

SENATE BILL 506

By Gardenhire

AN ACT to amend Tennessee Code Annotated, Section 57-4-102, relative to consumption of alcoholic beverages on premises.

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

SECTION 1. Tennessee Code Annotated, Section 57-4-102(13), is amended by adding the following as a new, appropriately designated subdivision:

() "Community theater" also means a theater possessing each of the following characteristics:

(i) The theater was founded in 1923;

(ii) The theater has a main performance hall with not less than three hundred eighty (380) seats;

(iii) The theater has an auxiliary performance hall with not less than two hundred (200) seats;

(iv) The facility is operated by a not-for-profit corporation that is exempt from taxation under § 501(c) of the Internal Revenue Code of 1954, codified in 26 U.S.C. § 501(c), as amended, where no member, officer, agent, or employee of the theater is paid, or directly or indirectly receives, in the form of salary or other compensation, any profits from the sale of alcoholic beverages beyond the amount of the salary as may be fixed by its governing body for the reasonable performance of the person's assigned duties. All profits from the sale of alcoholic beverages by the not-for-profit corporation must be used for the operation, renovation, refurbishing, and maintenance of the theater, and in furtherance of the purposes of the organization. Alcoholic beverages may be sold before,

during, and after performances, and may be consumed inside any auditorium or performance hall within the theater; and

(v) The theater is located within one thousand feet (1,000') of the Tennessee River in a city with a population of one hundred sixty-seven thousand six hundred seventy-four (167,674) according to the 2010 federal census or any subsequent federal census;

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.