



State of Tennessee

PUBLIC CHAPTER NO. 451

HOUSE BILL NO. 241

By Representatives Ramsey, Curcio, Powell, Gillespie, Lamar, Whitson, White, Hardaway, Mannis, Jernigan, Freeman

Substituted for: Senate Bill No. 681

By Senators Kelsey, Yager, Akbari

AN ACT to amend Tennessee Code Annotated, Title 57, relative to off-premises consumption of alcoholic beverages.

WHEREAS, the recent pandemic has substantially damaged Tennessee's food and beverage industry due to its effects on employees in those industries and orders of governments which substantially restricted their activities and abilities to sell food and beverage; and

WHEREAS, these reductions in certain commercial activities in this State have resulted in dramatic reductions in employment, sales, and taxes paid; and

WHEREAS, these reductions in a major portion of this State's largest retail commercial segment, tourism, have cost many Tennesseans all or part of their income during the recent pandemic; and

WHEREAS, this reduction in activity in the tourism industry has cost Tennessee's cities, counties, and this State a tremendous loss in receipts from sales, hotel, and liquor taxes; and

WHEREAS, this State has paid an enormous amount of unemployment benefits to laid-off employees in the tourism industry; and

WHEREAS, thirty-one other states now permit the sale of alcoholic beverages and beer to go in order to support the food service industry; and

WHEREAS, some other states are now considering proposals to allow the delivery of alcoholic beverages and beer along with food to customers; now, therefore,

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

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

(a) Notwithstanding any law to the contrary, a restaurant, limited service restaurant, or wine-only restaurant licensed under this chapter may offer drive-through, pickup, and carryout orders of alcoholic beverages and beer at the licensee's place of business if the sale of alcoholic beverages and beer for consumption off the licensee's premises:

(1) Is accompanied by the sale of prepared food in the same order;

(2) Is packaged in a bottle or can with a secure cap or in a container that is secured by tape which secures the lid, covers any openings in the lid, and which would show that it has been opened; and

(3) Consists of, per purchase, not more than:

(A) A single serving of alcoholic beverages, not to exceed sixteen fluid ounces (16 fl. oz.), or beer as authorized by the local beer board; or

(B) A container of wine that may be lawfully sold within this state.

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(b) A licensee selling alcoholic beverages and beer under this section shall post a conspicuous sign containing the following language:

A driver shall not consume alcoholic beverages or beer while operating a motor vehicle in this state.

(c) This section does not authorize a licensee to sell bottles of distilled spirits.

(d) An employee of a licensee shall not provide alcoholic beverages or beer to a person under twenty-one (21) years of age or who is visibly intoxicated. An employee of a licensee who is providing alcoholic beverages or beer shall inspect a valid, government-issued photo identification card that is acceptable to the licensee and that contains the photograph and birthdate of the purchaser confirming that the purchaser is at least twenty-one (21) years of age.

(e) Sales of alcoholic beverages and beer made under this section must be in accordance with the hours for sale of alcoholic beverages under § 57-4-203(d) or beer under § 57-5-301(b), as applicable.

(f) A licensee shall collect the liquor by the drink tax imposed on alcoholic beverages under § 57-4-301(c)(1) for all sales of alcoholic beverages made under this section in accordance with § 57-4-301(c)(2). A licensee shall not collect such tax on the sale of beer.

(g) As used in this section, "licensee" means a restaurant, limited service restaurant, or wine-only restaurant licensed under this chapter to sell alcoholic beverages and beer by the drink for consumption on the premises.

SECTION 2. Tennessee Code Annotated, Section 57-4-203(e), is amended by adding the following new subdivision:

(5) Notwithstanding this subsection (e) to the contrary, in addition to any manner in which a licensee may sell alcoholic beverages or beer under this subsection (e), a restaurant, limited service restaurant, or wine-only restaurant licensed under this chapter may sell alcoholic beverages and beer in accordance with SECTION 1 of this act.

SECTION 3. Tennessee Code Annotated, Section 57-4-203(f), is amended by deleting the period at the end of the sentence and substituting instead "other than the sale of alcoholic beverages and beer in accordance with SECTION 1 of this act."

SECTION 4. This act is only effective in jurisdictions that have passed referenda authorizing the retail sale of liquor and the sale of liquor by the drink under Tennessee Code Annotated, Title 57.

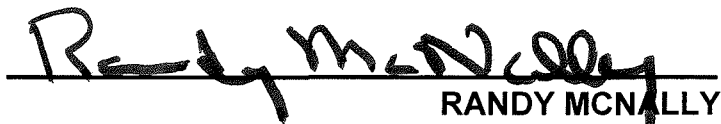
SECTION 5. This act takes effect upon becoming a law, the public welfare requiring it. The provisions contained in this act terminate on July 1, 2023, and the law in effect prior to this act's effective date must be restored.

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PASSED: April 28, 2021



CAMERON SEXTON, SPEAKER
HOUSE OF REPRESENTATIVES



RANDY MCNALLY
SPEAKER OF THE SENATE

APPROVED this 14th day of May 2021



BILL LEE, GOVERNOR