlawful between the hours of 2:00 a.m. and 10:00 a.m., from the one-day licensee's submitted
 floor plan for the event subject to the requirements in the code and rules. Under no circumstances
 may the provisions of subsections subsection (c) or (f), section twenty of this article be waived
 nor may any exception be granted with respect thereto.

214 (q) The commissioner may issue special licenses to heritage fairs and festivals allowing 215 the sale, serving and sampling of wine from a licensed farm winery. The license application shall 216 contain information required by the commissioner and shall be submitted to the commissioner at 217 least thirty days prior to the event. Wines used during these events may be donated by or 218 purchased from a licensed farm winery. Under no circumstances may the provision of subsection 219 (c), section twenty of this article be waived nor may any exception be granted with respect thereto. 220 The commissioner shall propose rules for legislative approval in accordance with article three, 221 chapter twenty-nine-a of this code to implement the provisions of this subsection.

222 (r)(1) The commissioner may issue a special license for the retail sale of wine in a college 223 stadium. A license to sell wine granted pursuant to this subsection entitles the licensee to sell and 224 serve wine for consumption in a college stadium. For the purpose of this subsection, "college stadium" means a facility constructed primarily for the use of a Division I college that is a member 225 226 of the National Collegiate Athletic Association, or its successor, and used as a football, basketball, 227 baseball, soccer or other Division I sports stadium. A special license issued pursuant to this 228 subsection shall be for a term beginning on the date of its issuance and ending on the next 229 following June 30 and its fee is \$250 regardless of the length of the term of the license. The 230 application for the special license shall contain information as the commissioner may reasonably 231 require and must be submitted to the commissioner at least thirty days prior to the first day when 232 wine is to be sold. The special license may be issued in the name of the National Collegiate 233 Athletic Association Division I college or university or the name of the primary food and beverage 234 vendor under contract with that college or university. These sales must take place within the

confines of the college stadium: *Provided*, That the exterior of the area where wine sales may occur are surrounded by a fence or other barrier prohibiting entry except upon the college or university's express permission, and under the conditions and restrictions established by the college or university, so that the wine sales area is closed to free and unrestricted entry by the general public.

240 (2) A license issued under this subsection and the licensee are subject to the other 241 requirements of this article and the rules and orders of the commissioner relating to the special 242 license: Provided, That the commissioner may by rule or order grant certain waivers or exceptions 243 to those rules or orders as the circumstances of each the college stadium may require, including, 244 without limitation, the right to revoke or suspend any license issued pursuant to this section prior 245 to any notice or hearing notwithstanding sections twenty-seven and twenty-eight of this article: 246 Provided, however, That subsection (c) or (d), section twenty of this article may not be waived, 247 nor shall any exception be granted concerning those subsections.

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