

2022 -- S 2139

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

A N A C T

RELATING TO ALCOHOLIC BEVERAGES -- RETAIL LICENSES -- HAPPY HOUR

Introduced By: Senators DiMario, Lawson, Murray, Euer, Coyne, and Kallman

Date Introduced: January 25, 2022

Referred To: Senate Special Legislation and Veterans Affairs

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 3-7-26 of the General Laws in Chapter 3-7 entitled "Retail Licenses"

2 is hereby amended to read as follows:

3 **3-7-26. Certain practices prohibited.**

4 (a) No licensee, employee or agent of any licensee who operates under a license to sell
5 alcoholic beverages shall:

6 (1) Cause or require any person or persons to buy more than one drink at a time by reducing
7 the price of that drink;

8 (2) Increase the volume of alcohol contained in any alcoholic beverage without
9 proportionately increasing the price;

10 (3) Sell, propose to sell or deliver to any person or persons an unlimited number of drinks
11 during a certain period of time for a fixed price; or

12 (4) Allow or encourage any game or promotion on the premises which involves the
13 drinking of alcoholic beverages or the awarding of alcoholic beverages as prizes for consumption
14 on the premises.

15 (b)(1) No licensee shall advertise or promote in any manner, or in any medium, happy
16 hours, open bars, two-for-one nights and/or free drink specials.

17 (2) Any licensee is prohibited from knowingly allowing the use of its premises as part of
18 an organized pub crawl, so-called. A pub crawl shall be defined as an organized event intended to
19 promote the organized, commercial travel of significantly large groups of individuals between

1 licensed premises for the primary purpose of consuming alcoholic beverages at more than one
2 premise. Evidence of a pub crawl shall include, but not be limited by:

3 (i) The existence of advertising, flyers, tickets or other printed or electronic material
4 promoting or describing a planned pub crawl;

5 (ii) Organized, commercial transportation intended to move a total of fifty (50) or more
6 individuals from one premise to another in an organized fashion; and

7 (iii) Evidence of compensation paid to an organizer by participants in a pub crawl. The
8 department of business regulation is authorized to promulgate rules and regulations consistent with
9 this section.

10 (c) Nothing in this section shall be construed to prohibit a licensee from offering free food
11 or entertainment at any time; or to prohibit licensees from including an alcoholic beverage as part
12 of a meal package; or to prohibit the sale or delivery of wine by the bottle or carafe when sold with
13 meals or to more than one person; or to prohibit free wine tastings. Except as otherwise limited by
14 this section, nothing contained in this section shall limit or may restrict the price which may be
15 charged by any licensee for any size alcoholic beverage to be consumed on the licensed premises.

16 (d) Adherence to this section is deemed to be a condition attached to the issuance and/or
17 continuation of every license to sell alcoholic beverages for consumption on the licensed premises,
18 and this section shall be enforced by the applicable local licensing authority, its agents, and the
19 department.

20 (e) Notwithstanding the prohibition of happy hours contained in subsection (b)(1) of this
21 section, happy hour drink specials served as part of a larger transaction that includes a meal are
22 permitted. For the purposes of this section, "happy hour" means a period of time during which a
23 licensee sells or provides discount alcoholic beverages. For the purposes of this subsection, a
24 "meal" means food prepared on the premises which is sufficient to constitute breakfast, lunch or
25 dinner. Snacks including, but not limited to, pretzels, popcorn, chips, or similar food do not meet
26 the definition of a meal. The department of business regulation shall promulgate rules and
27 regulation to implement the provisions of this subsection.

28 ~~(e)~~(f) The provisions of this section are deemed to be severable and any final decision by
29 a court of competent jurisdiction holding that any provision of this section is void, shall not make
30 void nor affect any of the remaining provisions of this section.

31 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO ALCOHOLIC BEVERAGES -- RETAIL LICENSES -- HAPPY HOUR

- 1 This act would allow happy hour drink specials served in conjunction with meals prepared
- 2 on the premises sufficient to constitute breakfast, lunch or dinner, excluding snacks.
- 3 This act would take effect upon passage.

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