



State of Tennessee
PUBLIC CHAPTER NO. 947

SENATE BILL NO. 3358

By Ketron

Substituted for: House Bill No. 3610

By Ramsey

AN ACT to amend Tennessee Code Annotated, Title 57, relative to certain authority of the Tennessee Alcoholic Beverage Commission.

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

SECTION 1. Tennessee Code Annotated, Section 57-4-201(b)(3), is amended by deleting subdivision (E) in its entirety and by substituting instead the following language:

(E)(i) If a license is requested by an applicant who does not hold an existing license as a restaurant, it shall be a rebuttable presumption that the amount of gross sales from prepared food will be at least fifteen percent (15%) but not more than twenty percent (20%). An applicant may rebut the presumption by including with the application a business plan which indicates the gross sales from prepared food will be higher than twenty percent (20%). The commission shall advise each applicant of the applicant's right to include with the application a business plan which includes a projection of the amount of gross sales of prepared food and in such case, the commission shall assess the appropriate license fee based on such projection.

(ii) Any establishment applying for a renewal of its license as a limited service restaurant shall submit a sworn statement indicating the percentage of gross revenue for the previous year derived from food sales and the gross revenue derived from sales of alcoholic beverages. If the statement indicates the gross sales from prepared food was higher than the initial projection or higher than the amount actually sold in the previous year, requiring the payment of a lower licensure fee, the commission shall refund the difference to the licensee within thirty (30) days of the date the statement is filed with the commission. If the statement indicates the gross sales from prepared food was less than the projection or than the amount actually sold in the previous year, requiring the payment of a higher licensure fee, the commission shall require the licensee to pay to the commission the difference between the licensure fee actually paid at the time the renewal fee is paid.

SECTION 2. Tennessee Code Annotated, Section 57-3-404(h)(2), is amended by designating the existing language as subdivision (A) and by adding the following language as new, appropriately designated subdivisions:

(B)(i) The tastings may be held at the option of the retail licensee during the hours the retail licensee is open for business, without filing any notice other than as provided in subdivision (ii) with the commission, and no charge or fee may be assessed by the commission for a retail licensee to offer such complimentary samples.

(ii) With its annual renewal, the retail licensee shall notify the commission of its intention to conduct tastings during the year on the premises of the retail licensee. If following the date the license is renewed, the retail licensee makes a determination to offer tastings, the licensee shall notify the commission of its intention to conduct tastings for the remainder of the year.

(C) The size of each sample shall be no greater than approximately two ounces (2 oz.) for each wine or high alcohol content beer sample and no greater than approximately one-half ounce (1/2 oz.) for each liquor sample. It is the responsibility of the retail licensee to limit the number of tastings per customer and the number of products available for tasting.

(D) Notwithstanding any law or rule to the contrary, a retail licensee or employee of the licensee may participate in tastings.

(E) A server permit is not required for employees conducting tastings if the employee has a permit pursuant to § 57-3-703; provided that every retail licensee which offers tastings is encouraged to ensure that any employee who is involved with the tastings understands that a violation of § 57-3-406(c) and (d) and § 57-3-412 related to retail sales apply equally to those customers who participate in the tastings.

SECTION 3. Tennessee Code Annotated, Section 57-3-204(a), is amended by deleting the language "and not for consumption on the premises" and substituting instead the language "and not for consumption on the premises except for conducting tastings pursuant to § 57-3-404(h)(2)".

SECTION 4. Tennessee Code Annotated, Section 57-3-406, is amended by deleting subsection (b) in its entirety and by substituting instead the following language:

(b) Nothing in this chapter shall prohibit a retailer from offering a discount in such manner as the retailer deems appropriate as long as the discount being offered is not below the cost paid by the retailer to purchase the alcoholic beverages from the wholesaler.

SECTION 5. Tennessee Code Annotated, Section 57-4-203, is amended by adding the following language as a new, appropriately designated subsection:

() Nothing in this chapter shall prohibit a licensee from offering a discount in such manner as the licensee deems appropriate as long as the discount being offered is not below the cost paid by the licensee to purchase the alcoholic beverages from the retailer.

SECTION 6. Tennessee Code Annotated, Section 57-1-209, is amended by designating the existing language as subsection (a) and by adding the following language as a new subsection (b):

(b) The executive director of the commission shall file an annual report with the State and Local Government Committees of each house no later than March 1st detailing with specificity each rule promulgated during the previous year together with the rationale for promulgating the rule.

SECTION 7. Tennessee Code Annotated, Section 57-1-201, is amended by adding the following language as a new subsection thereto:

(c) Any document a person receives informing the person of having a fine imposed upon such person shall cite each particular rule or statute the person is being charged with violating.

SECTION 8. Tennessee Code Annotated, Section 57-4-102(8)(A), is amended by adding the following language prior to the last sentence of the subdivision:

The premises, as provided in § 57-4-101(a)(2) for a club, shall also include the golf course, tennis courts and the area immediately surrounding the swimming pool, if a club offers such amenities.

SECTION 9. This act shall take effect upon becoming a law, the public welfare requiring it.

SENATE BILL NO. 3358

PASSED: April 24, 2012



RON RAMSEY

SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER

HOUSE OF REPRESENTATIVES

APPROVED this 10th day of May 2012



BILL HASLAM, GOVERNOR