



State of Tennessee

PUBLIC CHAPTER NO. 147

SENATE BILL NO. 695

By Yager

Substituted for: House Bill No. 435

By Ramsey

AN ACT to amend Tennessee Code Annotated, Section 57-1-108; Section 57-1-201; Section 57-3-101; Section 57-3-104; Section 57-3-411; Section 57-3-703; Section 57-3-704; Section 57-3-802; Section 57-3-805; Section 57-4-101; Section 57-4-102; Section 57-4-107; Section 57-4-201; Section 57-4-203 and Section 57-9-201, relative to alcoholic beverages and beer.

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

SECTION 1. Tennessee Code Annotated, Section 57-1-108, is amended by adding the following language as a new subsection (d):

(d) This section shall not apply to server permits issued under § 57-3-704.

SECTION 2. Tennessee Code Annotated, Section 57-3-104(c)(10), is amended by deleting the language "Refuse to issue or renew a license or permit if, upon investigation," and substituting instead the language "Refuse to issue or renew a license or permit, or issue a citation in an amount not to exceed one hundred dollars (\$100) per violation if, upon investigation,".

SECTION 3. Tennessee Code Annotated, Section 57-4-203(o), is amended by adding the following language as a new subdivision:

(4) Notwithstanding any law to the contrary, the commission is authorized to issue a citation in an amount not to exceed five hundred dollars (\$500) per violation against any retailer licensed under § 57-4-101 if, upon investigation, the commission finds that the retailer has failed to satisfy its obligations to any wholesaler in accordance with each wholesaler's credit terms twice within a twelve-month period.

SECTION 4. Tennessee Code Annotated, Section 57-4-203(b)(1), is amended by adding the following language as a new subdivision:

(C) The commission may, upon finding that a licensee has violated subdivision (b)(1)(A) or (B) two (2) or more times during any two-year period, and for good cause shown, fine the licensee not more than ten thousand dollars (\$10,000) and require retraining of all employees of the licensee under the supervision of the commission in lieu of suspending or revoking the license of the licensee.

SECTION 5. Tennessee Code Annotated, Section 57-4-203(g), is amended by adding the following language as a new subdivision:

(3) This subsection (g) shall not apply to events held by special occasion licensees who receive donated alcoholic beverages or beer.

SECTION 6. Tennessee Code Annotated, Section 57-4-203(k), is amended by designating the existing subsection as subdivision (k)(1) and by adding the following language as a new subdivision:

(2) A charitable, nonprofit, or political organization, or any representative thereof, may accept donations of alcoholic beverages and beer from any licensee holding a license issued pursuant to § 57-3-202, § 57-3-203, § 57-3-204, § 57-3-207, § 57-3-605 or § 57-4-101; provided, that the charitable, nonprofit, or political organization serves or sells such alcoholic

beverages and beer at an event conducted by the charitable, nonprofit, or political organization as a special occasion licensee.

SECTION 7. Tennessee Code Annotated, Section 57-4-101(g), is amended by deleting the language "consumed on a designated premises" and substituting instead the language "consumed on the designated premises, or sold or donated in sealed containers for off-premises consumption".

SECTION 8. Tennessee Code Annotated, Section 57-4-101, is amended by adding the following language as a new subsection:

(o) It is lawful to furnish, dispense, or give away alcoholic beverages and beer without a license or permit issued by the commission at a private party or private event.

SECTION 9. Tennessee Code Annotated, Section 57-4-102(29)(A), is amended by deleting the language "as defined in subdivision (35), for those restaurants located within a jurisdiction that has elected Tennessee River resort district status,".

SECTION 10. Tennessee Code Annotated, Section 57-4-102(29)(A), is amended by adding the following language as a third sentence:

As used in this subdivision (29), "seasonal closing" means the period from November 1 to March 1 or a period of time, if different from such dates, as filed by the restaurant with the alcoholic beverage commission;

SECTION 11. Tennessee Code Annotated, Section 57-4-102(35), is amended by deleting the third sentence in its entirety.

SECTION 12. Tennessee Code Annotated, Section 57-3-703(a)(1), is amended by deleting the subdivision in its entirety, and substituting instead the following:

(1) Has not been convicted of a felony offense involving theft, dishonesty, deceit, or intoxication within the previous eight (8) years;

SECTION 13. Tennessee Code Annotated, Section 57-3-704(a)(3)(A), is amended by deleting the subdivision in its entirety, and substituting instead the following:

(A) Has not been convicted of a felony offense involving theft, dishonesty, deceit, or intoxication within the previous eight (8) years;

SECTION 14. Tennessee Code Annotated, Section 57-1-201, is amended by adding the following language as a new subsection:

(d) In any case where the commission is authorized to suspend or revoke a license or permit, it may enter into an agreement by order with the licensee or permittee where the licensee or permittee voluntarily surrenders the license or permit. Such surrender shall be deemed a revocation of the license or permit.

SECTION 15. Tennessee Code Annotated, Section 57-3-411(a), is amended by deleting the language "such goods shall be delivered to the commission for sale at public auction to the highest bidder after due advertisement" and substituting instead the language "such goods may be delivered to the commission for sale at public auction to the highest bidder after due advertisement".

SECTION 16. Tennessee Code Annotated, Section 57-9-201(a), is amended by deleting the language "shall be delivered" and substituting instead the language "may be delivered".

SECTION 17. Tennessee Code Annotated, Section 57-3-411(c)(2), is amended by deleting the language "shall be sold at public sale" and substituting instead the language "may be sold at public sale".

SECTION 18. Tennessee Code Annotated, Section 57-3-411, is amended by adding the following language as a new subsection:

(e) In all cases of seizure or confiscation of property under this chapter where the commission does not sell such property at public auction, the commission may destroy such property after resolution of the criminal or administrative process; provided, that the property is of nominal value in comparison to the cost of a public sale.

SECTION 19. Tennessee Code Annotated, Section 57-3-805, is amended by adding the following language at the end of the section:

If a county-wide referendum is approved under this part 8, the premises of a retail food store wine license may be located in any municipality that participated in the referendum regardless of the minimum population requirement for a municipality in § 57-3-101.

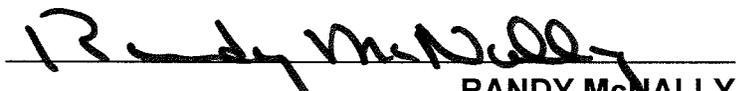
SECTION 20. Tennessee Code Annotated, Section 57-4-107, is amended by adding the following as a new subsection:

(c) If a county-wide referendum for the legal sale of alcoholic beverages for consumption on the premises is approved in a county, the sales of alcoholic beverages are permitted in any municipality that participated in the referendum regardless of the minimum population requirement for a municipality in § 57-3-101.

SECTION 21. This act shall take effect upon becoming a law, the public welfare requiring it.

SENATE BILL NO. 695

PASSED: April 6, 2017



RANDY McNALLY
SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 17th day of April 2017



BILL HASLAM, GOVERNOR