

HOUSE BILL 2240

By Haynes

AN ACT to amend Tennessee Code Annotated, Section 57-3-202 and Title 57, Chapter 4, relative to consumption of alcoholic beverages on premises.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 57-4-101(h), is amended by deleting the last sentence of the subsection.

SECTION 2. Tennessee Code Annotated, Section 57-4-102(6), is amended by deleting subdivision (A).

SECTION 3. Tennessee Code Annotated, Section 57-4-102(20), is amended by deleting subdivision (A) and substituting instead the following:

(A) "Hotel" (Motel) means every building or other structure kept, used, maintained, advertised and held out to the public to be a place where sleeping accommodations are offered for adequate pay to travelers and guests, whether transient, permanent, or residential, in which twenty (20) or more rooms are used for the sleeping accommodations of such guests and having an adequate and sanitary kitchen for public dining. If such sleeping accommodations and dining rooms are being conducted in the same building or in separate buildings or structures used in connection therewith that are on the same premises and are a part of the hotel operation they may be licensed together. Motels meeting the qualifications set out herein for hotels shall be classified in the same category as hotels. Hotels shall have the privilege of granting franchises for the operation of a restaurant on their premises and the holder of such franchise shall be included in the definition of "hotel" hereunder;

SECTION 4. Tennessee Code Annotated, Section 57-4-102(21)(A)(iii), is amended by adding the following language at the end of the subdivision:

Prepared food may include food not prepared on the premises but catered into the premises and sold on the premises;

SECTION 5. Tennessee Code Annotated, Section 57-4-102(21), is amended by deleting subdivision (C).

SECTION 6. Tennessee Code Annotated, Section 57-4-102(29)(C)(i), is amended by deleting the language "Within a national historical landmark district or urban park center," and substituting instead the language "Within a national historical landmark district, central business improvement district as defined in the Central Business Improvement District Act of 1990, compiled in title 7, chapter 84, part 5, or urban park center,".

SECTION 7. Tennessee Code Annotated, Section 57-4-102(29), is amended by deleting subdivision (E).

SECTION 8. Tennessee Code Annotated, Section 57-4-102(38)(H), is amended by deleting subdivision (v).

SECTION 9. Tennessee Code Annotated, Section 57-4-106, is amended by deleting the language "sell wine only" and substituting instead the language "sell alcoholic beverages or wine only".

SECTION 10. Tennessee Code Annotated, Section 57-4-201(b), is amended by deleting subdivision (1) and substituting instead the following:

(1) Any person, firm or corporation owning any hotel, convention center, premier type tourist resort, restaurant, club, historic performing arts center, community theater, theater, historic interpretive center, urban park center, zoological institution, public aquarium, museum, historic mansion house site, commercial passenger boat company, commercial air carrier airport, commercial airline travel club, or sports authority facility as defined in § 57-4-102, desiring to sell wine or other alcoholic beverages for consumption on its premises where food may be served, shall make application to the commission in

duplicate on forms furnished by the commission for a permit so to do. The commission is authorized to issue a limited permit to a restaurant making application under § 57-4-101(c)(1), authorizing such restaurant to serve wine but not any other alcoholic beverages. No person, firm or corporation shall be authorized to engage in making such sales until the permit therefor is approved and issued by the commission. For LLCs and corporations applying for a license to sell wine or other alcoholic beverages, the LLC and corporation shall be considered the applicant. Multi-member LLCs or corporations with more than one (1) shareholder may designate an officer of the corporation for the purpose of verifying citizenship pursuant to the Eligibility Verification for Entitlements Act, compiled in title 4, chapter 58, and completing questionnaires related to compliance with subdivision (b)(2). All such checks on LLCs and corporations applying for licensure shall be conducted on its designated officer.

SECTION 11. Tennessee Code Annotated, Section 57-3-202(f)(1), is amended by adding the following language at the end of the subdivision:

A manufacturer's license may be issued to a person, firm or corporation for the limited purpose of blending nonalcoholic products with alcoholic beverages on premises, either on its own behalf or on behalf of other entities pursuant to a contract. Any holder of a license to serve alcoholic beverages on-premises pursuant to chapter 4 of this title may blend or infuse alcoholic beverages on the premises without obtaining a manufacturer's license as long as the alcoholic beverages used in the blend or infusion is obtained by a licensed wholesaler and the blend or infusion is served on the premises of the licensee. All blends or infusions of alcoholic beverages produced by the holder of an on-premises license shall be labeled with the date of creation and the ingredients including the amount of alcoholic beverages used in the blend or infusion. Each blend or

infusion shall be stored in containers that are not adorned with any brand or labels of the manufacturer of the alcoholic beverages.

SECTION 12. Tennessee Code Annotated, Section 57-4-203(g)(1), is amended by deleting the period (.) at the end of the subdivision and substituting instead the following:

except that a licensee may serve wine and alcoholic beverages provided for a private event held on the licensee's premises. A private event shall be any event for which invitations are issued, in whatever medium, and the general public is not permitted to enter.

SECTION 13. Tennessee Code Annotated, Section 57-4-203(i)(2), is amended by deleting the language "rooms or suites or banquet rooms of".

SECTION 14. Tennessee Code Annotated, Section 57-4-203(i)(3), is amended by deleting the language "where the restaurant, hotel, or caterer is providing food service at such event".

SECTION 15. This act shall take effect upon becoming a law, the public welfare requiring it.