



State of Tennessee

PUBLIC CHAPTER NO. 898

HOUSE BILL NO. 2240

By Representatives Lamberth, Jernigan

Substituted for: Senate Bill No. 2344

By Senators Dickerson, Ketron

AN ACT to amend Tennessee Code Annotated, Title 57, relative to alcoholic beverages.

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

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

(A) In any case where the commission is given the power to suspend or revoke any license or permit, it may impose a fine. Fines imposed shall:

(i) Not exceed one thousand five hundred dollars (\$1,500) for retailers licensed under § 57-3-204; provided, that the commission may impose a fine in excess of one thousand five hundred dollars (\$1,500) in accordance with § 57-3-406(d)(3);

(ii) Not exceed one thousand five hundred dollars (\$1,500) for permittees authorized to sell alcoholic beverages for consumption on the premises under § 57-4-201; provided, that the commission may impose a fine in excess of one thousand five hundred dollars (\$1,500) in accordance with § 57-4-203(b)(1)(C);

(iii) Not exceed two thousand dollars (\$2,000) for wholesalers licensed under § 57-3-203; and

(iv) Not exceed ten thousand dollars (\$10,000) for manufacturers licensed under chapter 2 of this title or § 57-3-202.

SECTION 2. Tennessee Code Annotated, Section 57-3-406(d), is amended by adding the following language as a new subdivision (3):

(3) The commission may, upon finding that a licensee has violated subdivision (d)(1) 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 3. Tennessee Code Annotated, Section 57-3-606, is amended by adding the following language at the end of the section:

Notwithstanding § 57-1-201(b)(1)(A), no administrative action, including the imposition of any fine, may be brought against a wholesaler under this section unless, prior to bringing the action, the commission has provided written notice to the wholesaler advising the wholesaler that the supplier's nonresident seller's permit has been revoked, suspended, or not renewed.

SECTION 4. Tennessee Code Annotated, Section 57-1-201(b)(1), is amended by adding the following language as a new subdivision (C):

(C) Notwithstanding subdivision (b)(1)(A), no administrative action, including the imposition of a fine, may be brought against a wholesaler for a violation of § 57-3-301(d) unless, prior to bringing the action, the commissioner of revenue has provided written

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notice to the wholesaler advising the wholesaler that the tax for a brand of liquor has not been paid by a supplier.

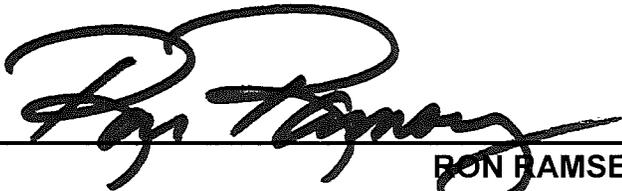
SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it.

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PASSED: April 13, 2016



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES



RON RAMSEY
SPEAKER OF THE SENATE

APPROVED this 27th day of April 2016



BILL HASLAM, GOVERNOR