WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1967

ENROLLED

HOUSE BILL No. 652

(By Mr. 

PASSED February 9, 1967

In Effect from Passage

FILED IN THE OFFICE
ROBERT D. BAILEY
SECRETARY OF STATE
THIS DATE 2/20/67
ENROLLED

House Bill No. 652

(By Mr. Boiarsky and Mr. Grewe)

[Passed February 9, 1967; in effect from passage.]

AN ACT to amend and reenact sections three and four, article one, and sections one and seventeen, article three, all of chapter sixty of the code of West Virginia, one thousand nine hundred thirty-one, as amended, and to further amend said chapter sixty by adding thereto a new article, designated article seven, said sections three and four of said article one and said sections one and seventeen of said article three relating to restrictions on the sale, manufacture and consumption of alcoholic liquors, providing certain exceptions, and providing for the handling and depositing of moneys collected by the commissioner, and said article seven relating to private clubs, the sale of alcoholic liquors thereby and the licensing thereof, providing legislative findings and definitions, authorizing the
sale of alcoholic liquors by bona fide private clubs, providing for applications, fees and bond, and a procedure for such licensing, establishing certain taxes, and the West Virginia alcoholic beverage control licensing advisory board, relating to the powers and duties of the West Virginia alcohol beverage control commissioner, prohibiting certain acts by licensees, establishing penalties, providing for a hearing by the commissioner upon the refusal to issue a license, or the revocation or suspension of a license and judicial review thereof, providing for a forfeiture of bond, providing for the license for the sale of nonintoxicating beers, and providing severability and repealer clauses.

Be it enacted by the Legislature of West Virginia:

That sections three and four, article one, and sections one and seventeen, article three, all of chapter sixty of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted, and that said chapter sixty be further amended by adding thereto a new article to be designated article seven, all of same to read as follows:
ARTICLE 1. GENERAL PROVISIONS.

§60-1-3. Restrictions on sale, manufacture or consumption; exceptions.

1. Subject to the provisions of this chapter, alcoholic liquors, in this state:

2. (1) Shall be sold only in sealed packages, except by organizations licensed under authority of article seven of this chapter.

3. (2) Shall not be sold for consumption on the premises where sold, except as authorized by article seven of this chapter.

4. (3) Shall be manufactured only by persons licensed under the provisions of this chapter.

5. (4) Shall not be consumed or sold for consumption in a public place.

§60-1-4. Sales to be made by or through West Virginia alcohol beverage control commissioner.

1. Alcoholic liquors shall be sold at wholesale and retail in this state only by or through the West Virginia alcohol beverage control commissioner or retail agencies established by him or any predecessor commissioners or
ARTICLE 3. SALES BY COMMISSIONER.

§60-3-1. Sales at retail and wholesale.

1 The sale of alcoholic liquors at wholesale and retail in this state shall be a state monopoly, except for retail sales made by authority of article seven of this chapter.

2 Alcoholic liquors shall be sold at retail only through the state stores, agencies of the West Virginia alcohol beverage control commission, and may be sold by private clubs holding a license issued under the provisions of article seven of this chapter.

3 The commissioner may sell such liquors at wholesale to persons licensed to purchase at wholesale as provided in this chapter.

§60-3-17. Regulations as to handling and depositing of moneys collected; monthly remittances.

1 The commissioner, with the approval of the governor and the state treasurer, shall prescribe regulations for the handling and depositing of all moneys collected by the commissioner. All receipts accruing to and avail-
able for the general revenue fund as profits from the
commissioner and the license fee and additional sales tax
imposed by the provisions of this chapter shall be re-
mitted by the commissioner to the state treasury monthly
within fifteen days next after the end of each calendar
month.

ARTICLE 7. LICENSES TO PRIVATE CLUBS.

§60-7-1. Legislative findings and purposes.

1 The Legislature of West Virginia, having carefully
2 considered the provisions of section forty-six of article
3 six of the constitution of this state and all of the matters
4 giving rise to the enactment thereof and having fur-
5 ther considered the operations of private clubs as
6 defined in this article, hereby determines and finds that
7 such private clubs are not saloons or other public places
8 in which the sale and consumption of intoxicating liquors
9 are required to be prohibited by the provisions of said
10 section forty-six of article six of said constitution; but,
11 to the contrary, are private places in which such sale
12 and consumption of intoxicating liquors are constitu-
13 tionally permitted and authorized.
§60-7-2. Definitions.

1 Unless the context in which used clearly requires a different meaning, as used in this article:

3 (a) "Private club" means any corporation or unincorporated association which either (1) belongs to or is affiliated with a nationally recognized fraternal or veterans organization, which is operated exclusively for the benefit of its members, which pays no part of its income to its shareholders or individual members, which owns or leases a building or other premises, to which club are admitted only duly elected or approved dues paying members in good standing of such corporation or association and their guests while in the company of a member and to which club the general public is not admitted, and which club maintains in said building or on said premises a suitable kitchen and dining facility with related equipment for serving food to members and their guests, or (2) is a non-profit social club, which is operated exclusively for the benefit of its members, which pays no part of its income to its shareholders or individual members, which owns or leases a building or
other premises, to which club are admitted only duly
elected or approved dues paying members in good stand-
ing of such corporation or association and their guests
while in the company of a member and to which club
the general public is not admitted, and which club main-
tains in said building or on said premises a suitable
kitchen and dining facility with related equipment for
serving food to members and their guests, or (3) is or-
ganized and operated for legitimate purposes, which has
at least one hundred duly elected or approved dues pay-
ing members in good standing, which owns or leases a
building or other premises, to which club are admitted
only duly elected or approved dues paying members
in good standing of such corporation or association and
their guests while in the company of a member and to
which club the general public is not admitted, and which
club maintains in said building or on said premises a
suitable kitchen and dining facility with related equip-
ment and employs a sufficient number of persons for
serving meals to members and their guests.
(b) "Licensee" means the holder of a license to operate a private club granted under the provisions of this article, which license shall remain unexpired, unsuspended and unrevoked.

(c) "Applicant" means a private club applying for a license under the provisions of this article.

(d) "Commissioner" means the West Virginia alcohol beverage control commissioner.

(e) "Code" means the official code of West Virginia, one thousand nine hundred thirty-one, as amended.

§60-7-3. Sale of alcoholic liquors by licensee authorized.

1 Notwithstanding any other provisions of this code to the contrary, licensees are hereby authorized to sell alcoholic liquors, other than in sealed packages, for consumption on the premises of said licensee, to its members and their guests in accordance with the provisions of this article, and such licensees are further authorized to keep and maintain on their premises a supply of said alcoholic liquors in such quantities as may be appropriate for the conduct of operations thereof.
§60-7-4. Application; information required; verification; application to be accompanied by fees; bond; college fraternities and sororities ineligible for license.

(a) Application for a license to operate a private club shall be made on such form as may be prescribed by the commissioner and shall include:

(1) The name of the applicant;

(2) If such applicant be an unincorporated association, the names and addresses of the members of its governing board;

(3) If such applicant be a corporation, the names and addresses of its officers and directors;

(4) The place at which such applicant will conduct its operations and whether the same is owned or leased by the applicant;

(5) The number of members of the applicant;

(6) The name or names of any national organizations with which applicant is affiliated and the nature of such affiliation;

(7) The size and nature of the dining and kitchen facilities operated by applicant; and
(8) Such other information as the commissioner may reasonably require which shall include, but not be limited to, the criminal records, if any, of each member of applicant’s governing board and/or its officers and directors who have been convicted of a felony or a crime involving moral turpitude.

(b) Such application shall be verified by each member of the governing board of the applicant if an unincorporated association or, if the applicant be a corporation, by each of its officers and all members of its board of directors. Such application shall be accompanied by the license fee hereinafter prescribed and by a bond of the applicant in the penal sum of two thousand five hundred dollars with a corporate surety authorized to transact business in the state of West Virginia, payable to the state of West Virginia, which bond shall be conditioned on the payment of all taxes and fees herein prescribed and on the faithful performance of and compliance with the provisions of this article.

(c) Under no circumstance shall any college frater-
nity or sorority be issued a license to operate a private club.

§60-7-5. Investigation by commissioner; issuance or refusal of license; license valid at one location only; expiration of license; commissioner to prescribe form; renewal; license not transferable; refund of fees and bond.

(a) Upon receipt of the application referred to in section four of this article, together with the accompanying fee and bond, the commissioner may conduct such investigation as he may deem necessary to determine the accuracy of the matters contained in such application and whether applicant is a bona fide private club of good reputation in the community in which it shall operate. For the purpose of conducting such investigation, the commissioner may withhold the granting or refusal to grant such license for a period not to exceed thirty days. If it shall appear that such applicant is a bona fide private club, of good reputation in the community in which it shall operate and that there is no false statement contained in such application, the commissioner shall issue a license author-
izing the applicant to sell alcoholic liquors as provided in
section three of this article, and otherwise shall refuse to
issue such license.

(b) Upon refusal to issue such license the commis-
sioner shall make and enter an order denying such appli-
cation, which denial and refusal shall be final unless a
hearing is requested in accordance with the provisions
of section thirteen of this article. When such refusal or
denial becomes final the commissioner shall forthwith
refund to the applicant his fees and bond accompanying
said application.

(c) Such license shall be of such form and design as
the commissioner may prescribe by reasonable rule or
regulation, and shall authorize the licensee to sell alco-
holic liquors at only one location.

(d) Such license shall expire on the thirtieth day of
June next following the date of issue and may be renewed
upon the same showing as required for the issuance of
the initial license, together with the payment of fees and
filing of the bond as required by this article.
(e) A license issued under the provisions of this article shall not be transferable.

§60-7-6. Annual license fee; partial fee.

(a) The annual license fee for a license issued under the provisions of this article shall be as follows:

(1) For a licensee having one hundred members or less—five hundred dollars;

(2) For a licensee having more than one hundred but less than three hundred members—seven hundred fifty dollars;

(3) For a licensee having three hundred or more, but less than six hundred members—one thousand dollars;

(4) For a licensee having six hundred or more members—one thousand five hundred dollars.

(b) The fee for any such license issued following the first day of January of any year and to expire on the thirtieth day of June of such year shall be one half of that prescribed by subsection (a) of this section six.

(c) All such fees shall be paid by the commissioner to the state treasurer and credited to the general revenue fund of the state.
§60-7-7. Municipal fee.

1 Municipal corporations of this state are hereby authorized to levy a fee for revenue purposes only upon any licensee whose premises are situate within such municipality, which fee shall not exceed the amount of the license fee levied by the state under the provisions of section six of this article. Such municipal corporations are hereby authorized and empowered to enact and adopt ordinances necessary for the collection and enforcement of such fee.

§60-7-8. Additional sales tax.

1 In addition to all fees and taxes imposed by this code, each licensee shall pay to the commissioner an additional sales tax in the amount of one dollar twenty-five cents for each one fifth of a gallon of alcoholic liquor, except beer and wine, and sixty cents for each one fifth of a gallon of wine which additional sales tax shall be paid at the time of the purchase of each such one fifth of a gallon from the commissioner: Provided, That, notwithstanding any other provisions of this code to the contrary, no municipal corporation in this state shall have
any authority to impose a sales tax on the sale of alco-
holic liquor by a licensee, or upon the purchase of said
alcoholic liquor from such licensee.

§60-7-9. West Virginia alcoholic beverage control licensing
advisory board created; its powers and duties.

There is hereby created in the office of the West Vir-
ginia alcohol beverage control commissioner a state
advisory board composed of three members to be ap-
pointed by the governor, by and with the advice and
consent of the senate, to advise the commissioner con-
cerning the administration of the provisions of this
article. The board shall be known and designated as the
West Virginia alcoholic beverage control licensing ad-
visory board. Not more than two members of the board
shall belong to the same political party. The board shall
select one of its members as chairman. The members
shall serve at the will and pleasure of the governor.
Any vacancies shall be filled in the same manner as
original appointments are made. No member of the
board shall be a candidate for, or hold, any other public
office or trust, nor shall he be a member of any political
committee, nor shall he serve as an election official, nor
shall he engage in any political activity, other than to
vote, in behalf of, or in opposition to, any candidate,
political party or public issue involved in any election.
Any violation by a member of any of the provisions of
the preceding sentence shall automatically vacate his
membership on the board. Members of the board shall
take and subscribe to the oath prescribed in section five,
article four of the constitution. Each member of the
board shall receive a per diem allowance not to exceed
twenty-five dollars for each day or any part thereof
actually and necessarily spent in the discharge of his
duties as a member of such board, and shall be entitled to
reimbursement for any reasonable and necessary ex-
penses actually incurred in the performance of his duties
as a member of said board. Any requisition for expenses
shall be accompanied by a sworn and itemized statement,
which shall be filed with the auditor and permanently
preserved as a public record. The board shall meet in
the office of the commissioner at such times as the com-
missioner and board may determine to be necessary. A
majority of the members of the board shall constitute a quorum.

The board shall be an advisory body to the commissioner, and as such shall advise him as to the issuance, refusal or denial, or the suspension or revocation of any license sought or held in accordance with the provisions of this article.

§60-7-10. Duties and powers of commissioner.

1. The commissioner is hereby authorized:

2. (a) To enforce the provisions of this article;

3. (b) To enter the premises of any licensee at reasonable times for the purpose of inspecting the same, and determining the compliance of said licensee with the provisions of this article;

4. (c) To promulgate such reasonable rules and regulations as may be necessary for the execution and enforcement of the provisions of this article, which may include but shall not be limited to the hours during which licensees may sell alcoholic liquors, and the use, handling, service and sale of such alcoholic liquors. Such rules and regulations shall be promulgated in accordance with the
provisions of article three of chapter twenty-nine-a of
the code in like manner as if said article three of said
chapter twenty-nine-a was set forth in extenso in this
subsection;
(d) To issue subpoenas and subpoenas duces tecum
for the purposes of conducting hearings under the pro-
visions of section thirteen of this article, which subpoenas
and subpoenas duces tecum shall be issued in the time,
for the fees, and shall be enforced in the manner, speci-
fied in section one, article five of chapter twenty-nine-a
of this code with like effect as if said section one was
set forth in extenso in this subsection.

§60-7-11. Licensee must purchase alcoholic liquors from or
through the West Virginia alcohol beverage control
commissioner; designation of such purchases.

All licensees shall purchase all alcoholic liquors sold
by them from the West Virginia alcohol beverage con-
trol commissioner at prices established by such com-
mmissioner for sales of such alcoholic liquors to the public
generally. The commissioner shall prepare and cause
to be affixed a distinctive marker, stamp or other desig-
nation to each bottle of alcoholic liquor purchased by a
licensee, which marker, stamp or other designation shall
remain on such bottle at all times while it is in the pos-
session of the licensee.

§60-7-12. Certain acts of licensee prohibited; penalties.

(a) It shall be unlawful for any licensee, or agent,
employee or member thereof, on such licensee's premises
to:

(1) Sell or offer for sale any alcoholic liquors other
than from the original package or container;

(2) Authorize or permit any disturbance of the peace;
obscene, lewd, immoral or improper entertainment, con-
duct or practice;

(3) Sell, give away, or permit the sale of, gift to, or
the procurement of any alcoholic liquors, for any minor,
mental incompetent, or person who is physically incapaci-
tated due to the consumption of alcoholic liquor, or the
use of drugs;

(4) Sell, give or dispense alcoholic liquors in or on
any licensed premises or in any rooms directly connected
therewith, between the hours of two o'clock a. m. and
one o'clock p. m. on any Sunday;
(5) Permit the consumption by, or serve to, on the li-
censed premises, any alcoholic liquors, covered by this ar-
ticle, to any person under the age of twenty-one years; or
(6) With the intent to defraud, alter, change or mis-
represent the quality, quantity or brand name of any
alcoholic liquor.
(b) It shall further be unlawful for any licensee to
advertise in any news media or other means, outside of
the licensee's premises, the fact that alcoholic liquors
may be purchased thereat.
(c) Any person who violates any of the foregoing
provisions shall be guilty of a misdemeanor and upon
conviction thereof shall be punished by a fine of not
less than fifty dollars nor more than five hundred dollars,
or by imprisonment in the county jail for a period not
to exceed one year, or by both fine and imprisonment.
§60-7-13. Revocation or suspension of license; investigation; right to a hearing; procedure upon refusal to issue license or suspension or revocation of license; costs and bond; hearing; judicial review; appeal; legal assistance for commissioner.

1. (a) The commissioner may on his own motion, or shall on the sworn complaint of any person, conduct an investigation to determine if any provisions of this article have been violated by any licensee. The commissioner may suspend or revoke any licensee's license if he finds that such licensee has violated any provision of this article, or if he finds the existence of any ground on which a license could have been refused, if such licensee were then applying for the same, and if the commissioner shall find that a licensee has wilfully violated any provision of this article he shall revoke such licensee's license.

2. Upon final conviction of a licensee, or any employee thereof acting within the scope of his employment, of any violation of any municipal ordinance or statute of the state of West Virginia relating to the regulation and control of alcoholic liquors, gambling, prostitution, or
the sale, possession or distribution of narcotics or dangerous drugs, before any justice of the peace, municipal court or court of record, the commissioner shall forthwith revoke the licensee's license. Such revoked license shall not be reissued or reinstated for a period of one year from the date of such revocation. The location used by the licensee whose license shall have been revoked shall not be used or occupied by any other licensee during said one-year period, and the commissioner shall not issue a new license to any applicant to use said premises during the period of one year from the date of revocation.

(b) Whenever the licensee fails or refuses to keep the bond required by section four of this article in full force and effect, such licensee's license shall be automatically suspended until such time as bond required by said section four is furnished to the commissioner, at which time such suspension shall be vacated.

(c) Whenever the commissioner shall refuse to issue a license, or shall suspend or revoke a license, he shall
make and enter an order to that effect, and cause a copy
of the same to be served in person or by certified mail,
return receipt requested, on the licensee or applicant.
(d) Any applicant or licensee, as the case may be,
adversely affected by such order shall have a right to a
hearing thereon before the commissioner, providing that
demand in writing for such hearing is served upon the
commissioner, within ten days following the receipt by
such applicant or licensee of said certified copy of said
order. The service of such demand for a hearing upon
the commissioner shall operate to suspend the execu-
tion of the order with respect to which a hearing is being
demanded, except an order suspending a license under
the provisions of subsection (b) of this section. The
person demanding a hearing shall give security for the
cost of such hearing in such form and amount as the
commissioner may reasonably require. If the person de-
manding such hearing does not substantially prevail in
such hearing or upon judicial review thereof as here-
inafter provided, then the costs of such hearing shall
be assessed against him by the commissioner and may
be collected by an action at law or other proper remedy.

(e) The commissioner shall immediately set a date for such hearing and notify the person demanding such hearing thereof, which hearing shall be held within thirty days after receipt of said demand. At such hearing the commissioner shall hear evidence and thereafter make and enter an order supported by findings of facts, affirming, modifying or vacating the order with respect to which such hearing was held, which order shall be final unless vacated or modified upon judicial review thereof.

(f) Such hearing and the administrative procedure prior to, during and following the same shall be governed by and in accordance with the provisions of article five, chapter twenty-nine-a of this code in like manner as if the provisions of article five were set forth in extenso in this section.

(g) Any person adversely affected by an order entered following such hearing shall have the right of judicial review thereof in accordance with the provisions of section four, article five, chapter twenty-nine-a
of this code with like effect as if the provisions of said
section four were set forth in extenso herein.

(h) The judgment of a circuit court reviewing such
order of the commissioner shall be final unless reversed,
vacated or modified on appeal to the supreme court of
appeals in accordance with the provisions of section one,
article six, chapter twenty-nine-a of this code.

(i) Legal counsel and services for the commissioner
in all such proceedings in any circuit court and the
supreme court of appeals shall be provided by the at-
torney general or his assistants and in any proceedings
in any circuit court by the prosecuting attorney of that
county as well, all without additional compensation.

§60-7-14. Forfeiture of bond; collection.

1 On conviction of a violation of any provision of this
article or upon the revocation of a license in accord-
ance with section thirteen of this article, which con-
viction or revocation has become final, the licensee
or former licensee, as the case may be, shall forfeit his
bond required by section four of this article. The penal
sum of said bond shall forthwith be paid to the state
treasurer to be credited to the general revenue fund of this state. Such sum may be collected by an action at law or other appropriate remedy.

§60-7-15. License for the sale of nonintoxicating beer.

Notwithstanding any other provision of this code to the contrary, no licensee shall be prohibited from obtaining a license for the sale of nonintoxicating beer under the provisions of article sixteen of chapter eleven of this code because such licensee sells alcoholic liquors, permits the consumption of alcoholic liquor on his premises, or is the holder of a federal tax stamp permitting the sale of such alcoholic liquor.

§60-7-16. Severability.

If any article, section, subsection, provision, clause or phrase of this chapter or the application thereof to any person or circumstance is held unconstitutional or invalid, such unconstitutionality or invalidity shall not affect other articles, sections, subsections, provisions, clauses or phrases or applications of the chapter, and to this end each and every article, section, subsection, provision, clause and phrase of this chapter is declared
to be severable. The Legislature hereby declares that it would have enacted the remaining articles, sections, subsections, provisions, clauses and phrases of this chapter even if it had known that any articles, sections, subsections, provisions, clauses and phrases thereof would be declared to be unconstitutional or invalid, and that it would have enacted this chapter even if it had known that the application thereof to any person or circumstance would be held to be unconstitutional or invalid.

§60-7-17. Repealer.

All parts of this code inconsistent with the provisions of this article are hereby repealed to the extent of such inconsistency.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

William Tempos
Chairman Senate Committee

Clayton C. Davidson
Chairman House Committee

Originated in the House.

Takes effect from passage.

Francis M. Meyry
Clerk of the Senate

J. A. Blankenship
Clerk of the House of Delegates

Howard A. Snare
President of the Senate

H. Laban White
Speaker House of Delegates

The within approved this the 18th day of February, 1967.

Helen C. Smith
Governor
PRESENTED TO THE GOVERNOR

Date 2/13/67
Time 2:28 P.M.