

Amendment No. 2 to HB2240

Sargent  
Signature of Sponsor

**AMEND Senate Bill No. 2265\***

**House Bill No. 2240**

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 57-4-102(6)(A), is amended by adding the language “or restaurant” before the semicolon (;).

SECTION 2. Tennessee Code Annotated, Section 57-4-102(20)(A), is amended by deleting the language “seventy-five (75)” and substituting instead the language “fifty (50)”.

SECTION 3. Tennessee Code Annotated, Section 57-4-102(29), is amended by deleting subdivision (E).

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

SECTION 5. Tennessee Code Annotated, Section 57-4-102(38), is amended by adding the language “or designated area” after the language “facility” wherever it appears.

SECTION 6. Tennessee Code Annotated, Section 57-4-203(e)(2), is amended by deleting the language “provision of four (4) seven hundred fifty milliliter (750 ml.)” and by substituting instead the language “provision of up to four (4) seven hundred fifty milliliter (750 ml.) or smaller”.

SECTION 7. Tennessee Code Annotated, Section 57-3-202, is amended by adding the following as a new subsection (g) and by redesignating the existing subsection (g) and the subsequent subsections accordingly:

(g) Notwithstanding subsection (f), an establishment licensed to sell alcoholic beverages for on-premises consumption pursuant to chapter 4, part 1 of this title, may,

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without a manufacturer's license, produce, store and sell infused products pursuant to § 57-4-108.

SECTION 8. Tennessee Code Annotated, Section 57-4-102(1), is amended by deleting the second sentence in the subdivision and by substituting instead the following:

Notwithstanding any provision to the contrary in this title, "alcoholic beverage" or "beverage" also includes any product containing distilled alcohol capable of being consumed by a human being manufactured or made with distilled alcohol irrespective of alcoholic content, including any infused product;

SECTION 9. Tennessee Code Annotated, Title 57, Chapter 4, Part 1, is amended by adding the following as a new section:

57-4-108.

(a) As used in this title, "infusion" or "infused product" means any product created from the combining or mixing of an alcoholic beverage with nonalcoholic products or material over a sustained period of time, and at the time of the combination or mixing, the combination or mixture is not intended for immediate consumption.

(b) Notwithstanding any law to the contrary, an establishment licensed to sell alcoholic beverages for on-premises consumption pursuant to this part may produce, store and sell infusions pursuant to this section. The commission may promulgate rules and regulations regarding the production, storage, and sale of infusions by any licensee in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

(c) Any retail licensee intending to produce, store or sell infusions shall provide written notification to the commission of the licensee's intent to do so either in its initial application for a license with the commission or in its annual renewal application.

(d) All alcoholic beverages used in the production of an infusion must be purchased from a licensed wholesaler.

(e) A batch of infused product must be:

(1) Infused, stored, and consumed on the licensed premises;

(2) Disposed of within two hundred forty (240) hours after the infusion has been produced; and

(3) Stored in a labeled container that is compliant with state and federal food safety statutes, federal alcohol regulations, the Tennessee Consumer Protection Act of 1977, compiled in title 47, chapter 18, part 1, and rules and regulations promulgated by the commission.

(f) A batch of infused product shall not:

(1) Contain any added stimulant, drug, or illegal substance; provided, "added stimulant":

(A) Means any stimulant used in the production of the infusion that is not naturally contained in any food product or beverage used in the production of the infusion; and

(B) Includes, but is not limited to, caffeine, guarana, ginseng, and taurine and any product or beverage which includes stimulants that are not naturally included in the product or beverage, including, but not limited to, energy drinks;

(2) Be removed or transported from the licensed premises;

(3) Be infused in, stored in, or dispensed from an original package of liquor or wine, or a container bearing an alcoholic beverage name brand; or

(4) Be added to a relabeled empty container or another batch if the batch is expired.

(g)

(1) A label shall be placed on each container that holds a batch of infused product, including any container, device or machine used to dispense an infusion. The label must adhere to the container, in a noticeable place, until the entire contents are dispensed or destroyed. The label must legibly identify:

(A) The date and time of infusion of the alcoholic beverages with nonalcoholic ingredients in the container;

(B) The date and time the batch expires;

(C) The recipe title and a description of the name and amount of each ingredient used in the infusion;

(D) The size of the batch; and

(E) The name of the person who prepared the batch.

(2) Each label must be marked clearly with the words "CONTAINS ALCOHOL."

SECTION 10. Tennessee Code Annotated, Section 57-4-102(26), is amended by adding the following language as a new, appropriately designated subdivision:

( ) A commercially operated facility possessing each of the following characteristics:

(i) Has adequate kitchen facilities and a dining area within the facility that has a seating capacity of at least fifty (50);

(ii) Is within four (4) miles of Douglas Lake;

(iii) Is located on the corner of Greenhill Road and Hwy 25-70 within one (1) mile of I-40 at Exit 415; and

(iv) Is located in a county having a population of not less than fifty-one thousand four hundred (51,400) nor more than fifty-one thousand five hundred (51,500) according to the 2010 federal census or any subsequent federal census.

SECTION 11. Tennessee Code Annotated, Section 57-4-101(h), is amended by deleting the language “located in municipalities having a population in excess of one hundred thousand (100,000)”.

SECTION 12. This act shall take effect upon becoming a law, the public welfare requiring it.