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HOUSE BILL NO. 1562

Offered January 18, 2008

A BILL to amend and reenact § 4.1-203 of the Code of Virginia, relating to alcoholic beverage control; transfer of licenses.

Patrons—Scott, J.M. and Hall

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:**1. That § 4.1-203 of the Code of Virginia is amended and reenacted as follows:**

§ 4.1-203. Separate license for each place of business; transfer or amendment; posting; expiration; carriers.

A. Each license granted by the Board shall designate the place where the business of the licensee will be carried on. Except as otherwise provided in §§ 4.1-207 and 4.1-208, a separate license shall be required for each separate place of business.

B. No license shall be transferable from one person to another, or from one location to another, *except as provided in subsection E*. The Board may permit a licensee to amend the classification of an existing license without complying with the posting and publishing procedures required by § 4.1-230 if the effect of the amendment is to reduce materially the privileges of an existing license. However, if (i) the Board determines that the amendment is a device to evade the provisions of this chapter, (ii) a majority of the corporate stock of a retail licensee is sold to a new entity, or (iii) there is a change of business at the premises of a retail licensee, the Board may, within thirty days of receipt of written notice by the licensee of a change in ownership or a change of business, require the licensee to comply with any or all of the requirements of § 4.1-230. If the Board fails to exercise its authority within the thirty-day period, the licensee shall not be required to reapply for a license. The licensee shall submit such written notice to the Secretary of the Board.

C. Each license shall be posted in a location conspicuous to the public at the place where the licensee carries on the business for which the license is granted.

D. The privileges conferred by any license granted by the Board, except for temporary licenses, banquet and mixed beverage special events licenses, shall continue until the last day of the twelfth month next ensuing or the last day of the designated month of expiration, except the license may be sooner terminated for any cause for which the Board would be entitled to refuse to grant a license, by operation of law, voluntary surrender or order of the Board.

The Board may permit a licensee who fails to pay by midnight of the fifteenth day of the twelfth month or of the designated month of expiration, whichever is applicable, the required license tax covering the continuation or reissuance of his license, to pay the tax in lieu of posting and publishing notice and reapplying, provided payment of the tax is made within thirty days following that date and is accompanied by a civil penalty of twenty-five dollars or ten percent of such tax, whichever is greater.

E. *In lieu of issuing a permit under the provisions of § 4.1-212, the Board may transfer a license upon application of a bona fide purchaser of a licensed premises who made the purchase at any of the following:*

1. *A trustee's sale under foreclosure as provided in Article 2 (§ 55-58 et seq.) of Chapter 4 of Title 55;*

2. *A trustee's or receiver's sale in bankruptcy proceedings;*

3. *Any other sale conducted upon the order of a court of competent jurisdiction;*

4. *Upon the death of an individual who is a licensee or who has a stock ownership or partnership interest of 50 percent or more in the licensed premises;*

5. *A tax sale; or*

6. *A sheriff's sale.*

Every application for a license transfer shall be on a form provided by the Board and shall be accompanied by a nonrefundable application fee as set by the Board regulations. Bona fide purchasers whose license transfer application is granted by the Board shall, at the time for renewal of the license, meet all of the requirements in accordance with § 4.1-230. Notwithstanding the provisions of this section, no license transfer shall be granted to an applicant against whom there is pending in the courts or before the Board a charge for violation of the provisions of this title or Board regulations. Additionally, the Board may refuse to grant a license transfer for such causes as are specified in § 4.1-222.

F. Subsections A and C shall not apply to common carriers of passengers by train, boat, or airplane.

INTRODUCED

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