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SENATE BILL NO. 496

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Rehabilitation and Social Services
on January 24, 2020)

(Patron Prior to Substitute—Senator Edwards)

A *BILL to amend and reenact §§ 4.1-100 and 4.1-210 of the Code of Virginia, relating to alcoholic beverage control; culinary lodging resort.*

Be it enacted by the General Assembly of Virginia:

1. That §§ 4.1-100 and 4.1-210 of the Code of Virginia are amended and reenacted as follows:

§ 4.1-100. Definitions.

As used in this title unless the context requires a different meaning:

"Alcohol" means the product known as ethyl or grain alcohol obtained by distillation of any fermented liquor, rectified either once or more often, whatever the origin, and shall include synthetic ethyl alcohol, but shall not include methyl alcohol and alcohol completely denatured in accordance with formulas approved by the government of the United States.

"Alcohol vaporizing device" means any device, machine, or process that mixes any alcoholic beverages with pure oxygen or other gas to produce a vaporized product for the purpose of consumption by inhalation.

"Alcoholic beverages" includes alcohol, spirits, wine, and beer, and any one or more of such varieties containing one-half of one percent or more of alcohol by volume, including mixed alcoholic beverages, and every liquid or solid, powder or crystal, patented or not, containing alcohol, spirits, wine, or beer and capable of being consumed by a human being. Any liquid or solid containing more than one of the four varieties shall be considered as belonging to that variety which has the higher percentage of alcohol, however obtained, according to the order in which they are set forth in this definition; except that beer may be manufactured to include flavoring materials and other nonbeverage ingredients containing alcohol, as long as no more than 49 percent of the overall alcohol content of the finished product is derived from the addition of flavors and other nonbeverage ingredients containing alcohol for products with an alcohol content of no more than six percent by volume; or, in the case of products with an alcohol content of more than six percent by volume, as long as no more than one and one-half percent of the volume of the finished product consists of alcohol derived from added flavors and other nonbeverage ingredients containing alcohol.

"Art instruction studio" means any commercial establishment that provides to its customers all required supplies and step-by-step instruction in creating a painting or other work of art during a studio instructional session.

"Arts venue" means a commercial or nonprofit establishment that is open to the public and in which works of art are sold or displayed.

"Authority" means the Virginia Alcoholic Beverage Control Authority created pursuant to this title.

"Barrel" means any container or vessel having a capacity of more than 43 ounces.

"Bed and breakfast establishment" means any establishment (i) having no more than 15 bedrooms; (ii) offering to the public, for compensation, transitory lodging or sleeping accommodations; and (iii) offering at least one meal per day, which may but need not be breakfast, to each person to whom overnight lodging is provided. For purposes of the licensing requirements of this title, "bed and breakfast establishment" includes any property offered to the public for short-term rental, as that term is defined in § 15.2-983, other than a hotel as defined in this section, regardless of whether a meal is offered to each person to whom overnight lodging is provided.

"Beer" means any alcoholic beverage obtained by the fermentation of an infusion or decoction of barley, malt, and hops or of any similar products in drinkable water and containing one-half of one percent or more of alcohol by volume.

"Bespoke clothier establishment" means a permanent retail establishment that offers, by appointment only, custom made apparel and that offers a membership program to customers. Such establishment shall be a permanent structure where measurements and fittings are performed on-site but apparel is produced offsite and delivered directly to the customer. Such establishment shall have facilities to properly secure any stock of alcoholic beverages.

"Board" means the Board of Directors of the Virginia Alcoholic Beverage Control Authority.

"Bottle" means any vessel intended to contain liquids and having a capacity of not more than 43 ounces.

"Canal boat operator" means any nonprofit organization that operates tourism-oriented canal boats for recreational purposes on waterways declared nonnavigable by the United States Congress pursuant to 33 U.S.C. § 59ii.

60 "Club" means any private nonprofit corporation or association which is the owner, lessee, or
61 occupant of an establishment operated solely for a national, social, patriotic, political, athletic, or other
62 like purpose, but not for pecuniary gain, the advantages of which belong to all of the members. It also
63 means the establishment so operated. A corporation or association shall not lose its status as a club
64 because of the conduct of charitable gaming conducted pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.)
65 of Chapter 8 of Title 18.2 in which nonmembers participate frequently or in large numbers, provided
66 that no alcoholic beverages are served or consumed in the room where such charitable gaming is being
67 conducted while such gaming is being conducted and that no alcoholic beverages are made available
68 upon the premises to any person who is neither a member nor a bona fide guest of a member.

69 Any such corporation or association which has been declared exempt from federal and state income
70 taxes as one which is not organized and operated for pecuniary gain or profit shall be deemed a
71 nonprofit corporation or association.

72 "Commercial lifestyle center" means a mixed-use commercial development covering a minimum of
73 25 acres of land and having at least 100,000 square feet of retail space featuring national specialty chain
74 stores and a combination of dining, entertainment, office, residential, or hotel establishments located in a
75 physically integrated outdoor setting that is pedestrian friendly and that is governed by a commercial
76 owners' association that is responsible for the management, maintenance, and operation of the common
77 areas thereof.

78 "Container" means any barrel, bottle, carton, keg, vessel or other receptacle used for holding
79 alcoholic beverages.

80 "Contract winemaking facility" means the premises of a licensed winery or farm winery that obtains
81 grapes, fruits, and other agricultural products from a person holding a farm winery license and crushes,
82 processes, ferments, bottles, or provides any combination of such services pursuant to an agreement with
83 the farm winery licensee. For all purposes of this title, wine produced by a contract winemaking facility
84 for a farm winery shall be considered to be wine owned and produced by the farm winery that supplied
85 the grapes, fruits, or other agricultural products used in the production of the wine. The contract
86 winemaking facility shall have no right to sell the wine so produced, unless the terms of payment have
87 not been fulfilled in accordance with the contract. The contract winemaking facility may charge the farm
88 winery for its services.

89 "Convenience grocery store" means an establishment which (i) has an enclosed room in a permanent
90 structure where stock is displayed and offered for sale and (ii) maintains an inventory of edible items
91 intended for human consumption consisting of a variety of such items of the types normally sold in
92 grocery stores.

93 "Coworking establishment" means a facility that has at least 100 members, a majority of whom are
94 21 years of age or older, to whom it offers shared office space and related amenities, including desks,
95 conference rooms, Internet access, printers, copiers, telephones, and fax machines.

96 "Culinary lodging resort" means a facility (i) having not less than 13 overnight guest rooms in a
97 building that has at least 20,000 square feet of indoor floor space; (ii) located on a farm in the
98 Commonwealth with at least 1,000 acres of land zoned agricultural; (iii) equipped with a full-service
99 kitchen; and (iv) offering to the public, for compensation, at least one meal per day, lodging, and
100 recreational and educational activities related to farming, livestock, and other rural activities.

101 "Day spa" means any commercial establishment that offers to the public both massage therapy,
102 performed by persons licensed in accordance with § 54.1-3029, and barbering or cosmetology services
103 performed by persons licensed in accordance with Chapter 7 (§ 54.1-700 et seq.) of Title 54.1.

104 "Designated area" means a room or area approved by the Board for on-premises licensees.

105 "Dining area" means a public room or area in which meals are regularly served.

106 "Establishment" means any place where alcoholic beverages of one or more varieties are lawfully
107 manufactured, sold, or used.

108 "Farm winery" means (i) an establishment (a) located on a farm in the Commonwealth on land zoned
109 agricultural with a producing vineyard, orchard, or similar growing area and with facilities for
110 fermenting and bottling wine on the premises where the owner or lessee manufactures wine that contains
111 not more than 21 percent alcohol by volume or (b) located in the Commonwealth on land zoned
112 agricultural with a producing vineyard, orchard, or similar growing area or agreements for purchasing
113 grapes or other fruits from agricultural growers within the Commonwealth, and with facilities for
114 fermenting and bottling wine on the premises where the owner or lessee manufactures wine that contains
115 not more than 21 percent alcohol by volume or (ii) an accredited public or private institution of higher
116 education, provided that (a) no wine manufactured by the institution shall be sold, (b) the wine
117 manufactured by the institution shall be used solely for research and educational purposes, (c) the wine
118 manufactured by the institution shall be stored on the premises of such farm winery that shall be
119 separate and apart from all other facilities of the institution, and (d) such farm winery is operated in
120 strict conformance with the requirements of this clause (ii) and Board regulations. As used in this
121 definition, the terms "owner" and "lessee" shall include a cooperative formed by an association of

individuals for the purpose of manufacturing wine. In the event that such cooperative is licensed as a farm winery, the term "farm" as used in this definition includes all of the land owned or leased by the individual members of the cooperative as long as such land is located in the Commonwealth. For purposes of this definition, "land zoned agricultural" means (1) land zoned as an agricultural district or classification or (2) land otherwise permitted by a locality for farm winery use. For purposes of this definition, "land zoned agricultural" does not include land zoned "residential conservation." Except for the limitation on land zoned "residential conservation," nothing in the definition of "land zoned agricultural" shall otherwise limit or affect local zoning authority.

"Gift shop" means any bona fide retail store selling, predominantly, gifts, books, souvenirs, specialty items relating to history, original and handmade arts and products, collectibles, crafts, and floral arrangements, which is open to the public on a regular basis. Such shop shall be a permanent structure where stock is displayed and offered for sale and which has facilities to properly secure any stock of wine or beer. Such shop may be located (i) on the premises or grounds of a government registered national, state or local historic building or site or (ii) within the premises of a museum. The Board shall consider the purpose, characteristics, nature, and operation of the shop in determining whether it shall be considered a gift shop.

"Gourmet brewing shop" means an establishment which sells to persons to whom wine or beer may lawfully be sold, ingredients for making wine or brewing beer, including packaging, and rents to such persons facilities for manufacturing, fermenting and bottling such wine or beer.

"Gourmet shop" means an establishment provided with adequate inventory, shelving, and storage facilities, where, in consideration of payment, substantial amounts of domestic and imported wines and beers of various types and sizes and related products such as cheeses and gourmet foods are habitually furnished to persons.

"Government store" means a store established by the Authority for the sale of alcoholic beverages.

"Historic cinema house" means a nonprofit establishment exempt from taxation under § 501(c)(3) of the Internal Revenue Code that was built prior to 1970 and that exists for the primary purpose of showing motion pictures to the public.

"Hotel" means any duly licensed establishment, provided with special space and accommodation, where, in consideration of payment, food and lodging are habitually furnished to persons, and which has four or more bedrooms. It shall also mean the person who operates such hotel.

"Interdicted person" means a person to whom the sale of alcoholic beverages is prohibited by order pursuant to this title.

"Internet beer retailer" means a person who owns or operates an establishment with adequate inventory, shelving, and storage facilities, where, in consideration of payment, Internet or telephone orders are taken and shipped directly to consumers and which establishment is not a retail store open to the public.

"Internet wine retailer" means a person who owns or operates an establishment with adequate inventory, shelving, and storage facilities, where, in consideration of payment, internet or telephone orders are taken and shipped directly to consumers and which establishment is not a retail store open to the public.

"Intoxicated" means a condition in which a person has drunk enough alcoholic beverages to observably affect his manner, disposition, speech, muscular movement, general appearance or behavior.

"Licensed" means the holding of a valid license granted by the Authority.

"Licensee" means any person to whom a license has been granted by the Authority.

"Liqueur" means any of a class of highly flavored alcoholic beverages that do not exceed an alcohol content of 25 percent by volume.

(Effective until July 1, 2020) "Low alcohol beverage cooler" means a drink containing one-half of one percent or more of alcohol by volume, but not more than seven and one-half percent alcohol by volume, and consisting of spirits mixed with nonalcoholic beverages or flavoring or coloring materials; it may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, preservatives or other similar products manufactured by fermenting fruit or fruit juices. Low alcohol beverage coolers shall be treated as wine for all purposes of this title, except that low alcohol beverage coolers (i) may be manufactured by a licensed distiller or a distiller located outside the Commonwealth and (ii) shall not be sold in localities that have not approved the sale of mixed beverages pursuant to § 4.1-124. In addition, low alcohol beverage coolers shall not be sold for on-premises consumption other than by mixed beverage licensees.

(Effective July 1, 2020) "Low alcohol beverage cooler" means a drink containing one-half of one percent or more of alcohol by volume, but not more than seven and one-half percent alcohol by volume, and consisting of spirits mixed with nonalcoholic beverages or flavoring or coloring materials; it may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, preservatives or other similar products manufactured by fermenting fruit or fruit juices. Low alcohol beverage coolers shall be treated

183 as wine for all purposes of this title, except that low alcohol beverage coolers (i) may be manufactured
184 by a licensed distiller or a distiller located outside the Commonwealth and (ii) shall not be sold in
185 localities that prohibit the sale of mixed beverages pursuant to § 4.1-124. In addition, low alcohol
186 beverage coolers shall not be sold for on-premises consumption other than by mixed beverage licensees.

187 "Meal-assembly kitchen" means any commercial establishment that offers its customers, for
188 off-premises consumption, ingredients for the preparation of meals and entrees in professional kitchen
189 facilities located at the establishment.

190 "Meals" means, for a mixed beverage license, an assortment of foods commonly ordered in bona
191 fide, full-service restaurants as principal meals of the day. Such restaurants shall include establishments
192 specializing in full course meals with a single substantial entree.

193 "Member of a bespoke clothier establishment" means a person who maintains a membership in the
194 bespoke clothier establishment for a period of not less than one month by the payment of monthly,
195 quarterly, or annual dues in the manner established by the rules of the bespoke clothier establishment.
196 The minimum membership fee shall be not less than \$25 for any term of membership.

197 "Member of a club" means (i) a person who maintains his membership in the club by the payment of
198 monthly, quarterly, or annual dues in the manner established by the rules and regulations thereof or (ii)
199 a person who is a member of a bona fide auxiliary, local chapter, or squadron composed of direct lineal
200 descendants of a bona fide member, whether alive or deceased, of a national or international
201 organization to which an individual lodge holding a club license is an authorized member in the same
202 locality. It shall also mean a lifetime member whose financial contribution is not less than 10 times the
203 annual dues of resident members of the club, the full amount of such contribution being paid in advance
204 in a lump sum.

205 "Member of a coworking establishment" means a person who maintains a membership in the
206 coworking establishment for a period of not less than one month by the payment of monthly, quarterly,
207 or annual dues in the manner established by the rules of the coworking establishment. "Member of a
208 coworking establishment" does not include an employee or any person with an ownership interest in the
209 coworking establishment.

210 "Mixed beverage" or "mixed alcoholic beverage" means a drink composed in whole or in part of
211 spirits.

212 "Mixer" means any prepackaged ingredients containing beverages or flavoring or coloring materials,
213 and which may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, or preservatives
214 which are not commonly consumed unless combined with alcoholic beverages, whether or not such
215 ingredients contain alcohol. Such specialty beverage product shall be manufactured or distributed by a
216 Virginia corporation.

217 "Municipal golf course" means any golf course that is owned by any town incorporated in 1849 and
218 which is the county seat of Smyth County.

219 "Place or premises" means the real estate, together with any buildings or other improvements thereon,
220 designated in the application for a license as the place at which the manufacture, bottling, distribution,
221 use or sale of alcoholic beverages shall be performed, except that portion of any such building or other
222 improvement actually and exclusively used as a private residence.

223 "Principal stockholder" means any person who individually or in concert with his spouse and
224 immediate family members beneficially owns or controls, directly or indirectly, five percent or more of
225 the equity ownership of any person that is a licensee of the Authority, or who in concert with his spouse
226 and immediate family members has the power to vote or cause the vote of five percent or more of any
227 such equity ownership. "Principal stockholder" does not include a broker-dealer registered under the
228 Securities Exchange Act of 1934, as amended, that holds in inventory shares for sale on the financial
229 markets for a publicly traded corporation holding, directly or indirectly, a license from the Authority.

230 "Public place" means any place, building, or conveyance to which the public has, or is permitted to
231 have, access, including restaurants, soda fountains, hotel dining areas, lobbies and corridors of hotels,
232 and any park, place of public resort or amusement, highway, street, lane, or sidewalk adjoining any
233 highway, street, or lane.

234 "Public place" does not include (i) hotel or restaurant dining areas or ballrooms while in use for
235 private meetings or private parties limited in attendance to members and guests of a particular group,
236 association or organization; (ii) restaurants licensed by the Authority in office buildings or industrial or
237 similar facilities while such restaurant is closed to the public and in use for private meetings or parties
238 limited in attendance to employees and nonpaying guests of the owner or a lessee of all or part of such
239 building or facility; (iii) offices, office buildings or industrial facilities while closed to the public and in
240 use for private meetings or parties limited in attendance to employees and nonpaying guests of the
241 owner or a lessee of all or part of such building or facility; or (iv) private recreational or chartered boats
242 which are not licensed by the Board and on which alcoholic beverages are not sold.

243 "Residence" means any building or part of a building or structure where a person resides, but does
244 not include any part of a building which is not actually and exclusively used as a private residence, nor

any part of a hotel or club other than a private guest room thereof.

"Resort complex" means a facility (i) with a hotel owning year-round sports and recreational facilities located contiguously on the same property or (ii) owned by a nonstock, nonprofit, taxable corporation with voluntary membership which, as its primary function, makes available golf, ski and other recreational facilities both to its members and the general public. The hotel or corporation shall have a minimum of 140 private guest rooms or dwelling units contained on not less than 50 acres. The Authority may consider the purpose, characteristics, and operation of the applicant establishment in determining whether it shall be considered as a resort complex. All other pertinent qualifications established by the Board for a hotel operation shall be observed by such licensee.

"Restaurant" means, for a beer, or wine and beer license or a limited mixed beverage restaurant license, any establishment provided with special space and accommodation, where, in consideration of payment, meals or other foods prepared on the premises are regularly sold.

"Restaurant" means, for a mixed beverage license other than a limited mixed beverage restaurant license, an established place of business (i) where meals with substantial entrees are regularly sold and (ii) which has adequate facilities and sufficient employees for cooking, preparing, and serving such meals for consumption at tables in dining areas on the premises, and includes establishments specializing in full course meals with a single substantial entree.

"Sale" and "sell" includes soliciting or receiving an order for; keeping, offering or exposing for sale; peddling, exchanging or bartering; or delivering otherwise than gratuitously, by any means, alcoholic beverages.

"Sangria" means a drink consisting of red or white wine mixed with some combination of sweeteners, fruit, fruit juice, soda, or soda water that may also be mixed with brandy, triple sec, or other similar spirits.

"Special agent" means an employee of the Virginia Alcoholic Beverage Control Authority whom the Board has designated as a law-enforcement officer pursuant to § 4.1-105.

"Special event" means an event sponsored by a duly organized nonprofit corporation or association and conducted for an athletic, charitable, civic, educational, political, or religious purpose.

"Spirits" means any beverage that contains alcohol obtained by distillation mixed with drinkable water and other substances, in solution, and includes, among other things, brandy, rum, whiskey, and gin, or any one or more of the last four named ingredients, but shall not include any such liquors completely denatured in accordance with formulas approved by the United States government.

"Wine" means any alcoholic beverage, including cider, obtained by the fermentation of the natural sugar content of fruits or other agricultural products containing (i) sugar, including honey and milk, either with or without additional sugar; (ii) one-half of one percent or more of alcohol by volume; and (iii) no product of distillation. "Wine" includes any wine to which wine spirits have been added, as provided in the Internal Revenue Code, to make products commonly known as "fortified wine" which do not exceed an alcohol content of 21 percent by volume.

"Wine cooler" means a drink containing one-half of one percent or more of alcohol by volume, and not more than three and two-tenths percent of alcohol by weight or four percent by volume consisting of wine mixed with nonalcoholic beverages or flavoring or coloring materials, and which may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, or preservatives and shall include other similar products manufactured by fermenting fruit or fruit juices. Wine coolers and similar fermented fruit juice beverages shall be treated as wine for all purposes except for taxation under § 4.1-236.

"With or without meals" means the selling and serving of alcoholic beverages by retail licensees for on-premises consumption whether or not accompanied by food so long as the total food-beverage ratio required by § 4.1-210, or the monthly food sale requirement established by Board regulation, is met by such retail licensee.

§ 4.1-210. Mixed beverages licenses.

A. Subject to the provisions of § 4.1-124, the Board may grant the following licenses relating to mixed beverages:

1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed beverages for consumption in dining areas and other designated areas of such restaurant. 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 not less than four permanent

306 bedrooms where food and beverage service is customarily provided by the restaurant in designated areas,
307 bedrooms and other private rooms of such hotel or motel, such licensee may ~~(i)~~ (a) sell and serve mixed
308 beverages for consumption in such designated areas, bedrooms and other private rooms and ~~(ii)~~ (b) sell
309 spirits packaged in original closed containers purchased from the Board for on-premises consumption to
310 registered guests and at scheduled functions of such hotel or motel only in such bedrooms or private
311 rooms. However, with regard to a hotel classified as a resort complex, the Board may authorize the sale
312 and on-premises consumption of alcoholic beverages in all areas within the resort complex deemed
313 appropriate by the Board. Nothing herein shall prohibit any person from keeping and consuming his own
314 lawfully acquired spirits in bedrooms or private rooms.

315 If the restaurant is located on the premises of and operated by a private, nonprofit or profit club
316 exclusively for its members and their guests, or members of another private, nonprofit or profit club in
317 another city with which it has an agreement for reciprocal dining privileges, such license shall also
318 authorize the licensees to sell and serve mixed beverages for on-premises consumption. Where such club
319 prepares no food in its restaurant but purchases its food requirements from a restaurant licensed by the
320 Board and located on another portion of the premises of the same hotel or motel building, this fact shall
321 not prohibit the granting of a license by the Board to such club qualifying in all other respects. The
322 club's gross receipts from the sale of nonalcoholic beverages consumed on the premises and food resold
323 to its members and guests and consumed on the premises shall amount to at least 45 percent of its gross
324 receipts from the sale of mixed beverages and food. The food sales made by a restaurant to such a club
325 shall be excluded in any consideration of the qualifications of such restaurant for a license from the
326 Board.

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

334 *If the restaurant is located on the premises of and operated by a culinary lodging resort, such*
335 *license shall authorize the licensee to (1) sell alcoholic beverages for on-premises consumption, without*
336 *regard to the amount of gross receipts from the sale of food prepared and consumed on the premises, in*
337 *areas upon the licensed premises approved by the Board and other designated areas of the resort,*
338 *including outdoor areas under the control of the licensee, and (2) permit the possession and*
339 *consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is being*
340 *provided in bedrooms and private guest rooms.*

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

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

354 4. Mixed beverage special events licenses, to a duly organized nonprofit corporation or association in
355 charge of a special event, which shall authorize the licensee to sell and serve mixed beverages for
356 on-premises consumption in areas approved by the Board on the premises of the place designated in the
357 license. A separate license shall be required for each day of each special event.

358 5. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation or
359 association operating either a performing arts facility or an art education and exhibition facility; (ii) a
360 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and
361 objects significant in American history and culture; (iii) persons operating an agricultural event and
362 entertainment park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space
363 and equine and other livestock show areas, which includes barns, pavilions, or other structures equipped
364 with roofs, exterior walls, and open or closed-door access; or (iv) a locality for special events conducted
365 on the premises of a museum for historic interpretation that is owned and operated by the locality. The
366 operation in all cases shall be upon premises owned by such licensee or occupied under a bona fide
367 lease the original term of which was for more than one year's duration. Such license shall authorize the

licensee to sell alcoholic beverages during scheduled events and performances for on-premises consumption in areas upon the licensed premises approved by the Board.

6. Mixed beverage carrier licenses to persons operating a common carrier of passengers by train, boat or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere in the Commonwealth to passengers while in transit aboard any such common carrier, and in designated rooms of establishments of air carriers at airports in the Commonwealth. For purposes of supplying its airplanes, as well as any airplanes of a licensed express carrier flying under the same brand, an air carrier licensee may appoint an authorized representative to load distilled spirits onto the same airplanes and to transport and store distilled spirits at or in close proximity to the airport where the distilled spirits will be delivered onto airplanes of the air carrier and any such licensed express carrier. The air carrier licensee shall (i) designate for purposes of its license all locations where the inventory of distilled spirits may be stored and from which the distilled spirits will be delivered onto airplanes of the air carrier and any such licensed express carrier and (ii) maintain records of all distilled spirits to be transported, stored, and delivered by its authorized representative.

7. Mixed beverage club events licenses, which shall authorize a club holding a beer or wine and beer club license to sell and serve mixed beverages for on-premises consumption by club members and their guests in areas approved by the Board on the club premises. A separate license shall be required for each day of each club event. No more than 12 such licenses shall be granted to a club in any calendar year.

8. Annual mixed beverage amphitheater licenses to persons operating food concessions at any outdoor performing arts amphitheater, arena or similar facility that has seating for more than 20,000 persons and is located in Prince William County or the City of Virginia Beach. Such license shall authorize the licensee to sell alcoholic beverages during the performance of any event, in paper, plastic or similar disposable containers or in single original metal cans, to patrons within all seating areas, concourses, walkways, concession areas, or similar facilities, for on-premises consumption.

9. Annual mixed beverage amphitheater licenses to persons operating food concessions at any outdoor performing arts amphitheater, arena or similar facility that has seating for more than 5,000 persons and is located in the City of Alexandria or the City of Portsmouth. Such license shall authorize the licensee to sell alcoholic beverages during the performance of any event, in paper, plastic or similar disposable containers or in single original metal cans, to patrons within all seating areas, concourses, walkways, concession areas, or similar facilities, for on-premises consumption.

10. Annual mixed beverage motor sports facility license to persons operating food concessions at any outdoor motor sports road racing club facility, of which the track surface is 3.27 miles in length, on 1,200 acres of rural property bordering the Dan River, which shall authorize the licensee to sell mixed beverages, in paper, plastic, or similar disposable containers or in single original metal cans, during scheduled events, as well as events or performances immediately subsequent thereto, to patrons in all dining facilities, seating areas, viewing areas, walkways, concession areas or similar facilities, for on-premises consumption. Upon authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license.

11. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic or charitable membership organizations that are exempt from state and federal taxation and in charge of banquets conducted exclusively for its members and their guests, which shall authorize the licensee to serve mixed beverages for on-premises consumption in areas approved by the Board on the premises of the place designated in the license. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year.

12. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve dessert wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs shall be combined with coffee or other nonalcoholic beverages, for consumption in dining areas of the restaurant. Such license may be granted only to persons who operate a restaurant and in no event shall the sale of such wine or liqueur-based drinks, together with the sale of any other alcoholic beverages, exceed 10 percent of the total annual gross sales of all food and alcoholic beverages.

13. Annual mixed beverage motor sports facility licenses to persons operating concessions at an outdoor motor sports facility that hosts a NASCAR national touring race, which shall authorize the licensee to sell mixed beverages, in paper, plastic, or similar disposable containers or in single original metal cans, during scheduled events, as well as events or performances immediately subsequent thereto, to patrons in all dining facilities, seating areas, viewing areas, walkways, concession areas or similar facilities, for on-premises consumption.

14. Annual mixed beverage performing arts facility license to corporations or associations operating a performing arts facility, provided the performing arts facility (i) is owned by a governmental entity; (ii) is occupied by a for-profit entity under a bona fide lease, the original term of which was for more than

one year's duration; and (iii) has been rehabilitated in accordance with historic preservation standards. Such license shall authorize the sale, on the dates of performances or events, of alcoholic beverages for on-premises consumption in areas upon the licensed premises approved by the Board.

15. Annual mixed beverage performing arts facility license to persons operating food concessions at any performing arts facility located in the City of Norfolk or the City of Richmond, provided that the performing arts facility (i) is occupied under a bona fide long-term lease or concession agreement, the original term of which was more than five years; (ii) has a capacity in excess of 1,400 patrons; (iii) has been rehabilitated in accordance with historic preservation standards; and (iv) has monthly gross receipts from the sale of food cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises that meet or exceed the monthly minimum established by Board regulations for mixed beverage restaurants. Such license shall authorize the sale, on the dates of performances or events, of alcoholic beverages for on-premises consumption in areas upon the licensed premises approved by the Board.

16. Annual mixed beverage performing arts facility license to persons operating food concessions at any performing arts facility located in the City of Waynesboro, provided that the performing arts facility (i) is occupied under a bona fide long-term lease or concession agreement, the original term of which was more than five years; (ii) has a total capacity in excess of 550 patrons; and (iii) has been rehabilitated in accordance with historic preservation standards. Such license shall authorize the sale, on the dates of performances or private or special events, of alcoholic beverages for on-premises consumption in areas upon the licensed premises approved by the Board.

17. Annual mixed beverage performing arts facility license to persons operating food concessions at any performing arts facility located in the arts and cultural district of the City of Harrisonburg, provided that the performing arts facility (i) is occupied under a bona fide long-term lease or concession agreement, the original term of which was more than five years; (ii) has been rehabilitated in accordance with historic preservation standards; (iii) has monthly gross receipts from the sale of food cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the premises that meet or exceed the monthly minimum established by Board regulations for mixed beverage restaurants; and (iv) has a total capacity in excess of 900 patrons. Such license shall authorize the sale, on the dates of performances or private or special events, of alcoholic beverages for on-premises consumption in areas upon the licensed premises approved by the Board.

18. A combined mixed beverage restaurant and caterer's license, which may be granted to any restaurant, *culinary lodging resort*, or hotel that meets the qualifications for both a mixed beverage restaurant pursuant to subdivision A 1 and mixed beverage caterer pursuant to subdivision A 2 for the same business location, and which license shall authorize the licensee to operate as both a mixed beverage restaurant and mixed beverage caterer at the same business premises designated in the license, with a common alcoholic beverage inventory for purposes of the restaurant and catering operations. Such licensee shall meet the separate food qualifications established for the mixed beverage restaurant license pursuant to subdivision A 1 and mixed beverage caterer's license pursuant to subdivision A 2.

19. Annual mixed beverage performing arts facility license to persons operating food concessions at any multipurpose theater located in the historical district of the Town of Bridgewater, provided that the theater (i) is owned and operated by a governmental entity and (ii) has a total capacity in excess of 100 patrons. Such license shall authorize the sale, on the dates of performances or events, of alcoholic beverages for on-premises consumption in areas upon the licensed premises approved by the Board.

B. The granting of any license under subdivision A 1, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, or 19 shall automatically include a license to sell and serve wine and beer for on-premises consumption. The licensee shall pay the state and local taxes required by §§ 4.1-231 and 4.1-233.