WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Introduced

Senate Bill 478

By Senators Walters and Palumbo

[Introduced February 2, 2016;

Referred to the Committee on the Judiciary.]

A BILL to amend and reenact §11-16-6b of the Code of West Virginia, 1931, as amended, relating to authorizing licensees authorized to sell growlers of nonintoxicating beer to offer complimentary samples to patrons from their licensed premises.

Be it enacted by the Legislature of West Virginia:

That §11-16-6b of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 16. NONINTOXICATING BEER.

- §11-16-6b. Brewpub, Class A retail dealer, Class B retail dealer, private club, Class A retail licensee and Class B retail licensee=s authority to sell growlers.
- (a) Legislative findings. The Legislature hereby finds that it is in the public interest to regulate, control and support the brewing, manufacturing, distribution, sale, consumption, transportation and storage of nonintoxicating beer and nonintoxicating craft beer and its industry in this state in order to protect the public health, welfare and safety of the citizens of this state and promote hospitality and tourism. Therefore, this section authorizes a licensed brewpub, Class A retail dealer, Class B retail dealer, private club, Class A retail licensee or Class B retail licensee to have certain abilities in order to promote the sale of nonintoxicating beer and nonintoxicating craft beer manufactured in this state for the benefit of the citizens of this state, the state=s growing brewing industry and the state=s hospitality and tourism industry, all of which are vital components for the state=s economy.
- (b) Sales of nonintoxicating beer. A licensed brewpub, Class A retail dealer, Class B retail dealer, private club, Class A retail licensee or Class B retail licensee who pays the fee in subsection (i) of this section and meets the requirements of this section may offer nonintoxicating beer or nonintoxicating craft beer for retail sale to patrons from their licensed premises in a growler for personal consumption only off of the licensed premises and not for resale. Prior to the sale, the licensee shall verify, using proper identification, that any patron purchasing nonintoxicating

- beer or nonintoxicating craft beer is twenty-one years of age or over and that the patron is not visibly intoxicated. A licensee authorized under this section may not sell, give or furnish alcoholic liquors, including wine, for consumption off of its licensed premises, unless it is a private club licensed to sell sealed wine for consumption off of the licensed premises and meets the requirements set out in subdivisions (j) and (l), section three, article eight, chapter sixty of this code for the sale of wine, not liquor.
- (c) Retail sales. Every licensee authorized under this section shall comply with all the provisions of this article as applicable to nonintoxicating beer retailers when conducting sales of nonintoxicating beer or nonintoxicating craft beer and shall be subject to all applicable requirements and penalties in this article.
- (d) Payment of taxes and fees. A licensee authorized under this section shall pay all taxes and fees required of licensed nonintoxicating beer retailers, in addition to any other taxes and fees required, and meet applicable licensing provisions as required by this chapter and by rule of the commissioner.
- (e) *Advertising.* A licensee authorized under this section may advertise a particular brand or brands of nonintoxicating beer or nonintoxicating craft beer and the price of the nonintoxicating beer or nonintoxicating craft beer subject to state and federal requirements or restrictions. The advertisement may not encourage intemperance.
- (f) *Growler requirements.* A licensee authorized under this section must fill a growler and patrons are not permitted to access the secure area or fill a growler. A licensee authorized under this section must sanitize, fill, securely seal and label any growler prior to its sale. A licensee authorized under this section may only offer for retail sale up to two 64-ounce, or four 32-ounce, growlers of nonintoxicating beer or nonintoxicating craft beer per customer per day for personal consumption off of the licensed premises and not for resale. A licensee under this section may refill a growler subject to the requirements of this section. A licensee shall visually inspect any growler before filling or refilling it. A licensee may not fill or refill any growler that appears to be

cracked, broken, unsafe or otherwise unfit to serve as a sealed beverage container.

- (g) *Growler labeling*. A licensee authorized under this section selling growlers shall affix a conspicuous label on all sold and securely sealed growlers listing the name of the licensee selling the growler, the brand of the nonintoxicating beer or nonintoxicating craft beer in the growler, the alcohol content by volume of the nonintoxicating beer or nonintoxicating craft beer in the growler and the date the growler was filled or refilled and, further, all labeling on the growler shall be consistent with all federal labeling and warning requirements.
- (h) *Growler sanitation.* A licensed brewer or resident brewer authorized under this section shall clean and sanitize all growlers he or she fills or refills in accordance with all state and county health requirements prior to its sealing. In addition, the licensed brewer or resident brewer shall sanitize, in accordance with all state and county health requirements, all taps, tap lines, pipe lines, barrel tubes and any other related equipment used to fill or refill growlers. Failure to comply with this subsection may result in penalties under section twenty-three of this article.
- (i) Complimentary samples. A licensee authorized under this section may offer complimentary samples of nonintoxicating beer or nonintoxicating craft beer. The complimentary samples may be no greater than two ounces per sample per patron and a sampling may not exceed three complimentary two ounce samples per patron per day. Prior to any sampling, the licensee shall verify, using proper identification, that the patron sampling is twenty-one years of age or over and that the patron is not visibly intoxicated.
- (i) (j) Fee. Commencing July 1, 2015, and by every July 1 thereafter, there is an annual \$100 nonrefundable fee for a licensee, except for a licensed brewpub, to sell growlers as provided by this section. The licensee must be in good standing with the state at the time of paying the fee.
- (j) (k) Limitations on licensees. A licensee under this section may only sell growlers during the hours of operation set forth in subdivision (1), subsection (a), section eighteen of this article. Any licensee licensed under this section must maintain a secure area for the sale of nonintoxicating beer or nonintoxicating craft beer in a growler. The secure area must only be

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accessible by the licensee. Any licensee licensed under this section shall be subject to the applicable penalties under section twenty-three of this article for violations of this section.

(k) (I) Nonapplicability of certain statutes. — Notwithstanding any other provision of this code to the contrary, licensees under this section are permitted to break the seal of the original container for the limited purpose of filling a growler as provided in this section. Any unauthorized sale of nonintoxicating beer or nonintoxicating craft beer or any consumption not permitted on the licensee=s licensed premises is subject to penalties under this article.

(I) (m) Rules. — The commissioner is authorized to may propose rules for legislative approval, pursuant to article three, chapter twenty-nine-a of this code, to implement this section.

NOTE: The purpose of this bill is to authorize licensee's authorized to sell growlers to offer complimentary samples of nonintoxicating beers to patrons from their licensed premises.

Strike-throughs indicate language that would be stricken from a heading or the present law, and underscoring indicates new language that would be added.

JUDICIARY COMMITTEE AMENDMENTS

On page one, section six-b, line thirteen, by striking out "(i)" and inserting in lieu thereof "(j)".;

And,

By striking out the title and substituting therefor a new title, to read as follows:

Eng. Senate Bill 478—A Bill to amend and reenact §11-16-6b of the Code of West Virginia, 1931, as amended, relating to authorizing licensees authorized to sell growlers of nonintoxicating beer to offer complimentary samples to patrons from their licensed premises; permitting licensees to offer complimentary samples of nonintoxicating beer or nonintoxicating craft beer to patrons; limiting size of samples; limiting number of samples; requiring licensee to verify patron's age using proper identification prior to sampling; and requiring licensee to verify prior to sampling that patron is not visibly intoxicated.