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## HOUSE BILL NO. 970

Offered January 22, 1996

A *BILL to amend and reenact §§ 4.1-111 and 4.1-202 of the Code of Virginia, relating to alcoholic beverage control; regulations of the Board.*

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Patron—Robinson

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Referred to Committee on General Laws

**Be it enacted by the General Assembly of Virginia:****1. That §§ 4.1-111 and 4.1-202 of the Code of Virginia are amended and reenacted as follows:**

§ 4.1-111. Regulations of Board.

A. The Board may promulgate reasonable regulations, not inconsistent with this title or the general laws of the Commonwealth, which it deems necessary to carry out the provisions of this title and to prevent the illegal manufacture, bottling, sale, distribution and transportation of alcoholic beverages. The Board may amend or repeal such regulations. Such regulations shall be promulgated, amended or repealed in accordance with the Administrative Process Act (§ 9-6.14:1 et seq.) and shall have the effect of law.

B. The Board shall promulgate regulations which:

1. Prescribe what hours and on what days alcoholic beverages shall not be sold by licensees or consumed on any licensed premises, including a provision that mixed beverages may be sold only at such times as wine and beer may be sold.

2. Require mixed beverage caterer licensees to notify the Board in advance of any event to be served by such licensee.

3. Maintain the reasonable separation of retailer interests from those of the manufacturers, bottlers, brokers, importers and wholesalers in accordance with § 4.1-216 and in consideration of the established trade customs, quantity and value of the articles or services involved; prevent undue competitive domination of any person by any other person engaged in the manufacture, distribution and sale at retail or wholesale of alcoholic beverages in the Commonwealth; and promote reasonable accommodation of arm's length business transactions.

4. Establish requirements for the form, content, and retention of all records and accounts, including the (i) reporting and collection of taxes required by § 4.1-236 and (ii) the sale of alcoholic beverages in kegs, by all licensees.

5. *Provide for the licensure of persons who wish to dance as professional dancers in retail licensed establishments. Such regulations shall include provisions for (i) the payment of an application fee and an annual license tax, not to exceed \$250; (ii) the terms and conditions of such license; and (iii) the grounds upon which such license may be revoked or suspended, or a civil penalty imposed upon the holder thereof. Notwithstanding the provisions of § 4.1-202, the licensee authorized to sell alcoholic beverages at retail shall not be liable for any violation of this title or Board regulations committed by persons licensed in accordance with this subdivision, unless such retail licensee had actual knowledge of and permitted such activity to occur.*

C. The Board may promulgate regulations which provide for the waiver of the license tax for an applicant for a banquet license, such waiver to be based on (i) the amount of alcoholic beverages to be provided by the applicant, (ii) the not-for-profit status of the applicant, and (iii) the condition that no profits are to be generated from the event. For the purposes of clause (ii), the applicant shall submit with the application, an affidavit certifying its not-for-profit status. The granting of such waiver shall be limited to two events per year for each applicant.

D. Board regulations shall be uniform in their application, except those relating to hours of sale for licensees.

E. Courts shall take judicial notice of Board regulations.

F. The Board's power to regulate shall be broadly construed.

§ 4.1-202. To whom privileges conferred by licenses extend; liability for violations of law; exception.

The privilege of any licensee to sell or serve alcoholic beverages shall extend to such licensee and to all agents or employees of such licensee for the purpose of selling or serving alcoholic beverages under such license. ~~The~~ *Except as provided in subdivision B 5 of § 4.1-111, the licensee may be held liable for any violation of this title or any Board regulation committed by such agents or employees in connection with their employment.*

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