LC02279

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2010

AN ACT

RELATING TO ALCOHOLIC BEVERAGES -- LICENSES GENERALLY

Introduced By: Senators Jabour, Ciccone, and Goodwin

Date Introduced: April 06, 2010

Referred To: Senate Constitutional & Regulatory Issues

It is enacted by the General Assembly as follows:

SECTION 1. Sections 35-19, 35-21 and 3-5-23 of the General Laws in Chapter 3-5

entitled "Licenses Generally" are hereby amended to read as follows:

<u>3-5-19. Transfer or relocation of license.</u> – (a) The board, body or official which has issued any license under this title may permit the license to be used at any other place within the limits of the town or city where the license was granted, or, in their discretion, permit the license to be transferred to another person, but in all cases of change of licensed place or of transfer of license, the issuing body shall, before permitting the change or transfer, give notice of the application for the change or transfer in the same manner as is provided in this chapter in the case of original application for the license, and a new bond shall be given upon the issuance of the license provided, that notice by mail need not be made in the case of a transfer of a license without relocation. In all cases of transfer of license, indebtedness of the licensee incurred in the operation of the licensed premises shall be paid to or released by an objecting creditor before the issuing body permits the transfer. In cases of dispute as to the amount of indebtedness, the issuing body, may, in its discretion, permit the transfer upon statement of the licensee, under oath, that the claim of indebtedness is disputed and that the statement of dispute is not interposed for the purpose of inducing transfer of the license. No creditor is allowed to object to the transfer of a license by a receiver, trustee in bankruptcy, assignee for the benefit of creditors, executor, administrator, guardian or by any public officer under judicial process. In case of the death of any

licensee, the license becomes part of the personal estate of the deceased. The holders of any retail

- 1 Class A license within the city or town issuing or transferring a Class A license have standing to
- 2 be heard before the board, body, or official granting or transferring the license.
- 3 (b) The transfer of a license is contingent upon the full payment of outstanding police
- 4 <u>detail bills.</u>
- 5 (c) The transferee of a license assumes all penalties that the license board has imposed
- 6 upon the transferor of the license.
- 7 <u>3-5-21. Revocation or suspension of licenses -- Fines for violating conditions of </u>
- 8 <u>license. --</u> (a) Every license is subject to revocation or suspension and a licensee is subject to fine
- 9 by the board, body or official issuing the license, or by the department or by the division of
- 10 taxation, on its own motion, for breach by the holder of the license of the conditions on which it
- was issued or for violation by the holder of the license of any rule or regulation applicable, or for
- 12 breach of any provisions of this section.
- 13 (b) Any fine imposed pursuant to this section shall not exceed five hundred dollars
- 14 (\$500) for the first offense and shall not exceed one thousand dollars (\$1,000) for each
- subsequent offense. For the purposes of this section, any offense committed by a licensee three
- 16 (3) years after a previous offense shall be considered a first offense.
- 17 (c) In the event that a licensee is required to hire a police detail and the police refuse to
- place a detail at the location because a licensee has failed to pay outstanding bills to the police
- department, the licensee shall not be allowed to open its place of business.
- 20 3-5-23. Revocation of license for criminal offenses or disorderly conditions -- Action
- 21 **on bond.** -- (a) If any licensed person is convicted of violating any of the provisions of this title,
- or of chapters 6, 10, 34, 40 or 45 of title 11, or sections 11-2-1, 11-9-13, 11-9-15, 11-11-5, 11-11-
- 23 6, 11-18-2 -- 11-18-4, 11-20-1, 11-20-2, 11-23-4, 11-30-1 -- 11-30-11, 11-31-1 or 11-37-2 -- 11-
- 24 37-4, or pleads guilty or nolo contendere to any complaint or indictment under any of these
- 25 provisions, or if his or her license is revoked, his or her bond shall be put in suit by the town or
- 26 city treasurer of the city or town where the bond is given, and by due process of law the penal
- sum of the bond shall be recovered for the use of the town or city.
- 28 (b) If any licensed person permits the house or place where he or she is licensed to sell
- 29 beverages under the provisions of this title to become disorderly as to annoy and disturb the
- 30 persons inhabiting or residing in the neighborhood, or permits any gambling or unlawful gaming
- 31 to be carried on in the neighborhood, or permits any of the laws of this state to be violated in the
- 32 neighborhood, in addition to any punishment or penalties that may be prescribed by statute for
- that offense, he or she may be summoned before the board, body, or official which issued his or
- 34 her license and before the department, when he or she and the witnesses for and against him or

| | her may | be heard. | If it | appears | to | the | satisfaction | of | the | board, | body, | or | official | hearing | the |
|--|---------|-----------|-------|---------|----|-----|--------------|----|-----|--------|-------|----|----------|---------|-----|
|--|---------|-----------|-------|---------|----|-----|--------------|----|-----|--------|-------|----|----------|---------|-----|

- charges that the licensee has violated any of the provisions of this title or has permitted any of the
- 3 things listed in this section, then the board, body, or official may suspend or revoke the license or
- 4 enter another order.

2

- 5 (c) In case the license is revoked, the licensed person after the revocation shall cease to
- 6 have any authority under the license and shall be disqualified from holding any of the licenses
- 7 provided for in this title for a period of five (5) years following the revocation.
- 8 (d) The revocation of a license shall not interfere with or prejudice the right of recovery
- 9 upon the licensee's bond for the full amount of the bond.
- 10 (e) The board, body or official which has issued a license under this title may ban the
- 11 <u>admittance of people under the age of twenty-one (21) following the finding that the licensee was</u>
- 12 responsible for criminal offenses, disorderly conduct upon the premises, or has been found to
- have served alcohol to minors at the licensed premises.
- SECTION 2. This act shall take effect upon passage.

LC02279

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO ALCOHOLIC BEVERAGES -- LICENSES GENERALLY

| l | This act would require liquor licensees to pay police detail bills in full before they are |
|---|--|
| 2 | allowed to operate. This act would make the transferee of the license would assume all previous |
| 3 | penalties imposed. This act would also allow licensing authorities to prevent the admittance of |
| 4 | persons under the age of twenty-one (21) following violations upon the premises which the |
| 5 | licensee was responsible for or if there was a finding that the licensee served alcohol to minors. |
| 5 | This act would take effect upon passage. |
| | |

LC02279