

SENATE BILL 2251

By Lundberg

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, Title 57, Chapter 4, Part 1, is amended by adding the following new sections:

57-4-1__.

Notwithstanding § 57-4-201(a)(3) or § 57-3-213, an applicant for the issuance or renewal of a license under this chapter who holds two (2) or more licenses issued under this chapter, regardless of type, may choose the expiration date for the licenses as long as the expiration date chosen is less than twelve (12) months from the date the license is issued or renewed. The license fee for a license issued for less than twelve (12) months must be prorated according to the length of the license.

57-4-1__.

A licensee may store documentation or paperwork required by this chapter electronically, and the commission shall accept the electronic documentation for purposes of an inspection of the licensee or verification of compliance with this chapter. If a licensee stores documentation or paperwork electronically, all information necessary to verify the validity of the license, permit, document, or other paperwork must be legible and verifiable in the electronic copy.

57-4-1__.

(a) A licensed caterer shall provide notice to the commission at least one (1) calendar day before an event at which the licensed caterer has contracted to provide

and sell alcoholic beverages on a form developed by the commission. The notification must be transmitted electronically, and the commission shall confirm receipt of the notification.

(b) The department of revenue shall not use the event notification form submitted by a licensed caterer for purposes of an audit of the caterer.

(c) A wholesaler may deliver alcoholic beverages directly to the site where a licensed caterer is catering an event.

(d) A new server hired by a licensed caterer may work for sixty-one (61) days after being hired without a server permit. A server who has worked for sixty-one (61) days must have a server permit.

57-4-1__.

The commission shall, during exigent circumstances, including during a declared state of emergency:

(1) For a reasonable period of not less than six (6) months, extend the expiration date of or the period to renew a license issued under this chapter, even if the licensee fails to continue to meet the requirements for the license as a result of the exigent circumstances; and

(2) Without the requirement of a formal application and fee, change a license type when the ownership and business entity with respect to the license stays the same. For purposes of changing a license type under this subdivision (2), the commissioner may prescribe a straightforward and simple form, not to exceed one (1) page in length, to facilitate the license change.

SECTION 2. Tennessee Code Annotated, Section 57-4-102, is amended by adding the following as a new subdivision:

() "Minor violation" means a failure to:

- (A) Maintain the establishment in proper sanitary conditions;
- (B) Register all management personnel with the commission;
- (C) Give adequate notice to the commission of catered events;
- (D) Maintain copies of server permits on licensed premises;
- (E) Properly display any required permits or licenses; or
- (F) Comply with any other requirements prescribed by rule of the

commissioner deemed to be minor violations for purposes of this subdivision ();

SECTION 3. Tennessee Code Annotated, Section 57-4-201, is amended by adding the following as a new subsection:

() Notwithstanding § 57-1-201(b)(1)(B), multiple minor violations of the same type by an entity licensed under this chapter discovered during a single investigation must be treated as a single offense.

SECTION 4. Tennessee Code Annotated, Section 57-4-201(b)(1)(B), is amended by deleting the subdivision and substituting instead the following:

Except as provided in Section 3, for the purpose of imposing fines hereunder, each violation may be treated as a separate offense.

SECTION 5. Tennessee Code Annotated, Section 57-4-201(d), is amended by adding the following new subdivision (7) and renumbering the subsequent subdivision accordingly:

(7) The name and email address of the licensee to whom notification of violations must be given;

SECTION 6. Tennessee Code Annotated, Section 57-4-203, is amended by adding the following subsections:

() The commission shall provide electronic notification of a violation to the licensee by email to the email address placed on record with the commission under § 57-4-201(d)(7).

() The commission shall allow a licensee a period of ten (10) business days to cure a minor violation prior to imposing a fine for the minor violation. The commission shall not, before the expiration of the ten-day period, impose a fine if the licensee cures the minor violation or provides proof satisfactory to the commission that the licensee has taken reasonable measures to prevent a similar minor violation in the future.

SECTION 7. Tennessee Code Annotated, Section 57-1-105(b), is amended by deleting the following:

The director shall be licensed to practice law in this state.

SECTION 8. This act takes effect July 1, 2022, the public welfare requiring it.