# Necrason Group +

## VBA 2024 Legislative Report Week 6

#### **CROSSOVER DATE SET**

The Joint Rules Committee set March 15 and March 22 as crossover deadlines for policy and money bills respectively. The crossover deadline is the date by which a bill needs to pass out of the last committee it was referred to for it to be allowed to be taken up by the other chamber this session. Crossover during this the second year of the biennium is particularly important as bills will not carry over into the next legislative session.

## **MISCELLANEOUS ALCOHOL BILL**

Last week, on behalf of the VBA, Matt Wilson and Emma Arian presented <u>testimony</u> to the <u>House Government Operation committee</u> related to the first draft of the <u>miscellaneous</u> <u>alcohol bill</u>. Their testimony was well received by the committee.

In addition to the VBA, the committee heard from other witnesses including a representative from the Distilled Spirits Council and the DLL. Skyler Genest, Senior Director of Licensee Operations at DLL raised some concerns about sections 1 & 2 of the bill relating to the sale of closed containers of alcoholic beverages within a first- or third-class license serving area. DLL currently requires establishments that have both a first (and/or third) and second-class license to have a segregated space for each license at a single establishment. Sections 1 & 2 would remove the segregated space requirement and allow both (or all three) licenses to operate in a contiguous space within an establishment. The VBA testified in support of this proposal noting that many tap rooms and brew pubs are small and efforts to segregate spaces can present challenges.

Genest raised concern that this proposal could significantly increase "outlet density" if every 1<sup>st</sup> and 3<sup>rd</sup> class bar added a 2<sup>nd</sup> class beer cooler. He pointed to research that correlates increased outlet density with an increase in public safety problems. The committee seemed to understand Genest's concern but also wondered whether there might be a creative path forward.

Next Thursday morning, the <u>committee is scheduled to hear testimony</u> related to the miscellaneous alcohol bill from a number of public health professionals. It's not yet clear what their interest is in the bill. We will monitor and report back.

# **HEADLINES OF NOTE**

Capitol Recap: Vermont lawmakers advance school tax rewrite to tamp down spending Vermont Senate approves bill that would send financial aid to flood-affected communities Lawmakers Support Amending Law, Delaying School Budget Votes A bill that would reform the renewable energy standard in Vermont clears key panel

	VBA 2023/2024 BILL REPORT				
Bill	Sponsors	Description	Status		
<u>H 601</u>	Rep. Lawrence Satcowitz	An Act Relating To Prohibiting The Presence Of Toxic Chemicals In Plastic Packaging This bill proposes to prohibit the presence of certain high priority materials and high priority chemicals in packaging or packaging components sold or distributed in the State.	Committees: House Environment and Energy Status: Read First Time and referred to the Committee on Environment and Energy (01/03/24)		
<u>H 643</u>	Rep. Lucy Boyden	An Act Relating To The Sale Of Closed Containers Of Alcoholic Beverages Within A First- Or Third-class License Serving Area This bill proposes to allow the holder of any combination of first-, second-, and third-class licenses to sell closed containers of alcoholic beverages, for off-premises consumption, anywhere in first- or third-class licensed premises.	Committees: House Government Operations and Military Affairs Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/04/24) Included in the Misc. Alcohol Bill Draft 1.1.		
<u>H 662</u>	Rep. Michael Marcotte; Rep. Woodman Page	An Act Relating To The Merger Of Entities That Hold Separate Alcoholic Beverage Licenses This bill proposes to allow two or more licensed entities that have merged and formed a parent corporation to continue to hold separate alcoholic beverage licenses while operating under a unified payroll and administrative system.	Committees: House Government Operations and Military Affairs Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/04/24)		
<u>H 680</u>	Rep. Katherine "Kari" Dolan; Rep. Matthew Birong; Rep. Stephanie Jerome	An Act Relating To Expanding Access To Special Venue Serving Permits This bill proposes to allow any retail establishment to acquire a special venue	Committees: House Government Operations and Military Affairs Status: Read First Time and referred		

		serving permit from the Division of Liquor Control.	to the Committee on Government Operations and Military Affairs (01/04/24) Included in the Misc Alcohol Bill Draft 1.1.
<u>H 726</u>	Rep. Kate Nugent	An Act Relating To Compliance Checks By The Division Of Liquor Control This bill proposes to require the Division of Liquor Control to perform regular compliance checks of alcoholic beverage licensees.	Committees: House Government Operations and Military Affairs Status: Read first time and referred to the Committee on Government Operations and Military Affairs (01/10/24)
	BILLS INTR	ODUCED IN 2023 THAT ARE STILL "ALIVE"	
<u>H7</u>	Rep. Anne Donahue	An Act Relating To Replacing The Term "cider" With "hard Cider" Within Title 7 This bill proposes to replace the term "cider" with "hard cider" within Title 7 of the Vermont Statutes Annotated.	Committees: House Government Operations and Military Affairs Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/05/23)
<u>H 78</u>	Rep. Matthew Birong	An Act Relating To Repealing The Sunset Of 7 V.S.A. § 230 This bill proposes to repeal the sunset of 7 V.S.A. § 230 (sale of alcoholic beverages for off-premises consumption) to allow licensees to sell alcoholic beverages for pick up or delivery beyond July 1, 2023.	Committees: House Government Operations and Military Affairs Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (01/20/23)
<u>H 225</u>	Rep. Joseph "Chip" Troiano; Rep. Avram Patt; Rep. Brian Cina; Rep. Dennis LaBounty; Rep. Emma Mulvaney-Stanak; Rep. James Carroll; Rep. James Masland; Rep. John Arrison; Rep. Josie Leavitt; Rep. Kate Logan; Rep. Kate McCann; Rep.	An Act Relating To Eliminating The Tipped Minimum Wage This bill proposes to require that tipped employees are paid the standard minimum wage by 2024.	Committees: House General and Housing Status: Read First Time and referred to the Committee on General and Housing (02/10/23) VBA OPPOSES THIS BILL

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	Kristi Morris; Rep. Leslie		
	Goldman; Rep. Michael		
	Mrowicki; Rep. R. Scott		
	Campbell; Rep. Robert		
	"Bobby" Farlice-Rubio;		
	Rep. Troy Headrick		
<u>H 261</u>	Rep. Logan Nicoll	An Act Relating To Retail Delivery Of	Committees: House
		Alcoholic Beverages By Third-party	Government Operations
		Contractors	and Military Affairs
		This bill proposes to allow the holder of a	Status:
		second-class license and retail delivery	Read First Time and referred
		permit to deliver certain alcoholic	to the Committee on
		beverages to individuals 21 years of age	Government Operations
		or older through an approved third-party	and Military Affairs
		contractor and amend the provisions	(02/15/23)
		related to the permitted hours of sale.	(,,,
<u>H 272</u>	Rep. Matthew Birong	An Act Relating To A Reciprocity	Committees: House
		Requirement For Out-of-state Consumer	Government Operations
		Shipping Licenses	and Military Affairs
		This bill proposes to limit the issuance of	Status:
		out-of-state malt beverage consumer	Read First Time and referred
		shipping licenses to breweries that are	to the Committee on
		located in states that allow Vermont	Government Operations
		brewers to acquire consumer shipping	and Military Affairs
		licenses.	(02/16/23)
11.272	Don Matthew Dirong		
<u>H 273</u>	Rep. Matthew Birong	An Act Relating To Direct-to-consumer Shipping Of Spirits And Fortified Wines	Committees: House Government Operations
		Shipping Of Spirits And Fortified Willes	and Military Affairs
		This bill proposes to authorize a	and wintary Analis
		manufacturer of spirits or fortified wines	Status:
		-	Read First Time and referred
		to acquire a consumer shipping license and ship the manufacturer's products	to the Committee on
		directly to consumers in Vermont.	
		directly to consumers in vermont.	Government Operations
			and Military Affairs
H 417	Rep. Kelly Pajala; Rep.	An Act Relating To Drink Specials	(02/16/23) Committees: House
11417	Logan Nicoll		Government Operations
		This bill proposes to permit a first- class	and Military Affairs
		licensee to sell malt and vinous beverages	
		at a reduced price during a period of not	Status:
		more than two hours each day. It also	Read First Time and referred
		proposes to permit a third- class licensee	to the Committee on
		to sell spirits and fortified wines at a	Government Operations
		-	-
		reduced price during a period of not	and Military Affairs
		more than two hours each day.	(02/28/23)
			VBA SUPPORTS THIS BILL
<u>S 60</u>	Sen. Kesha Ram Hinsdale;	An Act Relating To Local Option Taxes	Committees: Senate
	Sen. Thomas Chittenden		Finance; House Government
		This bill proposes to authorize: (1) any	Operations and Military
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		Vermont municipality to adopt a one percent local option tax on sales, meals and alcoholic beverages, and rooms; and (2) the Commissioner of Taxes to disclose a municipality's local option tax data to the town manager or legislative body of that municipality, provided that the disclosure subjects the recipient to the penalties for unauthorized disclosure of confidential tax data.	Affairs; Senate Finance? Status: Read First Time and referred to the Committee on Government Operations and Military Affairs (04/11/23)
<u>\$ 86</u>	Sen. Richard Westman	An Act Relating To Replacing The Term "cider" With "hard Cider" Within Title 7 This bill proposes to replace the term "cider" with "hard cider" within Title 7 of the Vermont Statutes Annotated.	Committees: Senate Economic Development, Housing and General Affairs Status: Read 1st time & referred to Committee on Economic Development, Housing and General Affairs (02/16/23)
<u>\$ 107</u>	Sen. Richard Westman	An Act Relating To Authorizing Off-site Tasting Rooms For Alcoholic Beverage Manufacturers This bill proposes to allow holders of a manufacturer's or rectifier's license to acquire a first-class license to sell their products at a tasting room that is not located on property contiguous with the manufacturing location.	Committees: Senate Economic Development, Housing and General Affairs Status: This bill was considered by the committee last year and essentially put on hold because of tied house concerns.
<u>\$110</u>	Sen. Richard Westman; Sen. Kesha Ram Hinsdale	An Act Relating To Direct-to-consumer Shipping Of Spirits And Fortified Wines This bill proposes to authorize a manufacturer of spirits or fortified wines to acquire a consumer shipping license and ship the manufacturer's products directly to consumers in Vermont.	Committees: Senate Economic Development, Housing and General Affairs Status: Read 1st time & referred to Committee on Economic Development, Housing and General Affairs (02/28/23)