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SENATE BILL NO. 519

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on General Laws and Technology
on February 2, 2022)

(Patron Prior to Substitute—Senator Lucas)

A BILL to amend and reenact §§ 2.2-3705.3, 4.1-103, 4.1-111, 4.1-201.1, 4.1-206.3, as it is currently effective and as it shall become effective, 4.1-231.1, 4.1-233.1, 4.1-325, 58.1-4100, 58.1-4120, and 58.1-4122 of the Code of Virginia, relating to casino gaming; sale and consumption of alcoholic beverages in casino gaming establishments; casino employees; wagers, accounting and games.

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.2-3705.3, 4.1-103, 4.1-111, 4.1-201.1, 4.1-206.3, as it is currently effective and as it shall become effective, 4.1-231.1, 4.1-233.1, 4.1-325, 58.1-4100, 58.1-4120, and 58.1-4122 of the Code of Virginia are amended and reenacted as follows:

§ 2.2-3705.3. Exclusions to application of chapter; records relating to administrative investigations.

The following information contained in a public record is excluded from the mandatory disclosure provisions of this chapter but may be disclosed by the custodian in his discretion, except where such disclosure is prohibited by law. Redaction of information excluded under this section from a public record shall be conducted in accordance with § 2.2-3704.01.

1. Information relating to investigations of applicants for licenses and permits, and of all licensees and permittees, made by or submitted to the Virginia Alcoholic Beverage Control Authority, the Virginia Lottery pursuant to Chapter 40 (§ 58.1-4000 et seq.) and Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1, the Virginia Racing Commission, the Department of Agriculture and Consumer Services relating to investigations and applications pursuant to Article 1.1:1 (§ 18.2-340.15 et seq.) of Chapter 8 of Title 18.2, or the Private Security Services Unit of the Department of Criminal Justice Services.

2. Records of active investigations being conducted by the Department of Health Professions or by any health regulatory board in the Commonwealth pursuant to § 54.1-108.

3. Investigator notes, and other correspondence and information, furnished in confidence with respect to an active investigation of individual employment discrimination complaints made to the Department of Human Resource Management, to such personnel of any local public body, including local school boards, as are responsible for conducting such investigations in confidence, or to any public institution of higher education. However, nothing in this subdivision shall prevent the disclosure of information taken from inactive reports in a form that does not reveal the identity of charging parties, persons supplying the information, or other individuals involved in the investigation.

4. Records of active investigations being conducted by the Department of Medical Assistance Services pursuant to Chapter 10 (§ 32.1-323 et seq.) of Title 32.1.

5. Investigative notes and other correspondence and information furnished in confidence with respect to an investigation or conciliation process involving an alleged unlawful discriminatory practice under the Virginia Human Rights Act (§ 2.2-3900 et seq.) or under any local ordinance adopted in accordance with the authority specified in § 2.2-524, or adopted pursuant to § 15.2-965, or adopted prior to July 1, 1987, in accordance with applicable law, relating to local human rights or human relations commissions. However, nothing in this subdivision shall prevent the distribution of information taken from inactive reports in a form that does not reveal the identity of the parties involved or other persons supplying information.

6. Information relating to studies and investigations by the Virginia Lottery of (i) lottery agents, (ii) lottery vendors, (iii) lottery crimes under §§ 58.1-4014 through 58.1-4018, (iv) defects in the law or regulations that cause abuses in the administration and operation of the lottery and any evasions of such provisions, or (v) the use of the lottery as a subterfuge for organized crime and illegal gambling where such information has not been publicly released, published or copyrighted. All studies and investigations referred to under clauses (iii), (iv), and (v) shall be open to inspection and copying upon completion of the study or investigation.

7. Investigative notes, correspondence and information furnished in confidence, and records otherwise exempted by this chapter or any Virginia statute, provided to or produced by or for (i) the Auditor of Public Accounts; (ii) the Joint Legislative Audit and Review Commission; (iii) an appropriate authority as defined in § 2.2-3010 with respect to an allegation of wrongdoing or abuse under the Fraud and Abuse Whistle Blower Protection Act (§ 2.2-3009 et seq.); (iv) the Office of the State Inspector General with respect to an investigation initiated through the Fraud, Waste and Abuse Hotline or an investigation initiated pursuant to Chapter 3.2 (§ 2.2-307 et seq.); (v) internal auditors appointed by the head of a state agency or by any public institution of higher education; (vi) the committee or the auditor with

60 respect to an investigation or audit conducted pursuant to § 15.2-825; or (vii) the auditors, appointed by
61 the local governing body of any county, city, or town or a school board, who by charter, ordinance, or
62 statute have responsibility for conducting an investigation of any officer, department, or program of such
63 body. Information contained in completed investigations shall be disclosed in a form that does not reveal
64 the identity of the complainants or persons supplying information to investigators. Unless disclosure is
65 excluded by this subdivision, the information disclosed shall include the agency involved, the identity of
66 the person who is the subject of the complaint, the nature of the complaint, and the actions taken to
67 resolve the complaint. If an investigation does not lead to corrective action, the identity of the person
68 who is the subject of the complaint may be released only with the consent of the subject person. Local
69 governing bodies shall adopt guidelines to govern the disclosure required by this subdivision.

70 8. The names, addresses, and telephone numbers of complainants furnished in confidence with
71 respect to an investigation of individual zoning enforcement complaints or complaints relating to the
72 Uniform Statewide Building Code (§ 36-97 et seq.) or the Statewide Fire Prevention Code (§ 27-94 et
73 seq.) made to a local governing body.

74 9. Records of active investigations being conducted by the Department of Criminal Justice Services
75 pursuant to Article 4 (§ 9.1-138 et seq.), Article 4.1 (§ 9.1-150.1 et seq.), Article 11 (§ 9.1-185 et seq.),
76 and Article 12 (§ 9.1-186 et seq.) of Chapter 1 of Title 9.1.

77 10. Information furnished to or prepared by the Board of Education pursuant to subsection D of
78 § 22.1-253.13:3 in connection with the review or investigation of any alleged breach in security,
79 unauthorized alteration, or improper administration of tests by local school board employees responsible
80 for the distribution or administration of the tests. However, this section shall not prohibit the disclosure
81 of such information to (i) a local school board or division superintendent for the purpose of permitting
82 such board or superintendent to consider or to take personnel action with regard to an employee or (ii)
83 any requester, after the conclusion of a review or investigation, in a form that (a) does not reveal the
84 identity of any person making a complaint or supplying information to the Board on a confidential basis
85 and (b) does not compromise the security of any test mandated by the Board.

86 11. Information contained in (i) an application for licensure or renewal of a license for teachers and
87 other school personnel, including transcripts or other documents submitted in support of an application,
88 and (ii) an active investigation conducted by or for the Board of Education related to the denial,
89 suspension, cancellation, revocation, or reinstatement of teacher and other school personnel licenses
90 including investigator notes and other correspondence and information, furnished in confidence with
91 respect to such investigation. However, this subdivision shall not prohibit the disclosure of such (a)
92 application information to the applicant at his own expense or (b) investigation information to a local
93 school board or division superintendent for the purpose of permitting such board or superintendent to
94 consider or to take personnel action with regard to an employee. Information contained in completed
95 investigations shall be disclosed in a form that does not reveal the identity of any complainant or person
96 supplying information to investigators. The completed investigation information disclosed shall include
97 information regarding the school or facility involved, the identity of the person who was the subject of
98 the complaint, the nature of the complaint, and the actions taken to resolve the complaint. If an
99 investigation fails to support a complaint or does not lead to corrective action, the identity of the person
100 who was the subject of the complaint may be released only with the consent of the subject person. No
101 personally identifiable information regarding a current or former student shall be released except as
102 permitted by state or federal law.

103 12. Information provided in confidence and related to an investigation by the Attorney General under
104 Article 1 (§ 3.2-4200 et seq.) or Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2, Article 10
105 (§ 18.2-246.6 et seq.) of Chapter 6 or Chapter 13 (§ 18.2-512 et seq.) of Title 18.2, or Article 1
106 (§ 58.1-1000) of Chapter 10 of Title 58.1. However, information related to an investigation that has been
107 inactive for more than six months shall, upon request, be disclosed provided such disclosure is not
108 otherwise prohibited by law and does not reveal the identity of charging parties, complainants, persons
109 supplying information, witnesses, or other individuals involved in the investigation.

110 13. Records of active investigations being conducted by the Department of Behavioral Health and
111 Developmental Services pursuant to Chapter 4 (§ 37.2-400 et seq.) of Title 37.2.

112 **§ 4.1-103. General powers of Board.**

113 The Board shall have the power to:

114 1. Sue and be sued, implead and be impleaded, and complain and defend in all courts;

115 2. Adopt, use, and alter at will a common seal;

116 3. Fix, alter, charge, and collect rates, rentals, fees, and other charges for the use of property of, the
117 sale of products of, or services rendered by the Authority at rates to be determined by the Authority for
118 the purpose of providing for the payment of the expenses of the Authority;

119 4. Make and enter into all contracts and agreements necessary or incidental to the performance of its
120 duties, the furtherance of its purposes, and the execution of its powers under this title, including
121 agreements with any person or federal agency;

5. Employ, at its discretion, consultants, researchers, architects, engineers, accountants, financial experts, investment bankers, superintendents, managers, and such other employees and special agents as may be necessary and fix their compensation to be payable from funds made available to the Authority. Legal services for the Authority shall be provided by the Attorney General in accordance with Chapter 5 (§ 2.2-500 et seq.) of Title 2.2;

6. Receive and accept from any federal or private agency, foundation, corporation, association, or person grants or other aid to be expended in accomplishing the objectives of the Authority, and receive and accept from the Commonwealth or any state and any municipality, county, or other political subdivision thereof or from any other source aid or contributions of either money, property, or other things of value, to be held, used, and applied only for the purposes for which such grants and contributions may be made. All federal moneys accepted under this section shall be accepted and expended by the Authority upon such terms and conditions as are prescribed by the United States and as are consistent with state law, and all state moneys accepted under this section shall be expended by the Authority upon such terms and conditions as are prescribed by the Commonwealth;

7. Adopt, alter, and repeal bylaws, rules, and regulations governing the manner in which its business shall be transacted and the manner in which the powers of the Authority shall be exercised and its duties performed. The Board may delegate or assign any duty or task to be performed by the Authority to any officer or employee of the Authority. The Board shall remain responsible for the performance of any such duties or tasks. Any delegation pursuant to this subdivision shall, where appropriate, be accompanied by written guidelines for the exercise of the duties or tasks delegated. Where appropriate, the guidelines shall require that the Board receive summaries of actions taken. Such delegation or assignment shall not relieve the Board of the responsibility to ensure faithful performance of the duties and tasks;

8. Conduct or engage in any lawful business, activity, effort, or project consistent with the Authority's purposes or necessary or convenient to exercise its powers;

9. Develop policies and procedures generally applicable to the procurement of goods, services, and construction, based upon competitive principles;

10. Develop policies and procedures consistent with Article 4 (§ 2.2-4347 et seq.) of Chapter 43 of Title 2.2;

11. Buy, import and sell alcoholic beverages other than beer and wine not produced by farm wineries, and to have alcoholic beverages other than beer and wine not produced by farm wineries in its possession for sale;

12. Buy and sell any mixers;

13. Buy and sell products licensed by the Virginia Tourism Corporation that are within international trademark classes 16 (paper goods and printer matters), 18 (leather goods), 21 (housewares and glass), and 25 (clothing);

14. Control the possession, sale, transportation, and delivery of alcoholic beverages;

15. Determine, subject to § 4.1-121, the localities within which government stores shall be established or operated and the location of such stores;

16. Maintain warehouses for alcoholic beverages and control the storage and delivery of alcoholic beverages to and from such warehouses;

17. Acquire, purchase, hold, use, lease, or otherwise dispose of any property, real, personal or mixed, tangible or intangible, or any interest therein necessary or desirable for carrying out the purposes of the Authority; lease as lessee any property, real, personal or mixed, tangible or intangible, or any interest therein, at such annual rental and on such terms and conditions as may be determined by the Board; lease as lessor to any person any property, real, personal or mixed, tangible or intangible, or any interest therein, at any time acquired by the Authority, whether wholly or partially completed, at such annual rental and on such terms and conditions as may be determined by the Board; sell, transfer, or convey any property, real, personal or mixed, tangible or intangible, or any interest therein, at any time acquired or held by the Authority on such terms and conditions as may be determined by the Board; and occupy and improve any land or building required for the purposes of this title;

18. Purchase, lease, or acquire the use of, by any manner, any plant or equipment that may be considered necessary or useful in carrying into effect the purposes of this title, including rectifying, blending, and processing plants. The Board may purchase, build, lease, and operate distilleries and manufacture alcoholic beverages;

19. Determine the nature, form and capacity of all containers used for holding alcoholic beverages to be kept or sold under this title, and prescribe the form and content of all labels and seals to be placed thereon; however, no container sold in or shipped into the Commonwealth shall include powdered or crystalline alcohol;

20. Appoint every agent and employee required for its operations; require any or all of them to give bonds payable to the Commonwealth in such penalty as shall be fixed by the Board; and engage the

183 services of experts and professionals;

184 21. Hold and conduct hearings; issue subpoenas requiring the attendance of witnesses and the
185 production of records, memoranda, papers and other documents before the Board or any agent of the
186 Board; and administer oaths and take testimony thereunder. The Board may authorize any Board
187 member or agent of the Board to hold and conduct hearings, issue subpoenas, administer oaths and take
188 testimony thereunder, and decide cases, subject to final decision by the Board, on application of any
189 party aggrieved. The Board may enter into consent agreements and may request and accept from any
190 applicant or licensee a consent agreement in lieu of proceedings on (i) objections to the issuance of a
191 license or (ii) disciplinary action. Any such consent agreement shall include findings of fact and may
192 include an admission or a finding of a violation. A consent agreement shall not be considered a case
193 decision of the Board and shall not be subject to judicial review under the provisions of the
194 Administrative Process Act (§ 2.2-4000 et seq.), but may be considered by the Board in future
195 disciplinary proceedings;

196 22. Make a reasonable charge for preparing and furnishing statistical information and compilations to
197 persons other than (i) officials, including court and police officials, of the Commonwealth and of its
198 subdivisions if the information requested is for official use and (ii) persons who have a personal or legal
199 interest in obtaining the information requested if such information is not to be used for commercial or
200 trade purposes;

201 23. Promulgate regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.)
202 and § 4.1-111;

203 24. Grant, suspend, and revoke licenses for the manufacture, bottling, distribution, importation, and
204 sale of alcoholic beverages;

205 25. Assess and collect civil penalties and civil charges for violations of this title and Board
206 regulations;

207 26. Maintain actions to enjoin common nuisances as defined in § 4.1-317;

208 27. Establish minimum food sale requirements for all retail licensees;

209 28. Review and approve any proposed legislative or regulatory changes suggested by the Chief
210 Executive Officer as the Board deems appropriate;

211 29. Report quarterly to the Secretary of Public Safety and Homeland Security on the law-enforcement
212 activities undertaken to enforce the provisions of this title;

213 30. Establish and collect fees for all permits set forth in this title, including fees associated with
214 applications for such permits;

215 31. Impose a requirement that a mixed beverage ~~restaurant~~ *casino* licensee ~~located on the premises of~~
216 ~~and operated by a casino gaming establishment pursuant to subdivision A 15 of § 4.1-206.3~~ pay for any
217 cost incurred by the Board to enforce such license in excess of the applicable state license fee; and

218 32. Do all acts necessary or advisable to carry out the purposes of this title.

219 **§ 4.1-111. Regulations of Board.**

220 A. The Board may promulgate reasonable regulations, not inconsistent with this title or the general
221 laws of the Commonwealth, which it deems necessary to carry out the provisions of this title and to
222 prevent the illegal manufacture, bottling, sale, distribution, and transportation of alcoholic beverages. The
223 Board may amend or repeal such regulations. Such regulations shall be promulgated, amended or
224 repealed in accordance with the Administrative Process Act (§ 2.2-4000 et seq.) and shall have the effect
225 of law.

226 B. The Board shall promulgate regulations that:

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

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

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

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

241 5. Require retail licensees to file an appeal from any hearing decision rendered by a hearing officer
242 within 30 days of the date the notice of the decision is sent. The notice shall be sent to the licensee at
243 the address on record with the Board by certified mail, return receipt requested, and by regular mail.

244 6. Prescribe the terms and conditions under which persons who collect or trade designer or vintage

spirit bottles may sell such bottles at auction, provided that (i) the auction is conducted in accordance with the provisions of Chapter 6 (§ 54.1-600 et seq.) of Title 54.1 and (ii) the bottles are unopened and the manufacturers' seals, marks, or stamps affixed to the bottles are intact.

7. Prescribe the terms and conditions under which credit or debit cards may be accepted from licensees for purchases at government stores, including provision for the collection, where appropriate, of related fees, penalties, and service charges.

8. Require that banquet licensees in charge of public events as defined by Board regulations report to the Board the income and expenses associated with the public event on a form prescribed by the Board when the banquet licensee engages another person to organize, conduct, or operate the event on behalf of the banquet licensee. Such regulations shall be applicable only to public events where alcoholic beverages are being sold.

9. Provide alternative methods for licensees to maintain and store business records that are subject to Board inspection, including methods for Board-approved electronic and off-site storage.

10. Require off-premises retail licensees to place any premixed alcoholic energy drinks containing one-half of one percent or more of alcohol by volume in the same location where wine and beer are available for sale within the licensed premises.

11. Prescribe the terms and conditions under which mixed beverage licensees may infuse, store, and sell flavored distilled spirits, including a provision that limits infusion containers to a maximum of 20 liters.

12. Prescribe the schedule of proration for refunded license taxes to licensees who qualify pursuant to subsection C of § 4.1-232.

13. Establish reasonable time, place, and manner restrictions on outdoor advertising of alcoholic beverages, not inconsistent with the provisions of this title, so that such advertising does not encourage or otherwise promote the consumption of alcoholic beverages by persons to whom alcoholic beverages may not be lawfully sold. Such regulations shall:

a. Restrict outdoor advertising of alcoholic beverages in publicly visible locations consistent with (i) the general prohibition against tied interests between retail licensees and manufacturers or wholesale licensees as provided in §§ 4.1-215 and 4.1-216; (ii) the prohibition against manufacturer control of wholesale licensees as set forth in § 4.1-223 and Board regulations adopted pursuant thereto; and (iii) the general prohibition against cooperative advertising between manufacturers, wholesalers, or importers and retail licensees as set forth in Board regulation; and

b. Permit (i) any outdoor signage or advertising not otherwise prohibited by this title and (ii) the display of outdoor alcoholic beverage advertising on lawfully erected billboard signs regulated under Chapter 12 (§ 33.2-1200 et seq.) of Title 33.2 where such signs are located on commercial real estate as defined in § 55.1-1100, but only in accordance with this title.

14. Prescribe the terms and conditions under which a licensed brewery may manufacture beer pursuant to an agreement with a brand owner not under common control with the manufacturing brewery and sell and deliver the beer so manufactured to the brand owner. The regulations shall require that (i) the brand owner be an entity appropriately licensed as a brewery or beer wholesaler, (ii) a written agreement be entered into by the parties, and (iii) records as deemed appropriate by the Board are maintained by the parties.

15. Prescribe the terms for any "happy hour" conducted by on-premises licensees. Such regulations shall permit on-premises licensees to advertise any alcoholic beverage products featured during a happy hour and any pricing related to such happy hour. Such regulations shall not prohibit on-premises licensees from using creative marketing techniques in such advertisements, provided that such techniques do not tend to induce overconsumption or consumption by minors.

16. Permit retail on-premises licensees to give a gift of one alcoholic beverage to a patron or one bottle of wine to a group of two or more patrons, provided that (i) such gifts only are made to individuals to whom such products may lawfully be sold and (ii) only one such gift is given during any 24-hour period and subject to any Board limitations on the frequency of such gifts.

17. Permit the sale of beer and cider for off-premises consumption in resealable growlers made of glass, ceramic, metal, or other materials approved by the Board, or other resealable containers approved by the Board, with a maximum capacity of 128 fluid ounces or, for metric-sized containers, four liters.

18. Permit the sale of wine for off-premises consumption in resealable growlers made of glass, ceramic, metal, or other materials approved by the Board, or other resealable containers approved by the Board, with a maximum capacity of 64 fluid ounces or, for metric-sized containers, two liters. Wine growlers may be used only by persons licensed to sell wine for both on-premises and off-premises consumption or by gourmet shops granted a retail off-premises wine and beer license. Growlers sold by gourmet shops shall be labeled with (i) the manufacturer's name or trade name, (ii) the place of production, (iii) the net contents in fluid ounces, and (iv) the name and address of the retailer.

19. Permit the sale of wine, cider, and beer by retailers licensed to sell beer and wine for both

306 on-premises and off-premises consumption, or by gourmet shops granted a retail off-premises wine and
307 beer license for off-premises consumption in sealed containers made of metal or other materials
308 approved by the Board with a maximum capacity of 32 fluid ounces or, for metric-sized containers, one
309 liter, provided that the alcoholic beverage is placed in the container following an order from the
310 consumer.

311 20. Permit mixed beverage licensees to premix containers of sangria and other mixed alcoholic
312 beverages and to serve such alcoholic beverages in pitchers, subject to size and quantity limitations
313 established by the Board.

314 21. Establish and make available to all licensees and permittees for which on-premises consumption
315 of alcoholic beverages is allowed and employees of such licensees and permittees who serve as a
316 bartender or otherwise sell, serve, or dispense alcoholic beverages for on-premises consumption a bar
317 bystander training module, which shall include (i) information that enables licensees, permittees, and
318 their employees to recognize situations that may lead to sexual assault and (ii) intervention strategies to
319 prevent such situations from culminating in sexual assault.

320 22. Require mixed beverage licensees, *except for mixed beverage casino licensees*, to have food,
321 cooked or prepared on the licensed premises, available for on-premises consumption until at least 30
322 minutes prior to an establishment's closing. Such food shall be available in all areas of the licensed
323 premises in which spirits are sold or served.

324 23. Prescribe the terms and conditions under which the Board may suspend the privilege of a mixed
325 beverage licensee to purchase spirits from the Board upon such licensee's failure to submit any records
326 or other documents necessary to verify the licensee's compliance with applicable minimum food sale
327 requirements within 30 days of the date such records or documents are due.

328 C. The Board may promulgate regulations that:

329 1. Provide for the waiver of the license tax for an applicant for a banquet license, such waiver to be
330 based on (i) the amount of alcoholic beverages to be provided by the applicant, (ii) the not-for-profit
331 status of the applicant, and (iii) the condition that no profits are to be generated from the event. For the
332 purposes of clause (ii), the applicant shall submit with the application, an affidavit certifying its
333 not-for-profit status. The granting of such waiver shall be limited to two events per year for each
334 applicant.

335 2. Establish limitations on the quantity and value of any gifts of alcoholic beverages made in the
336 course of any business entertainment pursuant to subdivision A 22 of § 4.1-325 or subsection C of
337 § 4.1-325.2.

338 3. Provide incentives to licensees with a proven history of compliance with state and federal laws
339 and regulations to encourage licensees to conduct their business and related activities in a manner that is
340 beneficial to the Commonwealth.

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

343 E. Courts shall take judicial notice of Board regulations.

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

345 **§ 4.1-201.1. Conduct not prohibited by this title; tastings conducted by manufacturers, wine or**
346 **beer wholesalers, and authorized representatives.**

347 A. Manufacturers of alcoholic beverages, whether or not licensed in the Commonwealth, and wine or
348 beer wholesalers may conduct tastings of wine, beer, or spirits within hotels, restaurants, *casinos*, and
349 clubs licensed for on-premises consumption provided:

350 1. The tastings are conducted only by (i) employees of such manufacturers or wholesalers or (ii)
351 authorized representatives of such manufacturers or wholesalers, which authorized representatives have
352 obtained a permit in accordance with subdivision A 14 of § 4.1-212;

353 2. Such employees or authorized representatives are present while the tastings are being conducted;

354 3. No category of alcoholic beverage products is offered to consumers unless the retail licensee on
355 whose premises the tasting is conducted is licensed to sell that category of alcoholic beverage product;

356 4. All alcoholic beverage products used in the tasting are served to the consumer by employees of
357 the retail licensee;

358 5. The quantity of wine, beer, or spirits provided to any person during the tasting does not exceed 16
359 ounces of beer, six ounces of wine, or one and one-half ounces of spirits; however, for any spirits
360 tastings, no single sample shall exceed one-half ounce of spirits, unless served as a mixed beverage, in
361 which case a single sample of spirits may contain up to one and one-half ounces of spirits; and

362 6. All alcoholic beverage products used in the tasting are purchased from the retail licensee on whose
363 premises the tasting is conducted; except that no more than \$100 may be expended by or on behalf of
364 any such manufacturer or wholesaler at any retail licensed premises during any 24-hour period. For the
365 purposes of this subdivision, the \$100 limitation shall be exclusive of taxes and gratuities, which
366 gratuities may not exceed 20 percent of the cost of the alcoholic beverages, including taxes, for the
367 alcoholic beverages purchased for the tasting.

B. Manufacturers, wholesalers, and their authorized representatives shall keep complete records of each tasting authorized by this section for a period of not less than two years, which records shall include the date and place of each tasting conducted and the dollar amount expended by the manufacturer, wholesaler, or his agent or representative in the purchase of the alcoholic beverages used in the tasting.

C. Manufacturers and wholesalers shall be held liable for any violation of this section committed by their employees or authorized representative in connection with their employment or representation at any tasting event.

§ 4.1-206.3. (Effective until July 1, 2022) Retail licenses.

A. The Board may grant the following mixed beverages licenses:

1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed beverages for on-premises consumption in dining areas and other designated areas of such restaurant or off-premises consumption. 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 no fewer than four permanent bedrooms where food and beverage service is customarily provided by the restaurant in designated areas, bedrooms, and other private rooms of such hotel or motel, such licensee may (a) sell and serve mixed beverages for on-premises consumption in such designated areas, bedrooms, and other private rooms or off-premises consumption and (b) sell spirits packaged in original closed containers purchased from the Board for on-premises consumption to registered guests and at scheduled functions of such hotel or motel only in such bedrooms or private rooms. However, with regard to a hotel classified as a resort complex, the Board may authorize the sale and on-premises consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board. Nothing herein shall prohibit any person from keeping and consuming his own lawfully acquired spirits in bedrooms or private rooms.

If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club exclusively for its members and their guests, or members of another private, nonprofit, or profit club in another city with which it has an agreement for reciprocal dining privileges, such license shall also authorize the licensees to (1) sell and serve mixed beverages for on-premises or off-premises consumption and (2) sell spirits that are packaged in original closed containers with a maximum capacity of two fluid ounces or 50 milliliters and purchased from the Board for on-premises consumption. Where such club prepares no food in its restaurant but purchases its food requirements from a restaurant licensed by the Board and located on another portion of the premises of the same hotel or motel building, this fact shall not prohibit the granting of a license by the Board to such club qualifying in all other respects. The club's gross receipts from the sale of nonalcoholic beverages consumed on the premises and food resold to its members and guests and consumed on the premises shall amount to at least 45 percent of its gross receipts from the sale of mixed beverages and food. The food sales made by a restaurant to such a club shall be excluded in any consideration of the qualifications of such restaurant for a license from the Board.

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

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

If the restaurant is located on the premises of a mixed beverage casino licensee owned by an operator licensed under Article 3 (§ 58.1-4108 et seq.) of Chapter 41 of Title 58.1, such mixed beverage

restaurant license shall authorize the licensee to sell alcoholic beverages for on-premises consumption on the licensed premises of the restaurant during all hours of operation of the mixed beverage casino licensee. Any alcoholic beverages purchased from such restaurant may be (I) taken onto the premises of the mixed beverage casino licensee and (II) possessed or consumed in areas designated by the Board, after consultation with the mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed beverage casino licensee, including entertainment venues, conference rooms, private rooms, hotels, pools, marinas, or green spaces. Alcoholic beverages purchased from a restaurant pursuant to this subdivision shall be contained in glassware or a paper, plastic, or similar disposable container that clearly displays the name or logo of the restaurant from which the alcoholic beverage was purchased.

The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

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

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

4. Mixed beverage carrier licenses to persons operating a common carrier of passengers by train, boat, bus, 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 alcoholic beverages onto the same airplanes and to transport and store alcoholic beverages at or in close proximity to the airport where the alcoholic beverages 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 alcoholic beverages may be stored and from which the alcoholic beverages will be delivered onto airplanes of the air carrier and any such licensed express carrier and (ii) maintain records of all alcoholic beverages to be transported, stored, and delivered by its authorized representative. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

5. Annual mixed beverage motor sports facility licenses, 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. Such license may be granted to persons operating food concessions at an outdoor motor sports facility that (i) is located on 1,200 acres of rural property bordering the Dan River and has a track surface of 3.27 miles in length or (ii) hosts a NASCAR national touring race. 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. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

6. 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 on-premises consumption in dining areas of the restaurant or off-premises consumption. 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. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee to sell, on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable containers or in single original metal cans for on-premises consumption in all seating areas, concourses, walkways, concession areas, similar facilities, and other areas upon the licensed premises approved by the Board and (ii) automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1. Such licenses may be granted to the following:

a. 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;

b. 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;

c. 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;

d. 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;

e. 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;

f. 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;

g. 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; or

h. Persons operating food concessions at any corporate and performing arts facility located in Fairfax County, provided that the corporate and performing arts facility (i) is occupied under a bona fide long-term lease, management, or concession agreement, the original term of which was more than one year and (ii) has a total capacity in excess of 1,400 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.

8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any restaurant or hotel that meets the qualifications for both a mixed beverage restaurant pursuant to subdivision 1 and mixed beverage caterer pursuant to subdivision 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 1 and mixed beverage caterer's license pursuant to subdivision 2. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to

552 § 4.1-233.1.

553 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages in
554 dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is
555 being provided, with or without meals, for on-premises consumption only in such rooms and areas, and
556 without regard to the amount of gross receipts from the sale of food prepared and consumed on the
557 premises and (ii) permit the consumption of lawfully acquired alcoholic beverages by persons to whom
558 overnight lodging is being provided in (a) bedrooms or private guest rooms or (b) other designated areas
559 of the bed and breakfast establishment. For purposes of this subdivision, "other designated areas"
560 includes outdoor dining areas, whether or not contiguous to the licensed premises, which may have more
561 than one means of ingress and egress to an adjacent public thoroughfare, provided that such outdoor
562 dining areas are under the control of the licensee and approved by the Board. Such noncontiguous
563 designated areas shall not be approved for any retail license issued pursuant to subdivision A 5 of
564 § 4.1-201.

565 10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under
566 § 501(c)(3) of the Internal Revenue Code, which shall authorize the licensee to (i) permit the
567 consumption of lawfully acquired alcoholic beverages on the premises of the licensee by any bona fide
568 member and guests thereof and (ii) serve alcoholic beverages on the premises of the licensee to any
569 bona fide member and guests thereof. However, alcoholic beverages shall not be sold or charged for in
570 any way by the licensee. The privileges of this license shall be limited to the premises of the museum,
571 regularly occupied and utilized as such.

572 11. Motor car sporting event facility licenses, which shall authorize the licensee to permit the
573 consumption of lawfully acquired alcoholic beverages on the premises of the licensee by patrons thereof
574 during such events. However, alcoholic beverages shall not be sold or charged for in any way, directly
575 or indirectly, by the licensee. The privileges of this license shall be limited to those areas of the
576 licensee's premises designated by the Board that are regularly occupied and utilized for motor car
577 sporting events.

578 12. Commercial lifestyle center licenses, which may be issued only to a commercial owners'
579 association governing a commercial lifestyle center, which shall authorize any retail on-premises
580 restaurant licensee that is a tenant of the commercial lifestyle center to sell alcoholic beverages to any
581 bona fide customer to whom alcoholic beverages may be lawfully sold for consumption on that portion
582 of the licensed premises of the commercial lifestyle center designated by the Board, including (i) plazas,
583 seating areas, concourses, walkways, or such other similar areas and (ii) the premises of any tenant
584 location of the commercial lifestyle center that is not a retail licensee of the Board, upon approval of
585 such tenant, but excluding any parking areas. Only alcoholic beverages purchased from such retail
586 on-premises restaurant licensees may be consumed on the licensed premises of the commercial lifestyle
587 center, and such alcoholic beverages shall be contained in paper, plastic, or similar disposable containers
588 with the name or logo of the restaurant licensee that sold the alcoholic beverage clearly displayed.
589 Alcoholic beverages shall not be sold or charged for in any way by the commercial lifestyle center
590 licensee. The licensee shall post appropriate signage clearly demarcating for the public the boundaries of
591 the licensed premises; however, no physical barriers shall be required for this purpose. The licensee shall
592 provide adequate security for the licensed premises to ensure compliance with the applicable provisions
593 of this title and Board regulations.

594 13. Mixed beverage port restaurant licenses, which shall authorize the licensee to sell and serve
595 mixed beverages for consumption in dining areas and other designated areas of such restaurant. Such
596 license may be granted only to persons operating a business (i) that is primarily engaged in the sale of
597 meals; (ii) that is located on property owned by the United States government or an agency thereof and
598 used as a port of entry to or egress from the United States; and (iii) whose gross receipts from the sale
599 of food cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the
600 premises, after issuance of such license, amount to at least 45 percent of the gross receipts from the sale
601 of mixed beverages and food. For the purposes of this subdivision, other designated areas shall include
602 outdoor dining areas, whether or not contiguous to the licensed premises, which outdoor dining areas
603 may have more than one means of ingress and egress to an adjacent public thoroughfare, provided such
604 areas are under the control of the licensee and approved by the Board. Such noncontiguous designated
605 areas shall not be approved for any retail license issued pursuant to subdivision A 5 of § 4.1-201. The
606 granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a
607 license to sell and serve wine and beer for on-premises consumption or in closed containers for
608 off-premises consumption; however, the licensee shall be required to pay the local fee required for such
609 additional license pursuant to § 4.1-233.1.

610 14. Annual mixed beverage special events licenses to (i) a duly organized nonprofit corporation or
611 association operating either a performing arts facility or an art education and exhibition facility; (ii) a
612 nonprofit corporation or association chartered by Congress for the preservation of sites, buildings, and
613 objects significant in American history and culture; (iii) persons operating an agricultural event and

entertainment park or similar facility that has a minimum of 50,000 square feet of indoor exhibit space and equine and other livestock show areas, which includes barns, pavilions, or other structures equipped with roofs, exterior walls, and open-door or closed-door access; or (iv) a locality for special events conducted on the premises of a museum for historic interpretation that is owned and operated by the locality. The operation in all cases shall be upon premises owned by such licensee or occupied under a bona fide 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.

15. *Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve mixed beverages for on-premises consumption in areas designated by the Board, after consultation with the mixed beverage casino licensee, without regard to the amount of gross receipts from the sale of food prepared and consumed on the premises and (ii) provide complimentary mixed beverages to patrons for on-premises consumption in private areas or restricted access areas designated by the Board, after consultation with the mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed beverage casino licensee, including entertainment venues, private rooms, conference rooms, hotels, pools, marinas, or green spaces. The granting of a license pursuant to this subdivision shall authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for off-premises consumption in accordance with the provisions of this subdivision governing mixed beverages; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1. Notwithstanding any law or regulation to the contrary, a mixed beverage casino licensee may exercise the privileges of its license as set forth in this subdivision during all hours of operation of the casino gaming establishment; however, such licensee shall not sell wine or beer for off-premises consumption between the hours of 12 a.m. and 6 a.m.*

A mixed beverage casino licensee may (a) provide patrons gifts of alcoholic beverages in closed containers for personal consumption off the licensed premises or in areas designated by the Board, after consultation with the mixed beverage casino licensee, and (b) enable patrons who participate in a loyalty or reward credit program to redeem credits for the purchase of alcoholic beverages for on-premises consumption. A summary of the operation of such loyalty or reward credit program shall be provided to the Board upon request.

A mixed beverage casino license may only be issued to a casino gaming establishment owned by an operator licensed under Article 3 (§ 58.1-4108 et seq.) of Chapter 41 of Title 58.1.

B. The Board may grant an on-and-off-premises wine and beer license to the following:

1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in closed containers for off-premises consumption or (ii) for on-premises consumption, either with or without meals, in dining areas and other designated areas of such restaurants, or in dining areas, private guest rooms, and other designated areas of such hotels or clubs, for consumption only in such rooms and areas. However, with regard to a hotel classified by the Board as (a) a resort complex, the Board may authorize the sale and consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board or (b) a limited service hotel, the Board may authorize the sale and consumption of alcoholic beverages in dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being provided, for on-premises consumption in such rooms or areas, and without regard to the amount of gross receipts from the sale of food prepared and consumed on the premises, provided that at least one meal is provided each day by the hotel to such guests. With regard to facilities registered in accordance with Chapter 49 (§ 38.2-4900 et seq.) of Title 38.2 as continuing care communities that are also licensed by the Board under this subdivision, any resident may, upon authorization of the licensee, keep and consume his own lawfully acquired alcoholic beverages on the premises in all areas covered by the license. For purposes of this subdivision, "other designated areas" includes outdoor dining areas, whether or not contiguous to the licensed premises, which may have more than one means of ingress and egress to an adjacent public thoroughfare, provided that such outdoor dining 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.

2. Hospitals, which shall authorize the licensee to sell wine and beer (i) in the rooms of patients for their on-premises consumption only in such rooms, provided the consent of the patient's attending physician is first obtained or (ii) in closed containers for off-premises consumption.

3. Rural grocery stores, which shall authorize the licensee to sell wine and beer for on-premises consumption or in closed containers for off-premises consumption. No license shall be granted unless (i) the grocery store is located in any town or in a rural area outside the corporate limits of any city or town and (ii) it appears affirmatively that a substantial public demand for such licensed establishment exists and that public convenience and the purposes of this title will be promoted by granting the

675 license.

676 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer
677 during any event and immediately subsequent thereto to patrons within all seating areas, concourses,
678 walkways, concession areas, and additional locations designated by the Board (i) in closed containers for
679 off-premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original
680 metal cans for on-premises consumption. Upon authorization of the licensee, any person may keep and
681 consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations
682 covered by the license. Such licenses may be granted to persons operating food concessions at
683 coliseums, stadiums, racetracks, or similar facilities.

684 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer
685 during the performance of any event to patrons within all seating areas, concourses, walkways, or
686 concession areas, or other areas approved by the Board (i) in closed containers for off-premises
687 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for
688 on-premises consumption. Upon authorization of the licensee, any person may keep and consume his
689 own lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the
690 license. Such licenses may be granted to persons operating food concessions at any outdoor performing
691 arts amphitheater, arena, or similar facility that (a) has seating for more than 20,000 persons and is
692 located in Prince William County or the City of Virginia Beach; (b) has seating or capacity for more
693 than 3,500 persons and is located in the County of Albemarle, Alleghany, Augusta, Nelson, Pittsylvania,
694 or Rockingham or the City of Charlottesville, Danville, or Roanoke; or (c) has capacity for more than
695 9,500 persons and is located in Henrico County.

696 6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to
697 patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas,
698 and such additional locations designated by the Board in such facilities (i) in closed containers for
699 off-premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original
700 metal cans for on-premises consumption. Upon authorization of the licensee, any person may keep and
701 consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations
702 covered by the license. Such licenses may be granted to persons operating food concessions at exhibition
703 or exposition halls, convention centers, or similar facilities located in any county operating under the
704 urban county executive form of government or any city that is completely surrounded by such county.
705 For purposes of this subdivision, "exhibition or exposition hall" and "convention centers" mean facilities
706 conducting private or public trade shows or exhibitions in an indoor facility having in excess of 100,000
707 square feet of floor space.

708 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during events
709 to patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas,
710 dining areas, and such additional locations designated by the Board in such facilities, for on-premises
711 consumption or in closed containers for off-premises consumption. Persons licensed pursuant to this
712 subdivision shall serve food, prepared on or off premises, whenever wine or beer is served. Such
713 licenses may be granted to persons operating concert or dinner-theater venues on property fronting
714 Natural Bridge School Road in Natural Bridge Station and formerly operated as Natural Bridge High
715 School.

716 8. Historic cinema houses, which shall authorize the licensee to sell wine and beer, either with or
717 without meals, during any showing of a motion picture to patrons to whom alcoholic beverages may be
718 lawfully sold, for on-premises consumption or in closed containers for off-premises consumption. The
719 privileges of this license shall be limited to the premises of the historic cinema house regularly occupied
720 and utilized as such.

721 9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises
722 consumption or in closed containers for off-premises consumption in areas approved by the Board. Such
723 licenses may be granted to persons operating a nonprofit museum exempt from taxation under
724 § 501(c)(3) of the Internal Revenue Code, located in the Town of Front Royal, and dedicated to
725 educating the consuming public about historic beer products. The privileges of this license shall be
726 limited to the premises of the museum, regularly occupied and utilized as such.

727 C. The Board may grant the following off-premises wine and beer licenses:

728 1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery store,
729 delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina store as
730 defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine and
731 beer in closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-308,
732 to give to any person to whom wine or beer may be lawfully sold a sample of wine or beer for
733 on-premises consumption; however, no single sample shall exceed four ounces of beer or two ounces of
734 wine and no more than 12 ounces of beer or five ounces of wine shall be served to any person per day.
735 The licensee may also give samples of wine and beer in designated areas at events held by the licensee
736 for the purpose of featuring and educating the consuming public about the alcoholic beverages being

tasted. With the consent of the licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or authorized representatives of such licensees may participate in such tastings, including the pouring of samples. The licensee shall comply with any food inventory and sales volume requirements established by Board regulation.

2. Gourmet brewing shop licenses, which shall authorize the licensee to sell to any person to whom wine or beer may be lawfully sold, ingredients for making wine or brewing beer, including packaging, and to rent to such persons facilities for manufacturing, fermenting, and bottling such wine or beer, for off-premises consumption in accordance with subdivision 6 of § 4.1-200.

3. Confectionery licenses, which shall authorize the licensee to prepare and sell on the licensed premises for off-premises consumption confectionery that contains five percent or less alcohol by volume. Any alcohol contained in such confectionery shall not be in liquid form at the time such confectionery is sold.

D. The Board may grant the following banquet, special event, and tasting licenses:

1. Per-day event licenses.

a. Banquet licenses to persons in charge of *private* banquets, and to duly organized nonprofit corporations or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas. Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be authorized to sell wine, as part of any fundraising activity, in closed containers for off-premises consumption to persons to whom wine may be lawfully sold; (ii) shall be limited to no more than one such fundraiser per year; and (iii) if conducting such fundraiser through an online meeting platform, may ship such wine, in accordance with Board regulations, in closed containers to persons located within the Commonwealth. Except as provided in § 4.1-215, a separate license shall be required for each day of each banquet or special event. For the purposes of this subdivision, when the location named in the original application for a license is outdoors, the application may also name an alternative location in the event of inclement weather. However, no such license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

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

c. Mixed beverage club events licenses to a club holding a wine and beer club license, which shall authorize the licensee 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. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

d. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic beverages of the type specified in the license in designated areas at events held by the licensee. A tasting license shall be issued for the purpose of featuring and educating the consuming public about the alcoholic beverages being tasted. A separate license shall be required for each day of each tasting event. No tasting license shall be required for conduct authorized by § 4.1-201.1.

2. Annual licenses.

a. Annual 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 members and their guests, which shall authorize the licensee to serve wine and beer in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas. Such license shall authorize the licensee to conduct no more than 12 banquets per calendar year. For the purposes of this subdivision, when the location named in the original application for a license is outdoors, the application may also name an alternative location in the event of inclement weather. However, no such license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

b. Banquet facility licenses to volunteer fire departments and volunteer emergency medical services agencies, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic beverages on the premises of the licensee by any person, and bona fide members and guests thereof, otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall not be purchased or sold by the licensee or sold or charged for in any way by the person permitted to use the premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency station or both, regularly occupied as such and recognized by the governing body of the county, city, or

798 town in which it is located. Under conditions as specified by Board regulation, such premises may be
799 other than a volunteer fire or volunteer emergency medical services agency station, provided such other
800 premises are occupied and under the control of the volunteer fire department or volunteer emergency
801 medical services agency while the privileges of its license are being exercised.

802 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or
803 nonprofit organization, which shall authorize (i) the licensee to permit the consumption of alcoholic
804 beverages within the area designated by the Board for the designated outdoor refreshment area and (ii)
805 any permanent retail on-premises licensee that is located within the area designated by the Board for the
806 designated outdoor refreshment area to sell alcoholic beverages within the permanent retail location for
807 consumption in the area designated for the designated outdoor refreshment area, including sidewalks and
808 the premises of businesses not licensed to sell alcoholic beverages at retail, upon approval of such
809 businesses. In determining the designated area for the designated outdoor refreshment area, the Board
810 shall consult with the locality. Designated outdoor refreshment area licensees shall be limited to 16
811 events per year, and the duration of any event shall not exceed three consecutive days. However, the
812 Board may increase the frequency and duration of events after adoption of an ordinance by a locality
813 requesting such increase in frequency and duration. Such ordinance shall include the size and scope of
814 the area within which such events will be held, a public safety plan, and any other considerations
815 deemed necessary by the Board. Such limitations on the number of events that may be held shall not
816 apply during the effective dates of any rule, regulation, or order that is issued by the Governor or State
817 Health Commissioner to meet a public health emergency and that effectively reduces allowable
818 restaurant seating capacity; however, designated outdoor refreshment area licensees shall be subject to all
819 other applicable provisions of this title and Board regulations and shall provide notice to the Board
820 regarding the days and times during which the privileges of the license will be exercised. Only alcoholic
821 beverages purchased from permanent retail on-premises licensees located within the designated area may
822 be consumed at the event, and such alcoholic beverages shall be contained in paper, plastic, or similar
823 disposable containers that clearly display the name or logo of the retail on-premises licensee from which
824 the alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged for in any way
825 by the designated outdoor refreshment area licensee. The designated outdoor refreshment area licensee
826 shall post appropriate signage clearly demarcating for the public the boundaries of the event; however,
827 no physical barriers shall be required for this purpose. The designated outdoor refreshment area licensee
828 shall provide adequate security for the event to ensure compliance with the applicable provisions of this
829 title and Board regulations.

830 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, or
831 charitable membership organizations that are exempt from state and federal taxation and in charge of
832 banquets conducted exclusively for members and their guests, which shall authorize the licensee to serve
833 mixed beverages for on-premises consumption in areas approved by the Board on the premises of the
834 place designated in the license. Such license shall authorize the licensee to conduct no more than 12
835 banquets per calendar year. The granting of a license pursuant to this subdivision shall automatically
836 authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption;
837 however, the licensee shall be required to pay the local fee required for such additional license pursuant
838 to § 4.1-233.1.

839 e. Equine sporting event licenses, which may be issued to organizations holding equestrian, hunt, and
840 steeplechase events, which shall authorize the licensee to permit the consumption of lawfully acquired
841 alcoholic beverages on the premises of the licensee by patrons thereof during such event. However,
842 alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of this
843 license shall be (i) limited to the premises of the licensee, regularly occupied and utilized for equestrian,
844 hunt, and steeplechase events, and (ii) exercised on no more than four calendar days per year.

845 f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the
846 licensee participating in a community art walk that is open to the public to serve lawfully acquired wine
847 or beer on the premises of the licensee to adult patrons thereof during such events. However, alcoholic
848 beverages shall not be sold or charged for in any way, directly or indirectly, by the licensee, and the
849 licensee shall not give more than two five-ounce glasses of wine or two 12-ounce glasses of beer to any
850 one adult patron. The privileges of this license shall be (i) limited to the premises of the arts venue
851 regularly occupied and used as such and (ii) exercised on no more than 12 calendar days per year.

852 E. The Board may grant a marketplace license to persons operating a business enterprise of which
853 the primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve
854 complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations
855 imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or
856 two 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such
857 customer for the wine or beer served or consumed. In order to be eligible for and retain a marketplace
858 license, the applicant's business enterprise must (i) provide a single category of goods or services in a
859 manner intended to create a personalized experience for the customer; (ii) employ staff with expertise in

such goods or services; (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic beverage control manager on the licensed premises at all times alcohol is served; (v) ensure that all employees satisfy any training requirements imposed by the Board; and (vi) purchase all wine and beer to be served from a licensed wholesaler or the Authority and retain purchase records as prescribed by the Board. In determining whether to grant a marketplace license, the Board shall consider (a) the average amount of time customers spend at the business; (b) the business's hours of operation; (c) the amount of time that the business has been in operation; and (d) any other requirements deemed necessary by the Board to protect the public health, safety, and welfare.

F. The Board may grant the following shipper, bottler, and related licenses:

1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in § 4.1-209.1.

2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside the Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations, in closed containers to persons in the Commonwealth to whom wine and beer may be lawfully sold for off-premises consumption. Such licensee shall not be required to comply with the monthly food sale requirement established by Board regulations.

3. Bottler licenses, which shall authorize the licensee to acquire and receive deliveries and shipments of beer in closed containers and to bottle, sell, and deliver or ship it, in accordance with Board regulations to (i) wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under the laws of the United States sailing for ports of call of a foreign country or another state, and (iii) persons outside the Commonwealth for resale outside the Commonwealth.

4. Fulfillment warehouse licenses, which shall authorize associations as defined in § 13.1-313 with a place of business located in the Commonwealth to (i) receive deliveries and shipments of wine or beer owned by holders of wine and beer shipper's licenses; (ii) store such wine or beer on behalf of the owner; and (iii) pick, pack, and ship such wine or beer as directed by the owner, all in accordance with Board regulations. No wholesale wine or wholesale beer licensee, whether licensed in the Commonwealth or not, or any person under common control of such licensee, shall acquire or hold any financial interest, direct or indirect, in the business for which any fulfillment warehouse license is issued.

5. Marketing portal licenses, which shall authorize agricultural cooperative associations organized under the provisions of the Agricultural Cooperative Association Act (§ 13.1-312 et seq.), with a place of business located in the Commonwealth, in accordance with Board regulations, to solicit and receive orders for wine or beer through the use of the Internet from persons in the Commonwealth to whom wine or beer may be lawfully sold, on behalf of holders of wine and beer shipper's licenses. Upon receipt of an order for wine or beer, the licensee shall forward it to a holder of a wine and beer shipper's license for fulfillment. Marketing portal licensees may also accept payment on behalf of the shipper.

§ 4.1-206.3. (Effective July 1, 2022) Retail licenses.

A. The Board may grant the following mixed beverages licenses:

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 no fewer than four permanent bedrooms where food and beverage service is customarily provided by the restaurant in designated areas, bedrooms, and other private rooms of such hotel or motel, such licensee may (a) sell and serve mixed beverages for consumption in such designated areas, bedrooms, and other private rooms and (b) sell spirits packaged in original closed containers purchased from the Board for on-premises consumption to registered guests and at scheduled functions of such hotel or motel only in such bedrooms or private rooms. However, with regard to a hotel classified as a resort complex, the Board may authorize the sale and on-premises consumption of alcoholic beverages in all areas within the resort complex deemed appropriate by the Board. Nothing herein shall prohibit any person from keeping and consuming his own lawfully acquired spirits in bedrooms or private rooms.

If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club exclusively for its members and their guests, or members of another private, nonprofit, or profit club in

921 another city with which it has an agreement for reciprocal dining privileges, such license shall also
922 authorize the licensees to (1) sell and serve mixed beverages for on-premises consumption and (2) sell
923 spirits that are packaged in original closed containers with a maximum capacity of two fluid ounces or
924 50 milliliters and purchased from the Board for on-premises consumption. Where such club prepares no
925 food in its restaurant but purchases its food requirements from a restaurant licensed by the Board and
926 located on another portion of the premises of the same hotel or motel building, this fact shall not
927 prohibit the granting of a license by the Board to such club qualifying in all other respects. The club's
928 gross receipts from the sale of nonalcoholic beverages consumed on the premises and food resold to its
929 members and guests and consumed on the premises shall amount to at least 45 percent of its gross
930 receipts from the sale of mixed beverages and food. The food sales made by a restaurant to such a club
931 shall be excluded in any consideration of the qualifications of such restaurant for a license from the
932 Board.

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

940 If the restaurant is located on the premises of and operated by a culinary lodging resort, such license
941 shall authorize the licensee to (A) sell alcoholic beverages for on-premises consumption, without regard
942 to the amount of gross receipts from the sale of food prepared and consumed on the premises, in areas
943 upon the licensed premises approved by the Board and other designated areas of the resort, including
944 outdoor areas under the control of the licensee, and (B) permit the possession and consumption of
945 lawfully acquired alcoholic beverages by persons to whom overnight lodging is being provided in
946 bedrooms and private guest rooms.

947 *If the restaurant is located on the premises of a mixed beverage casino licensee owned by an*
948 *operator licensed under Article 3 (§ 58.1-4108 et seq.) of Chapter 41 of Title 58.1, such mixed beverage*
949 *restaurant license shall authorize the licensee to sell alcoholic beverages for on-premises consumption*
950 *on the licensed premises of the restaurant during all hours of operation of the mixed beverage casino*
951 *licensee. Any alcoholic beverages purchased from such restaurant may be (I) taken onto the premises of*
952 *the mixed beverage casino licensee and (II) possessed or consumed in areas designated by the Board,*
953 *after consultation with the mixed beverage casino licensee. Designated areas may include any areas on*
954 *the premises of the mixed beverage casino licensee, including entertainment venues, conference rooms,*
955 *private rooms, hotels, pools, marinas, or green spaces. Alcoholic beverages purchased from a restaurant*
956 *pursuant to this subdivision shall be contained in glassware or a paper, plastic, or similar disposable*
957 *container that clearly displays the name or logo of the restaurant from which the alcoholic beverage*
958 *was purchased.*

959 The granting of a license pursuant to this subdivision shall automatically authorize the licensee to
960 obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers
961 for off-premises consumption; however, the licensee shall be required to pay the local fee required for
962 such additional license pursuant to § 4.1-233.1.

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

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

976 4. Mixed beverage carrier licenses to persons operating a common carrier of passengers by train,
977 boat, bus, or airplane, which shall authorize the licensee to sell and serve mixed beverages anywhere in
978 the Commonwealth to passengers while in transit aboard any such common carrier, and in designated
979 rooms of establishments of air carriers at airports in the Commonwealth. For purposes of supplying its
980 airplanes, as well as any airplanes of a licensed express carrier flying under the same brand, an air
981 carrier licensee may appoint an authorized representative to load alcoholic beverages onto the same
982 airplanes and to transport and store alcoholic beverages at or in close proximity to the airport where the

alcoholic beverages 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 alcoholic beverages may be stored and from which the alcoholic beverages will be delivered onto airplanes of the air carrier and any such licensed express carrier and (ii) maintain records of all alcoholic beverages to be transported, stored, and delivered by its authorized representative. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

5. Annual mixed beverage motor sports facility licenses, 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. Such license may be granted to persons operating food concessions at an outdoor motor sports facility that (i) is located on 1,200 acres of rural property bordering the Dan River and has a track surface of 3.27 miles in length or (ii) hosts a NASCAR national touring race. 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. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

6. 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. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee to sell, on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable containers or in single original metal cans for on-premises consumption in all seating areas, concourses, walkways, concession areas, similar facilities, and other areas upon the licensed premises approved by the Board and (ii) automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1. Such licenses may be granted to the following:

a. 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;

b. 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;

c. 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;

d. 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

1044 beverages served on the premises that meet or exceed the monthly minimum established by Board
1045 regulations for mixed beverage restaurants; and (iv) has a total capacity in excess of 900 patrons;

1046 e. Persons operating food concessions at any multipurpose theater located in the historical district of
1047 the Town of Bridgewater, provided that the theater (i) is owned and operated by a governmental entity
1048 and (ii) has a total capacity in excess of 100 patrons;

1049 f. Persons operating food concessions at any outdoor performing arts amphitheater, arena, or similar
1050 facility that has seating for more than 20,000 persons and is located in Prince William County or the
1051 City of Virginia Beach;

1052 g. Persons operating food concessions at any outdoor performing arts amphitheater, arena, or similar
1053 facility that has seating for more than 5,000 persons and is located in the City of Alexandria or the City
1054 of Portsmouth; or

1055 h. Persons operating food concessions at any corporate and performing arts facility located in Fairfax
1056 County, provided that the corporate and performing arts facility (i) is occupied under a bona fide
1057 long-term lease, management, or concession agreement, the original term of which was more than one
1058 year and (ii) has a total capacity in excess of 1,400 patrons. Such license shall authorize the sale, on the
1059 dates of performances or events, of alcoholic beverages for on-premises consumption in areas upon the
1060 licensed premises approved by the Board.

1061 8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any
1062 restaurant or hotel that meets the qualifications for both a mixed beverage restaurant pursuant to
1063 subdivision 1 and mixed beverage caterer pursuant to subdivision 2 for the same business location, and
1064 which license shall authorize the licensee to operate as both a mixed beverage restaurant and mixed
1065 beverage caterer at the same business premises designated in the license, with a common alcoholic
1066 beverage inventory for purposes of the restaurant and catering operations. Such licensee shall meet the
1067 separate food qualifications established for the mixed beverage restaurant license pursuant to subdivision
1068 1 and mixed beverage caterer's license pursuant to subdivision 2. The granting of a license pursuant to
1069 this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and
1070 beer for on-premises consumption or in closed containers for off-premises consumption; however, the
1071 licensee shall be required to pay the local fee required for such additional license pursuant to
1072 § 4.1-233.1.

1073 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages in
1074 dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is
1075 being provided, with or without meals, for on-premises consumption only in such rooms and areas, and
1076 without regard to the amount of gross receipts from the sale of food prepared and consumed on the
1077 premises and (ii) permit the consumption of lawfully acquired alcoholic beverages by persons to whom
1078 overnight lodging is being provided in (a) bedrooms or private guest rooms or (b) other designated areas
1079 of the bed and breakfast establishment. For purposes of this subdivision, "other designated areas"
1080 includes outdoor dining areas, whether or not contiguous to the licensed premises, which may have more
1081 than one means of ingress and egress to an adjacent public thoroughfare, provided that such outdoor
1082 dining areas are under the control of the licensee and approved by the Board. Such noncontiguous
1083 designated areas shall not be approved for any retail license issued pursuant to subdivision A 5 of
1084 § 4.1-201.

1085 10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under
1086 § 501(c)(3) of the Internal Revenue Code, which shall authorize the licensee to (i) permit the
1087 consumption of lawfully acquired alcoholic beverages on the premises of the licensee by any bona fide
1088 member and guests thereof and (ii) serve alcoholic beverages on the premises of the licensee to any
1089 bona fide member and guests thereof. However, alcoholic beverages shall not be sold or charged for in
1090 any way by the licensee. The privileges of this license shall be limited to the premises of the museum,
1091 regularly occupied and utilized as such.

1092 11. Motor car sporting event facility licenses, which shall authorize the licensee to permit the
1093 consumption of lawfully acquired alcoholic beverages on the premises of the licensee by patrons thereof
1094 during such events. However, alcoholic beverages shall not be sold or charged for in any way, directly
1095 or indirectly, by the licensee. The privileges of this license shall be limited to those areas of the
1096 licensee's premises designated by the Board that are regularly occupied and utilized for motor car
1097 sporting events.

1098 12. Commercial lifestyle center licenses, which may be issued only to a commercial owners'
1099 association governing a commercial lifestyle center, which shall authorize any retail on-premises
1100 restaurant licensee that is a tenant of the commercial lifestyle center to sell alcoholic beverages to any
1101 bona fide customer to whom alcoholic beverages may be lawfully sold for consumption on that portion
1102 of the licensed premises of the commercial lifestyle center designated by the Board, including (i) plazas,
1103 seating areas, concourses, walkways, or such other similar areas and (ii) the premises of any tenant
1104 location of the commercial lifestyle center that is not a retail licensee of the Board, upon approval of
1105 such tenant, but excluding any parking areas. Only alcoholic beverages purchased from such retail

on-premises restaurant licensees may be consumed on the licensed premises of the commercial lifestyle center, and such alcoholic beverages shall be contained in paper, plastic, or similar disposable containers with the name or logo of the restaurant licensee that sold the alcoholic beverage clearly displayed. Alcoholic beverages shall not be sold or charged for in any way by the commercial lifestyle center licensee. The licensee shall post appropriate signage clearly demarcating for the public the boundaries of the licensed premises; however, no physical barriers shall be required for this purpose. The licensee shall provide adequate security for the licensed premises to ensure compliance with the applicable provisions of this title and Board regulations.

13. Mixed beverage port 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 operating a business (i) that is primarily engaged in the sale of meals; (ii) that is located on property owned by the United States government or an agency thereof and used as a port of entry to or egress from the United States; and (iii) 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. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption or in closed containers for off-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

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

15. *Mixed beverage casino licenses, which shall authorize the licensee to (i) sell and serve mixed beverages for on-premises consumption in areas designated by the Board, after consultation with the mixed beverage casino licensee, without regard to the amount of gross receipts from the sale of food prepared and consumed on the premises and (ii) provide complimentary mixed beverages to patrons for on-premises consumption in private areas or restricted access areas designated by the Board, after consultation with the mixed beverage casino licensee. Designated areas may include any areas on the premises of the mixed beverage casino licensee, including entertainment venues, private rooms, conference rooms, hotels, pools, marinas, or green spaces. The granting of a license pursuant to this subdivision shall authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption and in closed containers for off-premises consumption in accordance with the provisions of this subdivision governing mixed beverages; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1. Notwithstanding any law or regulation to the contrary, a mixed beverage casino licensee may exercise the privileges of its license as set forth in this subdivision during all hours of operation of the casino gaming establishment; however, such licensee shall not sell wine or beer for off-premises consumption between the hours of 12 a.m. and 6 a.m.*

A mixed beverage casino licensee may (a) provide patrons gifts of alcoholic beverages in closed containers for personal consumption off the licensed premises or in areas designated by the Board, after consultation with the mixed beverage casino licensee, and (b) enable patrons who participate in a loyalty or reward credit program to redeem credits for the purchase of alcoholic beverages for on-premises consumption. A summary of the operation of such loyalty or reward credit program shall be provided to the Board upon request.

A mixed beverage casino license may only be issued to a casino gaming establishment owned by an operator licensed under Article 3 (§ 58.1-4108 et seq.) of Chapter 41 of Title 58.1.

B. The Board may grant an on-and-off-premises wine and beer license to the following:

1167 1. Hotels, restaurants, and clubs, which shall authorize the licensee to sell wine and beer (i) in closed
1168 containers for off-premises consumption or (ii) for on-premises consumption, either with or without
1169 meals, in dining areas and other designated areas of such restaurants, or in dining areas, private guest
1170 rooms, and other designated areas of such hotels or clubs, for consumption only in such rooms and
1171 areas. However, with regard to a hotel classified by the Board as (a) a resort complex, the Board may
1172 authorize the sale and consumption of alcoholic beverages in all areas within the resort complex deemed
1173 appropriate by the Board or (b) a limited service hotel, the Board may authorize the sale and
1174 consumption of alcoholic beverages in dining areas, private guest rooms, and other designated areas to
1175 persons to whom overnight lodging is being provided, for on-premises consumption in such rooms or
1176 areas, and without regard to the amount of gross receipts from the sale of food prepared and consumed
1177 on the premises, provided that at least one meal is provided each day by the hotel to such guests. With
1178 regard to facilities registered in accordance with Chapter 49 (§ 38.2-4900 et seq.) of Title 38.2 as
1179 continuing care communities that are also licensed by the Board under this subdivision, any resident
1180 may, upon authorization of the licensee, keep and consume his own lawfully acquired alcoholic
1181 beverages on the premises in all areas covered by the license. For purposes of this subdivision, "other
1182 designated areas" includes outdoor dining areas, whether or not contiguous to the licensed premises,
1183 which may have more than one means of ingress and egress to an adjacent public thoroughfare,
1184 provided that such outdoor dining areas are under the control of the licensee and approved by the Board.
1185 Such noncontiguous designated areas shall not be approved for any retail license issued pursuant to
1186 subdivision A 5 of § 4.1-201.

1187 2. Hospitals, which shall authorize the licensee to sell wine and beer (i) in the rooms of patients for
1188 their on-premises consumption only in such rooms, provided the consent of the patient's attending
1189 physician is first obtained or (ii) in closed containers for off-premises consumption.

1190 3. Rural grocery stores, which shall authorize the licensee to sell wine and beer for on-premises
1191 consumption or in closed containers for off-premises consumption. No license shall be granted unless (i)
1192 the grocery store is located in any town or in a rural area outside the corporate limits of any city or
1193 town and (ii) it appears affirmatively that a substantial public demand for such licensed establishment
1194 exists and that public convenience and the purposes of this title will be promoted by granting the
1195 license.

1196 4. Coliseums, stadiums, and racetracks, which shall authorize the licensee to sell wine and beer
1197 during any event and immediately subsequent thereto to patrons within all seating areas, concourses,
1198 walkways, concession areas, and additional locations designated by the Board (i) in closed containers for
1199 off-premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original
1200 metal cans for on-premises consumption. Upon authorization of the licensee, any person may keep and
1201 consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations
1202 covered by the license. Such licenses may be granted to persons operating food concessions at
1203 coliseums, stadiums, racetracks, or similar facilities.

1204 5. Performing arts food concessionaires, which shall authorize the licensee to sell wine and beer
1205 during the performance of any event to patrons within all seating areas, concourses, walkways, or
1206 concession areas, or other areas approved by the Board (i) in closed containers for off-premises
1207 consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for
1208 on-premises consumption. Upon authorization of the licensee, any person may keep and consume his
1209 own lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the
1210 license. Such licenses may be granted to persons operating food concessions at any outdoor performing
1211 arts amphitheater, arena, or similar facility that (a) has seating for more than 20,000 persons and is
1212 located in Prince William County or the City of Virginia Beach; (b) has seating or capacity for more
1213 than 3,500 persons and is located in the County of Albemarle, Alleghany, Augusta, Nelson, Pittsylvania,
1214 or Rockingham or the City of Charlottesville, Danville, or Roanoke; or (c) has capacity for more than
1215 9,500 persons and is located in Henrico County.

1216 6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to
1217 patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas,
1218 and such additional locations designated by the Board in such facilities (i) in closed containers for
1219 off-premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original
1220 metal cans for on-premises consumption. Upon authorization of the licensee, any person may keep and
1221 consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations
1222 covered by the license. Such licenses may be granted to persons operating food concessions at exhibition
1223 or exposition halls, convention centers, or similar facilities located in any county operating under the
1224 urban county executive form of government or any city that is completely surrounded by such county.
1225 For purposes of this subdivision, "exhibition or exposition hall" and "convention centers" mean facilities
1226 conducting private or public trade shows or exhibitions in an indoor facility having in excess of 100,000
1227 square feet of floor space.

1228 7. Concert and dinner-theaters, which shall authorize the licensee to sell wine and beer during events

to patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, dining areas, and such additional locations designated by the Board in such facilities, for on-premises consumption or in closed containers for off-premises consumption. Persons licensed pursuant to this subdivision shall serve food, prepared on or off premises, whenever wine or beer is served. Such licenses may be granted to persons operating concert or dinner-theater venues on property fronting Natural Bridge School Road in Natural Bridge Station and formerly operated as Natural Bridge High School.

8. Historic cinema houses, which shall authorize the licensee to sell wine and beer, either with or without meals, during any showing of a motion picture to patrons to whom alcoholic beverages may be lawfully sold, for on-premises consumption or in closed containers for off-premises consumption. The privileges of this license shall be limited to the premises of the historic cinema house regularly occupied and utilized as such.

9. Nonprofit museums, which shall authorize the licensee to sell wine and beer for on-premises consumption or in closed containers for off-premises consumption in areas approved by the Board. Such licenses may be granted to persons operating a nonprofit museum exempt from taxation under § 501(c)(3) of the Internal Revenue Code, located in the Town of Front Royal, and dedicated to educating the consuming public about historic beer products. The privileges of this license shall be limited to the premises of the museum, regularly occupied and utilized as such.

C. The Board may grant the following off-premises wine and beer licenses:

1. Retail off-premises wine and beer licenses, which may be granted to a convenience grocery store, delicatessen, drugstore, gift shop, gourmet oyster house, gourmet shop, grocery store, or marina store as defined in § 4.1-100 and Board regulations. Such license shall authorize the licensee to sell wine and beer in closed containers for off-premises consumption and, notwithstanding the provisions of § 4.1-308, to give to any person to whom wine or beer may be lawfully sold a sample of wine or beer for on-premises consumption; however, no single sample shall exceed four ounces of beer or two ounces of wine and no more than 12 ounces of beer or five ounces of wine shall be served to any person per day. The licensee may also give samples of wine and beer in designated areas at events held by the licensee for the purpose of featuring and educating the consuming public about the alcoholic beverages being tasted. With the consent of the licensee, farm wineries, wineries, breweries, distillers, and wholesale licensees or authorized representatives of such licensees may participate in such tastings, including the pouring of samples. The licensee shall comply with any food inventory and sales volume requirements established by Board regulation.

2. Gourmet brewing shop licenses, which shall authorize the licensee to sell to any person to whom wine or beer may be lawfully sold, ingredients for making wine or brewing beer, including packaging, and to rent to such persons facilities for manufacturing, fermenting, and bottling such wine or beer, for off-premises consumption in accordance with subdivision 6 of § 4.1-200.

3. Confectionery licenses, which shall authorize the licensee to prepare and sell on the licensed premises for off-premises consumption confectionery that contains five percent or less alcohol by volume. Any alcohol contained in such confectionery shall not be in liquid form at the time such confectionery is sold.

D. The Board may grant the following banquet, special event, and tasting licenses:

1. Per-day event licenses.

a. Banquet licenses to persons in charge of *private* banquets, and to duly organized nonprofit corporations or associations in charge of special events, which shall authorize the licensee to sell or give wine and beer in rooms or areas approved by the Board for the occasion for on-premises consumption in such rooms or areas. Licensees who are nonprofit corporations or associations conducting fundraisers (i) shall also be authorized to sell wine, as part of any fundraising activity, in closed containers for off-premises consumption to persons to whom wine may be lawfully sold; (ii) shall be limited to no more than one such fundraiser per year; and (iii) if conducting such fundraiser through an online meeting platform, may ship such wine, in accordance with Board regulations, in closed containers to persons located within the Commonwealth. Except as provided in § 4.1-215, a separate license shall be required for each day of each banquet or special event. For the purposes of this subdivision, when the location named in the original application for a license is outdoors, the application may also name an alternative location in the event of inclement weather. However, no such license shall be required of any hotel, restaurant, or club holding a retail wine and beer license.

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

c. Mixed beverage club events licenses to a club holding a wine and beer club license, which shall authorize the licensee to sell and serve mixed beverages for on-premises consumption by club members

1290 and their guests in areas approved by the Board on the club premises. A separate license shall be
1291 required for each day of each club event. No more than 12 such licenses shall be granted to a club in
1292 any calendar year. The granting of a license pursuant to this subdivision shall automatically authorize
1293 the licensee to obtain a license to sell and serve wine and beer for on-premises consumption; however,
1294 the licensee shall be required to pay the local fee required for such additional license pursuant to
1295 § 4.1-233.1.

1296 d. Tasting licenses, which shall authorize the licensee to sell or give samples of alcoholic beverages
1297 of the type specified in the license in designated areas at events held by the licensee. A tasting license
1298 shall be issued for the purpose of featuring and educating the consuming public about the alcoholic
1299 beverages being tasted. A separate license shall be required for each day of each tasting event. No
1300 tasting license shall be required for conduct authorized by § 4.1-201.1.

1301 2. Annual licenses.

1302 a. Annual banquet licenses to duly organized private nonprofit fraternal, patriotic, or charitable
1303 membership organizations that are exempt from state and federal taxation and in charge of banquets
1304 conducted exclusively for members and their guests, which shall authorize the licensee to serve wine
1305 and beer in rooms or areas approved by the Board for the occasion for on-premises consumption in such
1306 rooms or areas. Such license shall authorize the licensee to conduct no more than 12 banquets per
1307 calendar year. For the purposes of this subdivision, when the location named in the original application
1308 for a license is outdoors, the application may also name an alternative location in the event of inclement
1309 weather. However, no such license shall be required of any hotel, restaurant, or club holding a retail
1310 wine and beer license.

1311 b. Banquet facility licenses to volunteer fire departments and volunteer emergency medical services
1312 agencies, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic
1313 beverages on the premises of the licensee by any person, and bona fide members and guests thereof,
1314 otherwise eligible for a banquet license. However, lawfully acquired alcoholic beverages shall not be
1315 purchased or sold by the licensee or sold or charged for in any way by the person permitted to use the
1316 premises. Such premises shall be a volunteer fire or volunteer emergency medical services agency
1317 station or both, regularly occupied as such and recognized by the governing body of the county, city, or
1318 town in which it is located. Under conditions as specified by Board regulation, such premises may be
1319 other than a volunteer fire or volunteer emergency medical services agency station, provided such other
1320 premises are occupied and under the control of the volunteer fire department or volunteer emergency
1321 medical services agency while the privileges of its license are being exercised.

1322 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or
1323 nonprofit organization, which shall authorize (i) the licensee to permit the consumption of alcoholic
1324 beverages within the area designated by the Board for the designated outdoor refreshment area and (ii)
1325 any permanent retail on-premises licensee that is located within the area designated by the Board for the
1326 designated outdoor refreshment area to sell alcoholic beverages within the permanent retail location for
1327 consumption in the area designated for the designated outdoor refreshment area, including sidewalks and
1328 the premises of businesses not licensed to sell alcoholic beverages at retail, upon approval of such
1329 businesses. In determining the designated area for the designated outdoor refreshment area, the Board
1330 shall consult with the locality. Designated outdoor refreshment area licensees shall be limited to 16
1331 events per year, and the duration of any event shall not exceed three consecutive days. However, the
1332 Board may increase the frequency and duration of events after adoption of an ordinance by a locality
1333 requesting such increase in frequency and duration. Such ordinance shall include the size and scope of
1334 the area within which such events will be held, a public safety plan, and any other considerations
1335 deemed necessary by the Board. Such limitations on the number of events that may be held shall not
1336 apply during the effective dates of any rule, regulation, or order that is issued by the Governor or State
1337 Health Commissioner to meet a public health emergency and that effectively reduces allowable
1338 restaurant seating capacity; however, designated outdoor refreshment area licensees shall be subject to all
1339 other applicable provisions of this title and Board regulations and shall provide notice to the Board
1340 regarding the days and times during which the privileges of the license will be exercised. Only alcoholic
1341 beverages purchased from permanent retail on-premises licensees located within the designated area may
1342 be consumed at the event, and such alcoholic beverages shall be contained in paper, plastic, or similar
1343 disposable containers that clearly display the name or logo of the retail on-premises licensee from which
1344 the alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged for in any way
1345 by the designated outdoor refreshment area licensee. The designated outdoor refreshment area licensee
1346 shall post appropriate signage clearly demarcating for the public the boundaries of the event; however,
1347 no physical barriers shall be required for this purpose. The designated outdoor refreshment area licensee
1348 shall provide adequate security for the event to ensure compliance with the applicable provisions of this
1349 title and Board regulations.

1350 d. Annual mixed beverage banquet licenses to duly organized private nonprofit fraternal, patriotic, or
1351 charitable membership organizations that are exempt from state and federal taxation and in charge of

banquets conducted exclusively for 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. The granting of a license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and beer for on-premises consumption; however, the licensee shall be required to pay the local fee required for such additional license pursuant to § 4.1-233.1.

e. Equine sporting event licenses, which may be issued to organizations holding equestrian, hunt, and steeplechase events, which shall authorize the licensee to permit the consumption of lawfully acquired alcoholic beverages on the premises of the licensee by patrons thereof during such event. However, alcoholic beverages shall not be sold or charged for in any way by the licensee. The privileges of this license shall be (i) limited to the premises of the licensee, regularly occupied and utilized for equestrian, hunt, and steeplechase events, and (ii) exercised on no more than four calendar days per year.

f. Annual arts venue event licenses, to persons operating an arts venue, which shall authorize the licensee participating in a community art walk that is open to the public to serve lawfully acquired wine or beer on the premises of the licensee to adult patrons thereof during such events. However, alcoholic beverages shall not be sold or charged for in any way, directly or indirectly, by the licensee, and the licensee shall not give more than two five-ounce glasses of wine or two 12-ounce glasses of beer to any one adult patron. The privileges of this license shall be (i) limited to the premises of the arts venue regularly occupied and used as such and (ii) exercised on no more than 12 calendar days per year.

E. The Board may grant a marketplace license to persons operating a business enterprise of which the primary function is not the sale of alcoholic beverages, which shall authorize the licensee to serve complimentary wine or beer to bona fide customers on the licensed premises subject to any limitations imposed by the Board; however, the licensee shall not give more than two five-ounce glasses of wine or two 12-ounce glasses of beer to any customer per day, nor shall it sell or otherwise charge a fee to such customer for the wine or beer served or consumed. In order to be eligible for and retain a marketplace license, the applicant's business enterprise must (i) provide a single category of goods or services in a manner intended to create a personalized experience for the customer; (ii) employ staff with expertise in such goods or services; (iii) be ineligible for any other license granted by the Board; (iv) have an alcoholic beverage control manager on the licensed premises at all times alcohol is served; (v) ensure that all employees satisfy any training requirements imposed by the Board; and (vi) purchase all wine and beer to be served from a licensed wholesaler or the Authority and retain purchase records as prescribed by the Board. In determining whether to grant a marketplace license, the Board shall consider (a) the average amount of time customers spend at the business; (b) the business's hours of operation; (c) the amount of time that the business has been in operation; and (d) any other requirements deemed necessary by the Board to protect the public health, safety, and welfare.

F. The Board may grant the following shipper, bottler, and related licenses:

1. Wine and beer shipper licenses, which shall carry the privileges and limitations set forth in § 4.1-209.1.

2. Internet wine and beer retailer licenses, which shall authorize persons located within or outside the Commonwealth to sell and ship wine and beer, in accordance with § 4.1-209.1 and Board regulations, in closed containers to persons in the Commonwealth to whom wine and beer may be lawfully sold for off-premises consumption. Such licensee shall not be required to comply with the monthly food sale requirement established by Board regulations.

3. Bottler licenses, which shall authorize the licensee to acquire and receive deliveries and shipments of beer in closed containers and to bottle, sell, and deliver or ship it, in accordance with Board regulations to (i) wholesale beer licensees for the purpose of resale, (ii) owners of boats registered under the laws of the United States sailing for ports of call of a foreign country or another state, and (iii) persons outside the Commonwealth for resale outside the Commonwealth.

4. Fulfillment warehouse licenses, which shall authorize associations as defined in § 13.1-313 with a place of business located in the Commonwealth to (i) receive deliveries and shipments of wine or beer owned by holders of wine and beer shipper's licenses; (ii) store such wine or beer on behalf of the owner; and (iii) pick, pack, and ship such wine or beer as directed by the owner, all in accordance with Board regulations. No wholesale wine or wholesale beer licensee, whether licensed in the Commonwealth or not, or any person under common control of such licensee, shall acquire or hold any financial interest, direct or indirect, in the business for which any fulfillment warehouse license is issued.

5. Marketing portal licenses, which shall authorize agricultural cooperative associations organized under the provisions of the Agricultural Cooperative Association Act (§ 13.1-312 et seq.), with a place of business located in the Commonwealth, in accordance with Board regulations, to solicit and receive orders for wine or beer through the use of the Internet from persons in the Commonwealth to whom

1413 wine or beer may be lawfully sold, on behalf of holders of wine and beer shipper's licenses. Upon
 1414 receipt of an order for wine or beer, the licensee shall forward it to a holder of a wine and beer
 1415 shipper's license for fulfillment. Marketing portal licensees may also accept payment on behalf of the
 1416 shipper.

1417 **§ 4.1-231.1. Fees on state licenses.**

1418 A. (Contingent expiration date) The annual fees on state licenses shall be as follows:

1419 1. Manufacturer licenses. For each:

1420 a. Distiller's license and limited distiller's license, if not more than 5,000 gallons of alcohol or spirits,
 1421 or both, manufactured during the year in which the license is granted, \$490; if more than 5,000 gallons
 1422 but not more than 36,000 gallons manufactured during such year, \$2,725; and if more than 36,000
 1423 gallons manufactured during such year, \$4,060;

1424 b. Brewery license and limited brewery license, if not more than 500 barrels of beer manufactured
 1425 during the year in which the license is granted, \$380; if not more than 10,000 barrels of beer
 1426 manufactured during the year in which the license is granted, \$2,350; and if more than 10,000 barrels
 1427 manufactured during such year, \$4,690;

1428 c. Winery license, if not more than 5,000 gallons of wine manufactured during the year in which the
 1429 license is granted, \$215, and if more than 5,000 gallons manufactured during such year, \$4,210;

1430 d. Farm winery license, \$245 for any Class A license and \$4,730 for any Class B license;

1431 e. Wine importer's license, \$460; and

1432 f. Beer importer's license, \$460.

1433 2. Wholesale licenses. For each:

1434 a. (1) Wholesale beer license, \$1,005 for any wholesaler who sells 300,000 cases of beer a year or
 1435 less, \$1,545 for any wholesaler who sells more than 300,000 but not more than 600,000 cases of beer a
 1436 year, and \$2,010 for any wholesaler who sells more than 600,000 cases of beer a year; and

1437 (2) Wholesale beer license applicable to two or more premises, the annual state license tax shall be
 1438 the amount set forth in subdivision a (1), multiplied by the number of separate locations covered by the
 1439 license;

1440 b. (1) Wholesale wine license, \$240 for any wholesaler who sells 30,000 gallons of wine or less per
 1441 year, \$1,200 for any wholesaler who sells more than 30,000 gallons per year but not more than 150,000
 1442 gallons of wine per year, \$1,845 for any wholesaler who sells more than 150,000 but not more than
 1443 300,000 gallons of wine per year, and \$2,400 for any wholesaler who sells more than 300,000 gallons
 1444 of wine per year; and

1445 (2) Wholesale wine license, including that granted pursuant to subdivision 3 of § 4.1-206.2,
 1446 applicable to two or more premises, the annual state license tax shall be the amount set forth in
 1447 subdivision b (1), multiplied by the number of separate locations covered by the license.

1448 3. Retail licenses — mixed beverage. For each:

1449 a. Mixed beverage restaurant license, granted to persons operating restaurants, including restaurants
 1450 located on premises of and operated by *casinos*, hotels or motels, or other persons:

1451 (1) With a seating capacity at tables for up to 100 persons, \$1,050;

1452 (2) With a seating capacity at tables for more than 100 but not more than 150 persons, \$1,495;

1453 (3) With a seating capacity at tables for more than 150 persons but not more than 500 persons,
 1454 \$1,980;

1455 (4) With a seating capacity at tables for more than 500 persons but not more than 1,000 persons,
 1456 \$2,500; and

1457 (5) With a seating capacity at tables for more than 1,000 persons, \$3,100;

1458 b. Mixed beverage restaurant license for restaurants located on the premises of and operated by
 1459 private, nonprofit clubs:

1460 (1) With an average yearly membership of not more than 200 resident members, \$1,250;

1461 (2) With an average yearly membership of more than 200 but not more than 500 resident members,
 1462 \$2,440; and

1463 (3) With an average yearly membership of more than 500 resident members, \$3,410;

1464 c. Mixed beverage restaurant *casino* license for restaurants located on the premises of and operated
 1465 by a *casino gaming establishment*, \$3,100 plus an additional \$5 for each gaming station located on the
 1466 premises of the casino gaming establishment. *For the purposes of this subdivision, "gaming station"*
 1467 *means each slot machine and each casino gaming table that is in active use, as determined annually on*
 1468 *December 31;*

1469 d. Mixed beverage caterer's license, \$1,990;

1470 e. Mixed beverage limited caterer's license, \$550;

1471 f. Mixed beverage carrier license:

1472 (1) \$520 for each of the average number of dining cars, buffet cars, or club cars operated daily in
 1473 the Commonwealth by a common carrier of passengers by train;

1474 (2) \$910 for each common carrier of passengers by boat;

- (3) \$520 for each common carrier of passengers by bus; and
 (4) \$2,360 for each license granted to a common carrier of passengers by airplane;
 g. Annual mixed beverage motor sports facility license, \$630;
 h. Limited mixed beverage restaurant license:
 (1) With a seating capacity at tables for up to 100 persons, \$945;
 (2) With a seating capacity at tables for more than 100 but not more than 150 persons, \$1,385; and
 (3) With a seating capacity at tables for more than 150 persons, \$1,875;
 i. Annual mixed beverage performing arts facility license, \$630;
 j. Bed and breakfast license, \$100;
 k. Museum license, \$260;
 l. Motor car sporting event facility license, \$300;
 m. Commercial lifestyle center license, \$300;
 n. Mixed beverage port restaurant license, \$1,050; and
 o. Annual mixed beverage special events license, \$630.
 4. Retail licenses — on-and-off-premises wine and beer. For each on-and-off premises wine and beer license, \$450.
 5. Retail licenses — off-premises wine and beer. For each:
 a. Retail off-premises wine and beer license, \$300;
 b. Gourmet brewing shop license, \$320; and
 c. Confectionery license, \$170.
 6. Retail licenses — banquet, special event, and tasting licenses.
 a. Per-day event licenses. For each:
 (1) Banquet license, \$40 per license granted by the Board, except for banquet licenses granted by the Board pursuant to subsection A of § 4.1-215, which shall be \$100 per license;
 (2) Mixed beverage special events license, \$45 for each day of each event;
 (3) Mixed beverage club events license, \$35 for each day of each event; and
 (4) Tasting license, \$40.
 b. Annual licenses. For each:
 (1) Annual banquet license, \$300;
 (2) Banquet facility license, \$260;
 (3) Designated outdoor refreshment area license, \$300. However, for any designated outdoor refreshment area license issued pursuant to a local ordinance, the annual fee shall be \$3,000;
 (4) Annual mixed beverage banquet license, \$630;
 (5) Equine sporting event license, \$300; and
 (6) Annual arts venue event license, \$300.
 7. Retail licenses — marketplace. For each marketplace license, \$1,000.
 8. Retail licenses — shipper, bottler, and related licenses. For each:
 a. Wine and beer shipper's license, \$230;
 b. Internet wine and beer retailer license, \$240;
 c. Bottler license, \$1,500;
 d. Fulfillment warehouse license, \$210; and
 e. Marketing portal license, \$285.
 9. Temporary licenses. For each temporary license authorized by § 4.1-211, one-half of the tax imposed by this section on the license for which the applicant applied.
 B. The tax on each license granted or reissued for a period other than 12, 24, or 36 months shall be equal to one-twelfth of the taxes required by subsection A computed to the nearest cent, multiplied by the number of months in the license period, and then increased by five percent. Such tax shall not be refundable, except as provided in § 4.1-232.
 C. Nothing in this chapter shall exempt any licensee from any state merchants' license or state restaurant license or any other state tax. Every licensee, in addition to the taxes imposed by this chapter, shall be liable to state merchants' license taxation and state restaurant license taxation and other state taxation the same as if the alcoholic beverages were nonalcoholic. In ascertaining the liability of a beer wholesaler to merchants' license taxation, however, and in computing the wholesale merchants' license tax on a beer wholesaler, the first \$163,800 of beer purchases shall be disregarded; and in ascertaining the liability of a wholesale wine distributor to merchants' license taxation, and in computing the wholesale merchants' license tax on a wholesale wine distributor, the first \$163,800 of wine purchases shall be disregarded.
 D. In addition to the taxes set forth in this section, a fee of \$5 may be imposed on any license purchased in person from the Board if such license is available for purchase online.
§ 4.1-233.1. Fees on local licenses.
 A. In addition to the state license taxes, the annual local license taxes that may be collected shall not

1536 exceed the following sums:

1537 1. Manufacturer licenses. For each:

1538 a. Distiller's license and limited distiller's license, if more than 5,000 gallons but not more than
1539 36,000 gallons manufactured during such year, \$750; if more than 36,000 gallons manufactured during
1540 such year, \$1,000; and no local license shall be required for any person who manufactures not more
1541 than 5,000 gallons of alcohol or spirits, or both, during such license year;

1542 b. Brewery license and limited brewery license, if not more than 500 barrels of beer manufactured
1543 during the year in which the license is granted, \$250, and if more than 500 barrels manufactured during
1544 such year, \$1,000;

1545 c. Winery license, \$50; and

1546 d. Farm winery license, \$50.

1547 2. Wholesale licenses. For each:

1548 a. Wholesale beer license, in a city, \$250, and in a county or town, \$75; and

1549 b. Wholesale wine license, \$50.

1550 3. Retail licenses — mixed beverage. For each:

1551 a. Mixed beverage restaurant license, granted to persons operating restaurants, including restaurants
1552 located on premises of and operated by *casinos*, hotels or motels, or other persons:

1553 (1) With a seating capacity at tables for up to 100 persons, \$200;

1554 (2) With a seating capacity at tables for more than 100 but not more than 150 persons, \$350;

1555 (3) With a seating capacity at tables for more than 150 persons but not more than 500 persons, \$500;

1556 (4) With a seating capacity at tables for more than 500 persons but not more than 1,000 persons,
1557 \$650; and

1558 (5) With a seating capacity at tables for more than 1,000 persons, \$800;

1559 b. Mixed beverage restaurant license for restaurants located on the premises of and operated by
1560 private, nonprofit clubs, \$350;

1561 c. Mixed beverage ~~restaurant~~ *casino* license for ~~restaurants located on the premises of and operated~~
1562 ~~by a casino gaming establishment~~, \$800 plus an additional \$2 for each gaming station located on the
1563 premises of the casino gaming establishment. *For the purposes of this subdivision, "gaming station"*
1564 *means each slot machine and each casino gaming table that is in active use, as determined annually on*
1565 *December 31;*

1566 d. Mixed beverage caterer's license, \$500;

1567 e. Mixed beverage limited caterer's license, \$100;

1568 f. Annual mixed beverage motor sports facility license, \$300;

1569 g. Limited mixed beverage restaurant license:

1570 (1) With a seating capacity at tables for up to 100 persons, \$100;

1571 (2) With a seating capacity at tables for more than 100 but not more than 150 persons, \$250; or

1572 (3) With a seating capacity at tables for more than 150 persons, \$400;

1573 h. Annual mixed beverage performing arts facility license, \$300;

1574 i. Bed and breakfast license, \$40;

1575 j. Museum license, \$10;

1576 k. Motor car sporting event facility license, \$10;

1577 l. Commercial lifestyle center license, \$60; and

1578 m. Annual mixed beverage special events license, \$300.

1579 4. Retail licenses — on-and-off-premises wine and beer. For each on-and-off premises wine and beer
1580 license issued to:

1581 a. Hotels, restaurants, and clubs, in a city, \$150, and in a county or town, \$37.50;

1582 b. Hospitals, \$10;

1583 c. Rural grocery stores, \$37.50; and

1584 d. Historic cinema houses, \$20.

1585 5. Retail licenses — off-premises wine and beer. For each:

1586 a. Retail off-premises wine and beer license, in a city, \$150, and in a county or town, \$37.50;

1587 b. Gourmet brewing shop license, \$150; and

1588 c. Confectionery license, \$20.

1589 6. Retail licenses — banquet, special event, and tasting licenses. For each:

1590 a. Per-day event licenses. For each:

1591 (1) Banquet license, \$5 per license granted by the Board, except for banquet licenses granted by the
1592 Board pursuant to subsection A of § 4.1-215, which shall be \$20 per license;

1593 (2) Mixed beverage special events license, \$10 for each day of each event;

1594 (3) Mixed beverage club events license, \$10 for each day of each event; and

1595 (4) Tasting license, \$10.

1596 b. Annual licenses. For each:

1597 (1) Annual banquet license, \$15;

(2) Designated outdoor refreshment area license, \$60. However, for any designated outdoor refreshment area license issued pursuant to a local ordinance, the annual fee shall be \$600;

(3) Annual mixed beverage banquet license, \$75;

(4) Equine sporting event license, \$10; and

(5) Annual arts venue event license, \$10.

7. Retail licenses — marketplace. For each marketplace license, \$200.

8. Retail licenses — shipper, bottler, and related licenses. For each:

a. Wine and beer shipper's license, \$10; and

b. Bottler license, \$500.

B. Common carriers. No local license tax shall be either charged or collected for the privilege of selling alcoholic beverages in (i) passenger trains, boats, buses, or airplanes or (ii) rooms designated by the Board of establishments of air carriers of passengers at airports in the Commonwealth for on-premises consumption only.

C. Merchants' and restaurants' license taxes. The governing body of each county, city, or town in the Commonwealth, in imposing local wholesale merchants' license taxes measured by purchases, local retail merchants' license taxes measured by sales, and local restaurant license taxes measured by sales, may include alcoholic beverages in the base for measuring such local license taxes the same as if the alcoholic beverages were nonalcoholic. No local alcoholic beverage license authorized by this chapter shall exempt any licensee from any local merchants' or local restaurant license tax, but such local merchants' and local restaurant license taxes may be in addition to the local alcoholic beverage license taxes authorized by this chapter.

The governing body of any county, city, or town, in adopting an ordinance under this section, shall provide that in ascertaining the liability of (i) a beer wholesaler to local merchants' license taxation under the ordinance, and in computing the local wholesale merchants' license tax on such beer wholesaler, purchases of beer up to a stated amount shall be disregarded, which stated amount shall be the amount of beer purchases which would be necessary to produce a local wholesale merchants' license tax equal to the local wholesale beer license tax paid by such wholesaler and (ii) a wholesale wine licensee to local merchants' license taxation under the ordinance, and in computing the local wholesale merchants' license tax on such wholesale wine licensee, purchases of wine up to a stated amount shall be disregarded, which stated amount shall be the amount of wine purchases which would be necessary to produce a local wholesale merchants' license tax equal to the local wholesale wine licensee license tax paid by such wholesale wine licensee.

D. Delivery. No county, city, or town shall impose any local alcoholic beverage license tax on any wholesaler for the privilege of delivering alcoholic beverages in the county, city, or town when such wholesaler maintains no place of business in such county, city, or town.

E. Application of county tax within town. Any county license tax imposed under this section shall not apply within the limits of any town located in such county, where such town imposes a town license tax on the same privilege.

§ 4.1-325. Prohibited acts by mixed beverage licensees; penalty.

A. In addition to § 4.1-324, no mixed beverage licensee nor any agent or employee of such licensee shall:

1. Sell or serve any alcoholic beverage other than as authorized by law;

2. Sell any authorized alcoholic beverage to any person or at any place except as authorized by law;

3. Allow at the place described in his license the consumption of alcoholic beverages in violation of this title;

4. Keep at the place described in his license any alcoholic beverage other than that which he is licensed to sell;

5. Misrepresent the brand of any alcoholic beverage sold or offered for sale;

6. Keep any alcoholic beverage other than in the bottle or container in which it was purchased by him except (i) for a frozen alcoholic beverage, which may include alcoholic beverages in a frozen drink dispenser of a type approved by the Board; (ii) in the case of wine, in containers of a type approved by the Board pending automatic dispensing and sale of such wine; and (iii) as otherwise provided by Board regulation. Neither this subdivision nor any Board regulation shall prohibit any mixed beverage licensee from premixing containers of sangria, to which spirits may be added, to be served and sold for consumption on the licensed premises;

7. Refill or partly refill any bottle or container of alcoholic beverage or dilute or otherwise tamper with the contents of any bottle or container of alcoholic beverage, except as provided by Board regulation adopted pursuant to subdivision B 11 of § 4.1-111;

8. Sell or serve any brand of alcoholic beverage which is not the same as that ordered by the purchaser without first advising such purchaser of the difference;

9. Remove or obliterate any label, mark, or stamp affixed to any container of alcoholic beverages

1659 offered for sale;

1660 10. Deliver or sell the contents of any container if the label, mark, or stamp has been removed or
1661 obliterated;

1662 11. Allow any obscene conduct, language, literature, pictures, performance, or materials on the
1663 licensed premises;

1664 12. Allow any striptease act on the licensed premises;

1665 13. Allow persons connected with the licensed business to appear nude or partially nude;

1666 14. Consume or allow the consumption by an employee of any alcoholic beverages while on duty
1667 and in a position that is involved in the selling or serving of alcoholic beverages to customers.

1668 The provisions of this subdivision shall not prohibit any retail licensee or his designated employee
1669 from (i) consuming product samples or sample servings of (a) beer or wine provided by a representative
1670 of a licensed beer or wine wholesaler or manufacturer or (b) a distilled spirit provided by a permittee of
1671 the Board who represents a distiller, if such samples are provided in accordance with Board regulations
1672 and the retail licensee or his designated employee does not violate the provisions of subdivision 1 f of
1673 § 4.1-225 or (ii) tasting an alcoholic beverage that has been or will be delivered to a customer for
1674 quality control purposes;

1675 15. Deliver to a consumer an original bottle of an alcoholic beverage purchased under such license
1676 whether the closure is broken or unbroken except in accordance with § 4.1-206.3.

1677 The provisions of this subdivision shall not apply to the delivery of:

1678 a. "Soju." For the purposes of this subdivision, "soju" means a traditional Korean alcoholic beverage
1679 distilled from rice, barley or sweet potatoes; or

1680 b. Spirits, provided (i) the original container is no larger than 375 milliliters, (ii) the alcohol content
1681 is no greater than 15 percent by volume, and (iii) the contents of the container are carbonated and
1682 perishable;

1683 16. Be intoxicated while on duty or employ an intoxicated person on the licensed premises;

1684 17. Conceal any sale or consumption of any alcoholic beverages;

1685 18. Fail or refuse to make samples of any alcoholic beverages available to the Board upon request or
1686 obstruct special agents of the Board in the discharge of their duties;

1687 19. Store alcoholic beverages purchased under the license in any unauthorized place or remove any
1688 such alcoholic beverages from the premises;

1689 20. Knowingly employ in the licensed business any person who has the general reputation as a
1690 prostitute, panderer, habitual law violator, person of ill repute, user or peddler of narcotics, or person
1691 who drinks to excess or engages in illegal gambling;

1692 21. Keep on the licensed premises, *except for the premises of a mixed beverage casino licensee*, a
1693 slot machine or any prohibited gambling or gaming device, machine, or apparatus;

1694 22. Make any gift of an alcoholic beverage, other than as a gift made (i) to a personal friend, as a
1695 matter of normal social intercourse, so long as the gift is in no way a shift or device to evade the
1696 restriction set forth in this subdivision; (ii) to a person responsible for the planning, preparation or
1697 conduct on any conference, convention, trade show or event held or to be held on the premises of the
1698 licensee, when such gift is made in the course of usual and customary business entertainment and is in
1699 no way a shift or device to evade the restriction set forth in this subdivision; (iii) pursuant to subsection
1700 B of § 4.1-209; (iv) pursuant to subdivision A 10 of § 4.1-201; ~~or~~ (v) *by a mixed beverage casino*
1701 *licensee to a patron of such licensee in accordance with the provisions of subdivision A 15 of*
1702 *§ 4.1-206.3; or* (vi) pursuant to any Board regulation. Any gift permitted by this subdivision shall be
1703 subject to the taxes imposed by this title on sales of alcoholic beverages. The licensee shall keep
1704 complete and accurate records of gifts given in accordance with this subdivision; or

1705 23. Establish any normal or customary pricing of its alcoholic beverages that is intended as a shift or
1706 device to evade any "happy hour" regulations adopted by the Board; however, a licensee may increase
1707 the volume of an alcoholic beverage sold to a customer if there is a commensurate increase in the
1708 normal or customary price charged for the same alcoholic beverage.

1709 B. Any person convicted of a violation of this section shall be guilty of a Class 1 misdemeanor.

1710 C. The provisions of subdivisions A 12 and A 13 shall not apply to persons operating theaters,
1711 concert halls, art centers, museums, or similar establishments that are devoted primarily to the arts or
1712 theatrical performances, when the performances that are presented are expressing matters of serious
1713 literary, artistic, scientific, or political value.

1714 **§ 58.1-4100. Definitions.**

1715 As used in this chapter, unless the context requires a different meaning:

1716 "Adjusted gross receipts" means the gross receipts from casino gaming less winnings paid to winners.

1717 "Board" means the Virginia Lottery Board established in the Virginia Lottery Law (§ 58.1-4000 et
1718 seq.).

1719 "Casino gaming" or "game" means baccarat, blackjack, twenty-one, poker, craps, dice, slot machines,
1720 roulette wheels, Klondike tables, *Mah Jongg*, *electronic table games*, *hybrid table games*, punchboards,

1721 faro layouts, numbers tickets, push cards, jar tickets, or pull tabs, *or any variation of the aforementioned*
 1722 *games*, and any other activity that is authorized by the Board as a wagering game or device under this
 1723 chapter. "Casino gaming" or "game" includes on-premises mobile casino gaming.

1724 "Casino gaming establishment" means the premises, *including the entire property located at the*
 1725 *address of the licensed casino*, upon which lawful casino gaming is authorized and licensed as provided
 1726 in this chapter. "Casino gaming establishment" does not include a riverboat or similar vessel.

1727 "Casino gaming operator" means any person issued a license by the Board to operate a casino
 1728 gaming establishment.

1729 "Cheat" means to alter the selection criteria that determine the result of a game or the amount or
 1730 frequency of payment in a game for the purpose of obtaining an advantage for one or more participants
 1731 in a game over other participants in a game.

1732 "*Counter check*" means an interest-free negotiable instrument for a specified amount executed by a
 1733 *player and held by the casino that serves as evidence of the casino gaming patron's obligation to pay*
 1734 *the casino and that can be exchanged by the casino gaming patron for the specified amount in chips,*
 1735 *tokens, credits, electronic credits, electronic cash, or electronic cards.*

1736 "Department" means the independent agency responsible for the administration of the Virginia
 1737 Lottery created in the Virginia Lottery Law (§ 58.1-4000 et seq.).

1738 "Director" means the Director of the Virginia Lottery.

1739 "Eligible host city" means any city described in § 58.1-4107 in which a casino gaming establishment
 1740 is authorized to be located.

1741 "Entity" means a person that is not a natural person.

1742 "Gaming operation" means the conduct of authorized casino gaming within a casino gaming
 1743 establishment.

1744 "Gross receipts" means the total amount of money exchanged for the purchase of chips, tokens,
 1745 *electronic credits, electronic cash, or electronic cards by casino gaming patrons. "Gross receipts" shall*
 1746 *not include the cash value of promotions or credits provided to and exchanged by casino gaming*
 1747 *patrons for chips, tokens, electronic credits, electronic cash, or electronic cards. "Gross receipts" shall*
 1748 *also not include uncollectable counter checks.*

1749 "Immediate family" means (i) a spouse and (ii) any other person residing in the same household as
 1750 an officer or employee and who is a dependent of the officer or employee or of whom the officer or
 1751 employee is a dependent.

1752 "Individual" means a natural person.

1753 "Licensee" or "license holder" means any person holding an operator's license under § 58.1-4111.

1754 "On-premises mobile casino gaming" means casino gaming offered by a casino gaming operator at a
 1755 casino gaming establishment using a computer network of both federal and nonfederal interoperable
 1756 packet-switched data networks through which the casino gaming operator may offer casino gaming to
 1757 individuals who have established an on-premises mobile casino gaming account with the casino gaming
 1758 operator and who are physically present on the premises of the casino gaming establishment, as
 1759 authorized by regulations promulgated by the Board.

1760 "Permit holder" means any person holding a supplier or service permit pursuant to this chapter.

1761 "Person" means an individual, partnership, joint venture, association, limited liability company, stock
 1762 corporation, or nonstock corporation and includes any person that directly or indirectly controls or is
 1763 under common control with another person.

1764 "Preferred casino gaming operator" means the proposed casino gaming establishment and operator
 1765 thereof submitted by an eligible host city to the Board as an applicant for licensure.

1766 "*Prepaid access instrument*" means a system device that allows a casino gaming patron access to
 1767 *funds that have been paid in advance and can be retrieved or transferred at some point in the future*
 1768 *through such a device. In order to transfer funds for gaming purposes, a prepaid access instrument*
 1769 *shall be redeemed for tokens, chips, credits, electronic credits, electronic cash, electronic cards, or used*
 1770 *in conjunction with an approved cashless wagering system or interactive gaming account.*

1771 "Principal" means any individual who solely or together with his immediate family members (i) owns
 1772 or controls, directly or indirectly, five percent or more of the pecuniary interest in any entity that is a
 1773 licensee or (ii) has the power to vote or cause the vote of five percent or more of the voting securities
 1774 or other ownership interests of such entity, and any person who manages a gaming operation on behalf
 1775 of a licensee.

1776 "Professional sports" means the same as such term is defined in § 58.1-4030.

1777 "Security" has the same meaning as provided in § 13.1-501. If the Board finds that any obligation,
 1778 stock, or other equity interest creates control of or voice in the management operations of an entity in
 1779 the manner of a security, then such interest shall be considered a security.

1780 "Sports betting" means the same as such term is defined in § 58.1-4030.

1781 "Sports betting facility" means an area, kiosk, or device located inside a casino gaming establishment

1782 licensed pursuant to this chapter that is designated for sports betting.

1783 "Supplier" means any person that sells or leases, or contracts to sell or lease, any casino gaming
1784 equipment, devices, or supplies, or provides any management services, to a licensee.

1785 "Voluntary exclusion program" means a program established by the Board pursuant to § 58.1-4103
1786 that allows individuals to voluntarily exclude themselves from engaging in the activities described in
1787 subdivision B 1 of § 58.1-4103 by placing their names on a voluntary exclusion list and following the
1788 procedures set forth by the Board.

1789 "Youth sports" means the same as such term is defined in § 58.1-4030.

1790 **§ 58.1-4120. Consideration of service permit application.**

1791 A. The Department shall promptly consider any application for a service permit and issue or deny
1792 such service permit on the basis of the information in the application and all other information provided,
1793 including any investigation it considers appropriate. If an application for a service permit is approved,
1794 the Department shall issue a service permit containing such information as the Department considers
1795 appropriate.

1796 B. The Department shall deny the application and refuse to issue the service permit, which denial
1797 shall be final unless an appeal is taken under § 58.1-4105, if it finds that the issuance of such service
1798 permit to such applicant would not be in the best interests of the Commonwealth or would reflect
1799 negatively on the honesty and integrity of casino gaming in the Commonwealth or that the applicant:

1800 1. Has knowingly made a false statement of a material fact in the application or has deliberately
1801 failed to disclose any information requested by the Department;

1802 2. Is or has been guilty of any corrupt or fraudulent practice or conduct in connection with gaming
1803 operations in the Commonwealth or any other state;

1804 3. Has knowingly failed to comply with the provisions of this chapter or the regulations promulgated
1805 hereunder;

1806 4. Has had a service permit to engage in activity related to casino gaming denied for cause,
1807 suspended, or revoked in the Commonwealth or any other state, and such denial, suspension, or
1808 revocation is still in effect;

1809 5. Is unqualified to perform the duties required for the service permit sought; or

1810 6. Has been convicted of a misdemeanor or felony involving unlawful conduct of wagering,
1811 fraudulent use of a gaming credential, unlawful transmission of information, touting, bribery,
1812 embezzlement, distribution or possession of drugs, *excluding misdemeanor possession of marijuana*, or
1813 any crime considered by the Department to be detrimental to the honesty and integrity of casino gaming
1814 in the Commonwealth.

1815 C. The Department may refuse to issue a service permit if for any reason it determines the granting
1816 of such service permit is not consistent with the provisions of this chapter or its responsibilities or any
1817 regulations promulgated by any other agency of the Commonwealth.

1818 **§ 58.1-4122. Conduct of casino gaming.**

1819 A. Casino gaming may be conducted by licensed operators, subject to the following:

1820 1. Minimum and maximum wagers on games shall be set by Department regulations.

1821 2. Agents of the Department, the Department of State Police, and the local law-enforcement and fire
1822 departments may enter any casino gaming establishment and inspect such facility at any time for the
1823 purpose of determining compliance with this chapter and other applicable fire prevention and safety
1824 laws.

1825 3. Employees of the Department shall have the right to be present in any facilities under the control
1826 of the licensee.

1827 4. Gaming equipment, devices, and supplies customarily used in conducting casino gaming shall be
1828 purchased or leased only from suppliers holding permits for such purpose under this chapter.

1829 5. Persons licensed under this chapter shall permit no form of wagering on games except as
1830 permitted by this chapter.

1831 6. Wagers may be received only from a person present at the licensed casino gaming establishment.
1832 No person present at such facility shall place or attempt to place a wager on behalf of another person
1833 who is not present at the facility.

1834 7. No person under age 21 shall be permitted to make a wager under this chapter or be present
1835 where casino gaming is being conducted. *A licensee or permit holder may employ persons between the*
1836 *ages of 18 and 21 for positions in nongaming areas and such employees may traverse the gaming floor,*
1837 *while on duty.*

1838 8. No person shall place or accept a wager on youth sports.

1839 9. No licensee or permit holder shall accept postdated checks in payment for participation in any
1840 gaming operation. No licensee or permit holder, or any person on the premises of a casino gaming
1841 establishment, shall extend lines of credit or accept any credit card or other electronic fund transfer in
1842 payment for participation in any gaming operation. *A licensee or permit holder may accept prepaid*
1843 *access instruments. In order to transfer funds for gaming purposes, a prepaid access instrument must be*

redeemed for tokens, chips, credits, electronic credits, electronic cash, electronic cards, or used in conjunction with an approved cashless wagering system or interactive gaming account. A licensee or permit holder may issue interest-free counter checks to a player provided (i) the player submits an application and (ii) the licensee or permit holder verifies funds sufficient to cover the face value of the counter check. Such counter checks shall be subject to the tax reporting requirements under state and federal law. Nothing shall preclude a player from making a wire transfer to licensees or permit holders.

B. Casino gaming wagers shall be conducted only with tokens, chips, electronic credits, electronic cash, or electronic cards purchased from a licensed casino gaming operator. The conversion of cash to tokens, chips, credits, electronic credits, electronic cash, or electronic cards at a slot machine or any other casino game is permissible and does not constitute conducting a wager. Such tokens, chips, credits, electronic credits, electronic cash, or electronic cards may be used only for the purpose of (i) making wagers on games ~~or~~, (ii) redeeming for cash or check, or (iii) making a donation to a charitable entity granted tax-exempt status under § 501(c)(3) of the Internal Revenue Code, provided that the donated tokens, chips, credits, electronic credits, electronic cash, or electronic cards are redeemed by the same charitable entity accepting the donation. The provisions of this subsection shall not apply to sports betting in a sports betting facility, which may be conducted using cash.

2. That any mixed beverage restaurant licensee that is located on the premises of and operated by a casino gaming establishment owned by an operator licensed under Article 3 (§ 58.1-4108 et seq.) of Chapter 41 of Title 58.1 of the Code of Virginia and holds a valid mixed beverage restaurant license granted by the Board of Directors of the Virginia Alcoholic Beverage Control Authority prior to July 1, 2022, shall be allowed to operate with the privileges of a mixed beverage casino license as set forth in § 4.1-206.3 of the Code of Virginia, as amended by this act, and any regulations promulgated pursuant thereto until July 1, 2023, or until the casino gaming establishment at which the restaurant is located is issued a mixed beverage casino license, whichever comes first.

3. That the Board of Directors of the Virginia Alcoholic Beverage Control Authority (the Board) may promulgate regulations to implement the provisions of this act. The Board's initial adoption of regulations to implement the provisions of this act shall be completed by October 1, 2022, and shall be exempt from the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia), except that the Board shall provide an opportunity for public comment on the regulations prior to adoption. Prior to promulgating such regulations, the Board shall consult with operators licensed under Article 3 (§ 58.1-4108 et seq.) of Chapter 41 of Title 58.1 of the Code of Virginia.