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## SENATE BILL NO. 657

Offered January 15, 2024

A BILL to amend and reenact §§ 4.1-100, 4.1-206.3, as it is currently effective and as it shall become effective, and 4.1-309 of the Code of Virginia, relating to alcoholic beverage control; annual mixed beverage performing arts facility licenses; on-and-off premises wine and beer licenses.

Patron—Reeves

Referred to Committee on Rehabilitation and Social Services

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 4.1-100, 4.1-206.3, as it is currently effective and as it shall become effective, and 4.1-309 of the Code of Virginia are amended and reenacted as follows:**

**§ 4.1-100. Definitions.**

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

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

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

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

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

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

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

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

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

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

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

"Bus" means a motor vehicle that (i) is operated by a common carrier licensed under Chapter 20 (§ 46.2-2000 et seq.) of Title 46.2 to transport passengers for compensation over the highways of the Commonwealth on regular or irregular routes of not less than 100 miles, (ii) seats no more than 24 passengers, (iii) is 40 feet in length or longer, (iv) offers wireless Internet services, (v) is equipped with charging stations at every seat for cellular phones or other portable devices, and (vi) during the transportation of passengers, is staffed by an attendant who has satisfied all training requirements set

59 forth in this subtitle or Board regulation.

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

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

72 "Commercial lifestyle center" means a mixed-use commercial development covering a minimum of  
73 10 acres of land and having at least 100,000 square feet of retail space featuring national specialty chain  
74 stores and a combination of dining, entertainment, office, residential, or hotel establishments located in a  
75 physically integrated outdoor setting that is pedestrian friendly and that is governed by a commercial  
76 owners' association that is responsible for the management, maintenance, and operation of the common  
77 areas thereof.

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

80 "Contract winemaking facility" means the premises of a licensed winery or farm winery that obtains  
81 grapes, fruits, and other agricultural products from a person holding a winery or farm winery license and  
82 crushes, processes, ferments, bottles, or provides any combination of such services pursuant to an  
83 agreement with the winery or farm winery licensee. For all purposes of this subtitle, wine produced by a  
84 contract winemaking facility for a winery or farm winery shall be considered to be wine owned and  
85 produced by the winery or farm winery that supplied the grapes, fruits, or other agricultural products  
86 used in the production of the wine. The contract winemaking facility shall have no right to sell the wine  
87 so produced, unless the terms of payment have not been fulfilled in accordance with the contract. The  
88 contract winemaking facility may charge the winery or farm winery for its services. A winery licensee  
89 may utilize contract winemaking services only for the manufacture or processing of wine of which no  
90 less than 90 percent of the grapes, fruits, and other agricultural products used to make such wine are  
91 grown in the Commonwealth.

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

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

101 "Delicatessen" means an establishment that sells a variety of prepared foods or foods requiring little  
102 preparation, such as cheeses, salads, cooked meats, and related condiments.

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

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

105 "Drugstore" means an establishment that sells medicines prepared by a licensed pharmacist pursuant  
106 to a prescription and other medicines and items for home and general use.

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

109 "Farm winery" means (i) an establishment or cooperative located in the Commonwealth on land  
110 zoned agricultural that has (a) a vineyard, orchard, or similar growing area that produces fruits or other  
111 agricultural products used to manufacture the wine of such farm winery, subject to the requirements set  
112 forth in § 4.1-219, and (b) facilities for fermenting and bottling wine on the premises where such farm  
113 winery manufactures wine that contains not more than 21 percent alcohol by volume or (ii) an  
114 accredited public or private institution of higher education, provided that (a) no wine manufactured by  
115 the institution shall be sold, (b) the wine manufactured by the institution shall be used solely for  
116 research and educational purposes, (c) the wine manufactured by the institution shall be stored on the  
117 premises of such farm winery that shall be separate and apart from all other facilities of the institution,  
118 and (d) such farm winery is operated in strict conformance with the requirements of this clause (ii) and  
119 Board regulations. As used in this definition, the term "cooperative" means a cooperative formed by an  
120 association of individuals for the purpose of manufacturing wine. In determining whether a cooperative

licensed as a farm winery has met the requirements set forth in clause (i), the Board shall consider all land in the Commonwealth that is owned or leased by a member of the cooperative. For purposes of this definition, "land zoned agricultural" means (1) land zoned as an agricultural district or classification or (2) land otherwise permitted by a locality for farm winery use. For purposes of this definition, "land zoned agricultural" does not include land zoned "residential conservation." Except for the limitation on land zoned "residential conservation," nothing in the definition of "land zoned agricultural" shall otherwise limit or affect local zoning authority.

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

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

"Gourmet oyster house" means an establishment that (i) is located on the premises of a commercial marina, (ii) is permitted by the Department of Health to serve oysters and other fresh seafood for consumption on the premises, and (iii) offers to the public events for the purpose of featuring and educating the consuming public about local oysters and other seafood products.

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

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

"Grocery store" means an establishment that sells food and other items intended for human consumption, including a variety of ingredients commonly used in the preparation of meals.

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

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

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

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

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

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

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

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

"Low alcohol beverage cooler" means a drink containing one-half of one percent or more of alcohol by volume, but not more than seven and one-half percent alcohol by volume, and consisting of spirits mixed with nonalcoholic beverages or flavoring or coloring materials; it may also contain water, fruit juices, fruit adjuncts, sugar, carbon dioxide, preservatives or other similar products manufactured by fermenting fruit or fruit juices. Low alcohol beverage coolers shall be treated as wine for all purposes of this subtitle, except that low alcohol beverage coolers may be manufactured by a licensed distiller or a distiller located outside the Commonwealth.

"Marina store" means an establishment that is located on the same premises as a marina, is operated by the owner of such marina, and sells food and nautical and fishing supplies.

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

"Member of a club" means (i) a person who maintains his membership in the club by the payment of monthly, quarterly, or annual dues in the manner established by the rules and regulations thereof or (ii)

182 a person who is a member of a bona fide auxiliary, local chapter, or squadron composed of direct lineal  
183 descendants of a bona fide member, whether alive or deceased, of a national or international  
184 organization to which an individual lodge holding a club license is an authorized member in the same  
185 locality. It shall also mean a lifetime member whose financial contribution is not less than 10 times the  
186 annual dues of resident members of the club, the full amount of such contribution being paid in advance  
187 in a lump sum.

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

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

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

197 *"Performing arts facility" means an indoor or outdoor amphitheater, arena, multipurpose theater, or*  
198 *similar facility at which live musical, dance, theatre, or similar performances are performed, provided*  
199 *that the facility has stationary stadium or similar seating for more than 500 persons.*

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

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

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

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

224 "Residence" means any building or part of a building or structure where a person resides, but does  
225 not include any part of a building that is not actually and exclusively used as a private residence, nor  
226 any part of a hotel or club other than a private guest room thereof.

227 "Resort complex" means a facility (i) with a hotel owning year-round sports and recreational facilities  
228 located contiguously on the same property; (ii) owned by a nonstock, nonprofit, taxable corporation with  
229 voluntary membership which, as its primary function, makes available golf, ski, and other recreational  
230 facilities both to its members and to the general public; or (iii) operated by a corporation that operates  
231 as a management company which, as its primary function, makes available (a) vacation accommodations,  
232 guest rooms, or dwelling units and (b) golf, ski, and other recreational facilities to members of the  
233 managed entities and the general public. The hotel or corporation shall have or manage a minimum of  
234 140 private guest rooms or dwelling units contained on not less than 50 acres, whether or not  
235 contiguous to the licensed premises; if the guest rooms or dwelling units are located on property that is  
236 not contiguous to the licensed premises, such guest rooms and dwelling units shall be located within the  
237 same locality. The Authority may consider the purpose, characteristics, and operation of the applicant  
238 establishment in determining whether it shall be considered as a resort complex. All other pertinent  
239 qualifications established by the Board for a hotel operation shall be observed by such licensee.

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

243 "Restaurant" means, for a mixed beverage license other than a limited mixed beverage restaurant

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

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

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

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

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

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

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

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

"With or without meals" means the selling and serving of alcoholic beverages by retail licensees for on-premises consumption whether or not accompanied by food so long as the total food-beverage ratio required by § 4.1-206.3, or the monthly food sale requirement established by Board regulation, is met by such retail licensee.

#### **§ 4.1-206.3. (Effective until July 1, 2024) 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 (i) 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 and (ii) financial institutions, subsidiaries of a financial institution, or persons approved by the applicable airport authority that have entered into a contract with a financial institution or subsidiary of a financial institution to operate a passenger lounge, which shall authorize the licensee to sell and serve mixed beverages in designated areas of a passenger lounge for ticketed air carrier passengers that is located within an airport 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 (a) 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 (b) 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.

For the purposes of this subdivision:

"Financial institution" means any bank, trust company, savings institution, industrial loan association, consumer finance company, or credit union.

"Passenger lounge" means any restricted-access passenger waiting room or lounge leased to persons by the applicable airport authority in which food and beverage services are provided to ticketed passengers.

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~~ persons operating a performing arts facility, provided the ~~or food concessions at a 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

428 or concession agreement, the original term of which was more than five years; (ii) has a total capacity  
429 in excess of 550 patrons; and (iii) has been rehabilitated in accordance with historic preservation  
430 standards;

431 d. Persons operating food concessions at any performing arts facility located in the arts and cultural  
432 district of the City of Harrisonburg, provided that the performing arts facility (i) is occupied under a  
433 bona fide long-term lease or concession agreement, the original term of which was more than five years;  
434 (ii) has been rehabilitated in accordance with historic preservation standards; (iii) has monthly gross  
435 receipts from the sale of food cooked, or prepared, and consumed on the premises and nonalcoholic  
436 beverages served on the premises that meet or exceed the monthly minimum established by Board  
437 regulations for mixed beverage restaurants; and (iv) has a total capacity in excess of 900 patrons;

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

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

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

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

453 8. Combined mixed beverage restaurant and caterer's licenses, which may be granted to any  
454 restaurant or hotel that meets the qualifications for both a mixed beverage restaurant pursuant to  
455 subdivision 1 and mixed beverage caterer pursuant to subdivision 2 for the same business location, and  
456 which license shall authorize the licensee to operate as both a mixed beverage restaurant and mixed  
457 beverage caterer at the same business premises designated in the license, with a common alcoholic  
458 beverage inventory for purposes of the restaurant and catering operations. Such licensee shall meet the  
459 separate food qualifications established for the mixed beverage restaurant license pursuant to subdivision  
460 1 and mixed beverage caterer's license pursuant to subdivision 2. The granting of a license pursuant to  
461 this subdivision shall automatically authorize the licensee to obtain a license to sell and serve wine and  
462 beer for on-premises consumption or in closed containers for off-premises consumption; however, the  
463 licensee shall be required to pay the local fee required for such additional license pursuant to  
464 § 4.1-233.1.

465 9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages in  
466 dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is  
467 being provided, with or without meals, for on-premises consumption only in such rooms and areas, and  
468 without regard to the amount of gross receipts from the sale of food prepared and consumed on the  
469 premises and (ii) permit the consumption of lawfully acquired alcoholic beverages by persons to whom  
470 overnight lodging is being provided in (a) bedrooms or private guest rooms or (b) other designated areas  
471 of the bed and breakfast establishment. For purposes of this subdivision, "other designated areas"  
472 includes outdoor dining areas, whether or not contiguous to the licensed premises, which may have more  
473 than one means of ingress and egress to an adjacent public thoroughfare, provided that such outdoor  
474 dining areas are under the control of the licensee and approved by the Board. Such noncontiguous  
475 designated areas shall not be approved for any retail license issued pursuant to subdivision A 5 of  
476 § 4.1-201.

477 10. Museum licenses, which may be issued to nonprofit museums exempt from taxation under  
478 § 501(c)(3) of the Internal Revenue Code, which shall authorize the licensee to (i) permit the  
479 consumption of lawfully acquired alcoholic beverages on the premises of the licensee by any bona fide  
480 member and guests thereof and (ii) serve alcoholic beverages on the premises of the licensee to any  
481 bona fide member and guests thereof. However, alcoholic beverages shall not be sold or charged for in  
482 any way by the licensee. The privileges of this license shall be limited to the premises of the museum,  
483 regularly occupied and utilized as such.

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



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

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 subtitle will be promoted by granting the license.

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

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

6. Exhibition halls, which shall authorize the licensee to sell wine and beer during the event to patrons or attendees within all seating areas, exhibition areas, concourses, walkways, concession areas, and such additional locations designated by the Board in such facilities (i) in closed containers for off-premises consumption or (ii) in paper, plastic, or similar disposable containers or in single original metal cans for on-premises consumption. Upon authorization of the licensee, any person may keep and

consume his own lawfully acquired alcoholic beverages on the premises in all areas and locations covered by the license. Such licenses may be granted to persons operating food concessions at exhibition or exposition halls, convention centers, or similar facilities located in any county operating under the urban county executive form of government or any city that is completely surrounded by such county. For purposes of this subdivision, "exhibition or exposition hall" and "convention centers" mean facilities conducting private or public trade shows or exhibitions in an indoor facility having in excess of 100,000 square feet of floor space.

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

674 alternative location in the event of inclement weather. However, no such license shall be required of any  
675 hotel, restaurant, or club holding a retail wine and beer license.

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

680 c. Mixed beverage club events licenses to a club holding a wine and beer club license, which shall  
681 authorize the licensee to sell and serve mixed beverages for on-premises consumption by club members  
682 and their guests in areas approved by the Board on the club premises. A separate license shall be  
683 required for each day of each club event. No more than 12 such licenses shall be granted to a club in  
684 any calendar year. The granting of a license pursuant to this subdivision shall automatically authorize  
685 the licensee to obtain a license to sell and serve wine and beer for on-premises consumption; however,  
686 the licensee shall be required to pay the local fee required for such additional license pursuant to  
687 § 4.1-233.1.

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

693 2. Annual licenses.

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

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

714 c. Designated outdoor refreshment area licenses to a locality, business improvement district, or  
715 nonprofit organization, which shall authorize (i) the licensee to permit the consumption of alcoholic  
716 beverages within the area designated by the Board for the designated outdoor refreshment area and (ii)  
717 any permanent retail on-premises licensee that is located within the area designated by the Board for the  
718 designated outdoor refreshment area to sell alcoholic beverages within the permanent retail location for  
719 consumption in the area designated for the designated outdoor refreshment area, including sidewalks and  
720 the premises of businesses not licensed to sell alcoholic beverages at retail, upon approval of such  
721 businesses. In determining the designated area for the designated outdoor refreshment area, the Board  
722 shall consult with the locality. Designated outdoor refreshment area licensees shall be limited to 16  
723 events per year, and the duration of any event shall not exceed three consecutive days. However, the  
724 Board may increase the frequency and duration of events after adoption of an ordinance by a locality  
725 requesting such increase in frequency and duration. Such ordinance shall include the size and scope of  
726 the area within which such events will be held, a public safety plan, and any other considerations  
727 deemed necessary by the Board. Such limitations on the number of events that may be held shall not  
728 apply during the effective dates of any rule, regulation, or order that is issued by the Governor or State  
729 Health Commissioner to meet a public health emergency and that effectively reduces allowable  
730 restaurant seating capacity; however, designated outdoor refreshment area licensees shall be subject to all  
731 other applicable provisions of this subtitle and Board regulations and shall provide notice to the Board  
732 regarding the days and times during which the privileges of the license will be exercised. Only alcoholic  
733 beverages purchased from permanent retail on-premises licensees located within the designated area may  
734 be consumed at the event, and such alcoholic beverages shall be contained in paper, plastic, or similar  
735 disposable containers that clearly display the name or logo of the retail on-premises licensee from which

the alcoholic beverage was purchased. Alcoholic beverages shall not be sold or charged for in any way by the designated outdoor refreshment area licensee. The designated outdoor refreshment area licensee shall post appropriate signage clearly demarcating for the public the boundaries of the event; however, no physical barriers shall be required for this purpose. The designated outdoor refreshment area licensee shall provide adequate security for the event to ensure compliance with the applicable provisions of this subtitle and Board regulations.

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

797 Board regulations. No wholesale wine or wholesale beer licensee, whether licensed in the  
798 Commonwealth or not, or any person under common control of such licensee, shall acquire or hold any  
799 financial interest, direct or indirect, in the business for which any fulfillment warehouse license is  
800 issued.

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

809 6. Third-party delivery licenses, which shall carry the privileges and limitations set forth in  
810 § 4.1-212.2.

811 **§ 4.1-206.3. (Effective July 1, 2024) Retail licenses.**

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

813 1. Mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve mixed  
814 beverages for consumption in dining areas and other designated areas of such restaurant. Such license  
815 may be granted only to persons (i) who operate a restaurant and (ii) whose gross receipts from the sale  
816 of food cooked, or prepared, and consumed on the premises and nonalcoholic beverages served on the  
817 premises, after issuance of such license, amount to at least 45 percent of the gross receipts from the sale  
818 of mixed beverages and food. For the purposes of this subdivision, other designated areas shall include  
819 outdoor dining areas, whether or not contiguous to the licensed premises, which outdoor dining areas  
820 may have more than one means of ingress and egress to an adjacent public thoroughfare, provided such  
821 areas are under the control of the licensee and approved by the Board. Such noncontiguous designated  
822 areas shall not be approved for any retail license issued pursuant to subdivision A 5 of § 4.1-201.

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

833 If the restaurant is located on the premises of and operated by a private, nonprofit, or profit club  
834 exclusively for its members and their guests, or members of another private, nonprofit, or profit club in  
835 another city with which it has an agreement for reciprocal dining privileges, such license shall also  
836 authorize the licensees to (1) sell and serve mixed beverages for on-premises consumption and (2) sell  
837 spirits that are packaged in original closed containers with a maximum capacity of two fluid ounces or  
838 50 milliliters and purchased from the Board for on-premises consumption. Where such club prepares no  
839 food in its restaurant but purchases its food requirements from a restaurant licensed by the Board and  
840 located on another portion of the premises of the same hotel or motel building, this fact shall not  
841 prohibit the granting of a license by the Board to such club qualifying in all other respects. The club's  
842 gross receipts from the sale of nonalcoholic beverages consumed on the premises and food resold to its  
843 members and guests and consumed on the premises shall amount to at least 45 percent of its gross  
844 receipts from the sale of mixed beverages and food. The food sales made by a restaurant to such a club  
845 shall be excluded in any consideration of the qualifications of such restaurant for a license from the  
846 Board.

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

854 If the restaurant is located on the premises of and operated by a culinary lodging resort, such license  
855 shall authorize the licensee to (A) sell alcoholic beverages for on-premises consumption, without regard  
856 to the amount of gross receipts from the sale of food prepared and consumed on the premises, in areas  
857 upon the licensed premises approved by the Board and other designated areas of the resort, including  
858 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 (i) 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 and (ii) financial institutions, subsidiaries of a financial institution, or persons approved by the applicable airport authority that have entered into a contract with a financial institution or subsidiary of a financial institution to operate a passenger lounge, which shall authorize the licensee to sell and serve mixed beverages in designated areas of a passenger lounge for ticketed air carrier passengers that is located within an airport 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 (a) 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 (b) 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.

For the purposes of this subdivision:

"Financial institution" means any bank, trust company, savings institution, industrial loan association, consumer finance company, or credit union.

"Passenger lounge" means any restricted-access passenger waiting room or lounge leased to persons by the applicable airport authority in which food and beverage services are provided to ticketed passengers.

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

920 on-premises consumption. Such license may be granted to persons operating food concessions at an  
921 outdoor motor sports facility that (i) is located on 1,200 acres of rural property bordering the Dan River  
922 and has a track surface of 3.27 miles in length or (ii) hosts a NASCAR national touring race. Upon  
923 authorization of the licensee, any person may keep and consume his own lawfully acquired alcoholic  
924 beverages on the premises in all areas and locations covered by the license. The granting of a license  
925 pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell and  
926 serve wine and beer for on-premises consumption or in closed containers for off-premises consumption;  
927 however, the licensee shall be required to pay the local fee required for such additional license pursuant  
928 to § 4.1-233.1.

929 6. Limited mixed beverage restaurant licenses, which shall authorize the licensee to sell and serve  
930 dessert wines as defined by Board regulation and no more than six varieties of liqueurs, which liqueurs  
931 shall be combined with coffee or other nonalcoholic beverages, for consumption in dining areas of the  
932 restaurant. Such license may be granted only to persons who operate a restaurant and in no event shall  
933 the sale of such wine or liqueur-based drinks, together with the sale of any other alcoholic beverages,  
934 exceed 10 percent of the total annual gross sales of all food and alcoholic beverages. The granting of a  
935 license pursuant to this subdivision shall automatically authorize the licensee to obtain a license to sell  
936 and serve wine and beer for on-premises consumption or in closed containers for off-premises  
937 consumption; however, the licensee shall be required to pay the local fee required for such additional  
938 license pursuant to § 4.1-233.1.

939 7. Annual mixed beverage performing arts facility licenses, which shall (i) authorize the licensee to  
940 sell, on the dates of performances or events, alcoholic beverages in paper, plastic, or similar disposable  
941 containers or in single original metal cans for on-premises consumption in all seating areas, concourses,  
942 walkways, concession areas, similar facilities, and other areas upon the licensed premises approved by  
943 the Board and (ii) automatically authorize the licensee to obtain a license to sell and serve wine and  
944 beer for on-premises consumption or in closed containers for off-premises consumption; however, the  
945 licensee shall be required to pay the local fee required for such additional license pursuant to  
946 § 4.1-233.1. Such licenses may be granted to the following:

947 a. ~~Corporations or associations~~ *persons* operating a performing arts facility; ~~provided the~~ *or food*  
948 *concessions at a* performing arts facility (i) is owned by a governmental entity; (ii) is occupied by a  
949 for-profit entity under a bona fide lease, the original term of which was for more than one year's  
950 duration; and (iii) has been rehabilitated in accordance with historic preservation standards;

951 b. Persons operating food concessions at any performing arts facility located in the City of Norfolk  
952 or the City of Richmond; provided that the performing arts facility (i) is occupied under a bona fide  
953 long-term lease or concession agreement, the original term of which was more than five years; (ii) has a  
954 capacity in excess of 1,400 patrons; (iii) has been rehabilitated in accordance with historic preservation  
955 standards; and (iv) has monthly gross receipts from the sale of food cooked, or prepared, and consumed  
956 on the premises and nonalcoholic beverages served on the premises that meet or exceed the monthly  
957 minimum established by Board regulations for mixed beverage restaurants;

958 c. Persons operating food concessions at any performing arts facility located in the City of  
959 Waynesboro; provided that the performing arts facility (i) is occupied under a bona fide long-term lease  
960 or concession agreement, the original term of which was more than five years; (ii) has a total capacity  
961 in excess of 550 patrons; and (iii) has been rehabilitated in accordance with historic preservation  
962 standards;

963 d. Persons operating food concessions at any performing arts facility located in the arts and cultural  
964 district of the City of Harrisonburg; provided that the performing arts facility (i) is occupied under a  
965 bona fide long-term lease or concession agreement, the original term of which was more than five years;  
966 (ii) has been rehabilitated in accordance with historic preservation standards; (iii) has monthly gross  
967 receipts from the sale of food cooked, or prepared, and consumed on the premises and nonalcoholic  
968 beverages served on the premises that meet or exceed the monthly minimum established by Board  
969 regulations for mixed beverage restaurants; and (iv) has a total capacity in excess of 900 patrons;

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

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

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

979 h. Persons operating food concessions at any corporate and performing arts facility located in Fairfax  
980 County; provided that the corporate and performing arts facility (i) is occupied under a bona fide  
981 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 § 4.1-233.1.

9. Bed and breakfast licenses, which shall authorize the licensee to (i) serve alcoholic beverages in dining areas, private guest rooms, and other designated areas to persons to whom overnight lodging is being provided, with or without meals, for on-premises consumption only in such rooms and areas, and without regard to the amount of gross receipts from the sale of food prepared and consumed on the premises and (ii) permit the consumption of lawfully acquired alcoholic beverages by persons to whom overnight lodging is being provided in (a) bedrooms or private guest rooms or (b) other designated areas of the bed and breakfast establishment. 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.

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

11. Motor car sporting event facility licenses, 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 events. However, alcoholic beverages shall not be sold or charged for in any way, directly or indirectly, by the licensee. The privileges of this license shall be limited to those areas of the licensee's premises designated by the Board that are regularly occupied and utilized for motor car sporting events.

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

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 subtitle will be promoted by granting the license.

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

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

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

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

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

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

6. Third-party delivery licenses, which shall carry the privileges and limitations set forth in § 4.1-212.2.

**§ 4.1-309. Drinking or possessing alcoholic beverages in or on public school grounds; penalty.**

A. No person shall possess or drink any alcoholic beverage in or upon the grounds of any public elementary or secondary school during school hours or school or student activities.

B. In addition, no person shall drink and no organization shall serve any alcoholic beverage in or upon the grounds of any public elementary or secondary school after school hours or school or student activities, except for religious congregations using wine for sacramental purposes only.

C. Any person convicted of a violation of this section shall be guilty of a Class 2 misdemeanor.

D. This section shall not prohibit any person from possessing or drinking alcoholic beverages or any

1351 organization from serving alcoholic beverages in areas approved by the Board at a performing arts  
1352 center owned by the City of Alexandria or the City of Portsmouth *facility*, provided the organization  
1353 operating the performing arts center *facility* or its lessee has a license granted by the Board.  
1354 2. That the provisions of this act shall not prohibit any person from retaining an annual mixed  
1355 beverage performing arts facility license or on-and-off-premises wine and beer license as a  
1356 performing arts food concessionaire issued to such person prior to July 1, 2024.

INTRODUCED

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