

Amendment No. 2 to HB2027

Sargent
Signature of Sponsor

AMEND Senate Bill No. 2415

House Bill No. 2027*

by adding the following new sections immediately preceding the last section and by renumbering the subsequent section accordingly:

SECTION __. Tennessee Code Annotated, Section 57-3-104(c), is amended by adding the following language as a new, appropriately designated subdivision:

() Refuse to issue or renew a license or permit if, upon investigation, the commission finds that the applicant for a license or permit has not demonstrated the financial capacity to operate the business in a manner consistent with the regulations of the commission or is not generally paying its debts as they come due except for debts as to which there is a bona fide dispute;

SECTION __. Tennessee Code Annotated, Section 57-3-813, is amended by adding the following language at the end of the section:

In order to facilitate the implementation of this section, all payments to wholesalers by such licensees shall be made by electronic funds transfer, credit card, debit card, or such other method as approved by the commission that will facilitate full payment at or near the time of delivery.

SECTION __. Tennessee Code Annotated, Section 57-3-202, is amended by adding the following language as a new subsection (i):

(i)

(1) Any nonprofit association organized to encourage and support the manufacture of alcoholic beverages with three (3) or more manufacturers licensed under this section or non-manufacturer non-

-resident sellers licensed under § 57-3-602(c) as members shall be allowed to hold not more than fifteen (15) alcoholic beverage festivals per calendar year. Each festival shall not exceed a period of seventy-two (72) hours.

(2) Any manufacturer licensed under this section or non-manufacturer non-resident seller licensed under § 57-3-602(c) participating in a festival authorized by this subsection (i) shall be allowed to transport, serve and offer complimentary samples of any alcoholic beverage lawfully manufactured by the manufacturer or on behalf of the non-manufacturer non-resident seller pursuant to § 57-3-602(c) for tasting at the festival.

(3) Any manufacturer licensed under this section or non-manufacturer non-resident seller licensed under § 57-3-602(c) participating in a festival authorized by this subsection (i) shall be allowed to transport alcoholic beverages produced by that manufacturer or on behalf of that non-manufacturer non-resident seller to sell at the festival for consumption off-premises.

(4)

(A) Any nonprofit association authorized by this subsection (i) to hold an alcoholic beverage festival shall apply for a special occasion license as defined in § 57-4-102, in order for participating manufacturers licensed under this section or non-manufacturer non-resident sellers licensed under § 57-3-602(c) to serve complimentary samples as described in subdivision (i)(2) and to sell alcoholic beverages produced by the manufacturers or

on behalf of the non-manufacturer non-resident sellers for consumption off-premises.

(B) Notwithstanding § 57-4-102(32)(A), a special occasion license issued for an alcoholic beverage festival authorized by this subsection (i) shall be for the duration of the festival for which application is made for a period not to exceed seventy-two (72) hours. A special occasion license issued pursuant to this subsection (i) shall only be available upon the payment of the fee as required by law for each separate day of the festival.

(C) A nonprofit association authorized to conduct an alcoholic beverage festival pursuant to this subsection (i) shall be permitted to hold the festival in any municipality or county of the state in the manner provided in subdivision (i)(5).

(5) A nonprofit association, as defined in subdivision (i)(1), is authorized to conduct an alcoholic beverage festival pursuant to this subsection (i) in a municipality or county of this state that has approved the sale of alcoholic beverages or has a licensed manufacturer located in that municipality or county, subject to complying with all permit requirements of the municipality or county, and in all other municipalities or counties upon receiving approval of the legislative body of the municipality or county to hold such festival at a location and in such manner authorized by such legislative body.

SECTION __. Tennessee Code Annotated, Section 57-3-202(h)(1), is amended by deleting the subdivision in its entirety and by substituting instead the following:

(1) A manufacturer's license issued or renewed under this section to a manufacturer shall also allow such manufacturer to sell at retail on the licensed

premises of the manufacturer products that are manufactured on the manufacturer's premises; provided, that no more than five gallons (5 gal.) or one-sixth (1/6) of a barrel of its products may be sold to any one (1) individual per visit to the premises. The manufacturer may serve samples of the product manufactured or distilled at the premises to any person of legal drinking age with or without cost or may include such samples as part of a tour of the manufacturer's or distiller's premises available to the public with or without cost. Such samples may be made available at any location on the manufacturing premises permitted by federal law. The manufacturer shall disclose to the commission the location where samples are available. The hours of sale for the manufacturer to sell products at retail shall be between the hours of eight o'clock a.m. (8:00 a.m.) and eleven o'clock p.m (11:00 p.m) on Monday through Saturday and between the hours of twelve o'clock (12:00) noon and seven o'clock p.m. (7:00 p.m.) on Sunday.