# STATE OF RHODE ISLAND 

## IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

# A N A C T <br> RELATING TO ALCOHOLIC BEVERAGES -- MANUFACTURING AND WHOLESALE LICENSES -- RETAIL LICENSES 

Introduced By: Senator Hanna M. Gallo

Date Introduced: January 28, 2022
Referred To: Senate Special Legislation and Veterans Affairs

It is enacted by the General Assembly as follows:

SECTION 1. Section 3-6-1.2 of the General Laws in Chapter 3-6 entitled "Manufacturing and Wholesale Licenses" is hereby amended to read as follows:

## 3-6-1.2. Brewpub manufacturer's license.

(a) A brewpub manufacturer's license shall authorize the holder to establish and operate a brewpub within this state. The brewpub manufacturer's license shall authorize the retail sale of the beverages manufactured on the location for consumption on the premises. The license shall not authorize the retail sale of beverages from any location other than the location set forth in the license. A brewpub may sell at retail alcoholic beverages produced on the premises by the halfgallon bottle known as a "growler" to consumers for off the premises consumption to be sold pursuant to the laws governing retail Class A establishments. The license also authorizes the sale of beverages produced on the premises in an amount not in excess of forty-eight (48) twelve-ounce (12 oz.) bottles or cans or forty-eight (48) sixteen-ounce ( 16 oz .) bottles or cans of malt beverages, or one thousand five hundred milliliters ( $1,500 \mathrm{ml}$ ) of distilled spirits per visitor, per day, to be sold in containers that may hold no more than seventy-two ounces (72 oz.) each. These beverages may be sold to the consumers for off-premises consumption, and shall be sold pursuant to the laws governing retail Class A establishments.
(b) The license shall also authorize the sale at wholesale at the licensed place by the manufacturer of the product of his or her licensed plant as well as beverages produced for the
brewpub and sold under the brewpub's name to a holder of a wholesaler's license and the transportation and delivery from the place of sale to the licensed wholesaler or to a common carrier for that delivery.
(c) The brewpub manufacturer's license further authorizes the sale of beverages manufactured on the premises to any person holding a valid wholesaler's and importer's license under § 3-6-9 or § 3-6-11.
(d) The annual fee for the license is one thousand dollars $(\$ 1,000)$ for a brewpub producing more than fifty thousand gallons (50,000 gal.) per year and five hundred dollars (\$500) per year for a brewpub producing less than fifty thousand gallons (50,000 gal.) per year. The annual fee is prorated to the year ending December 1 in every calendar year and paid to the general treasurer for the use of the state.
(e) [Expires March 1, 2022]. A holder of a brewpub manufacturer's license will be permitted to sell, with take-out food orders, up to two (2) seven hundred fifty millimeter ( 750 ml ) bottles of wine or the equivalent volume of wine in smaller factory sealed containers, or seventytwo ounces ( 72 oz .) of mixed wine-based drinks or single-serving wine in containers sealed in such a way as to prevent re-opening without obvious evidence that the seal was removed or broken, one hundred forty-four ounces ( 144 oz. ) of beer or mixed beverages in original factory sealed containers, and one hundred forty-four ounces (144 oz.) of draft beer or seventy-two ounces (72 oz.) of mixed beverages containing not more than nine ounces ( 9 oz. ) of distilled spirits in growlers, bottles, or other containers sealed in such a way as to prevent re-opening without obvious evidence that the seal was removed or broken, provided such sales shall be made in accordance with § 1.4.10 of the department of business regulation (DBR) liquor control administration regulations, 230-RICR-30-10-1, and any other DBR regulations.
(1) EExpires March 1, 2022]. Delivery of alcoholic beverages with food from a brewpub licensee is prohibited.
(2) The provisions of subsection (e) and (e)(1) of this section shall remain permanent and any sunset provision pursuant to section 3 of chapter 129 or section 3 of chapter 130 of the public laws of 2021 shall be void.

SECTION 2. Section 3-7-7 of the General Laws in Chapter 3-7 entitled "Retail Licenses" is hereby amended to read as follows:

## 3-7-7. Class B license.

(a)(1) A retailer's Class B license is issued only to a licensed bona fide tavern keeper or victualer whose tavern or victualing house may be open for business and regularly patronized at least from nine o'clock (9:00) a.m. to seven o'clock (7:00) p.m. provided no beverage is sold or
served after one o'clock (1:00) a.m., nor before six o'clock (6:00) a.m. Local licensing boards may fix an earlier closing time within their jurisdiction, at their discretion. The East Greenwich town council may, in its discretion, issue full and limited Class B licenses which may not be transferred, but which shall revert to the town of East Greenwich if not renewed by the holder. The Cumberland town council may, in its discretion, issue full and limited Class B licenses which may not be transferred to another person or entity, or to another location, but which shall revert to the town of Cumberland if not renewed by the holder.

The Pawtucket city council may, in its discretion, issue full and limited Class B licenses which may not be transferred to another person or entity, or to another location, but which shall revert to the city of Pawtucket if not renewed by the holder. This legislation shall not affect any Class B license holders whose licenses were issued by the Pawtucket city council with the right to transfer.
(2) The license authorizes the holder to keep for sale and sell beverages including beer in cans, at retail at the place described and to deliver them for consumption on the premises or place where sold, but only at tables or a lunch bar where food is served. It also authorizes the charging of a cover, minimum, or door charge. The amount of the cover, or minimum, or door charge shall be posted at the entrance of the establishments in a prominent place.
(i) Exppires March 1, 2022]. A holder of a Class B license will be permitted to sell, with take-out food orders, up to two (2) seven hundred fifty millimeter ( 750 ml ) bottles of wine or the equivalent volume of wine in smaller factory sealed containers, or seventy-two ounces (72 oz.) of mixed wine-based drinks or single-serving wine in containers sealed in such a way as to prevent re-opening without obvious evidence that the seal was removed or broken, one hundred forty-four ounces ( 144 oz .) of beer or mixed beverages in original factory sealed containers, and one hundred forty-four ounces ( 144 oz .) of draft beer or seventy-two ounces ( 72 oz .) of mixed beverages containing not more than nine ounces ( 9 oz .) of distilled spirits in growlers, bottles, or other containers sealed in such a way as to prevent re-opening without obvious evidence that the seal was removed or broken, provided such sales shall be made in accordance with § 1.4.10 of the department of business regulation (DBR) liquor control administration regulations, 230-RICR-30-10-1, and any other DBR regulations.
(ii) Expires Mareh 1, 2022]. Delivery of alcoholic beverages with food from a Class B licensee is prohibited.
(iii) The provisions of subsection (a)(2)(i) and (a)(2)(ii) of this section shall remain permanent and any sunset provision pursuant to section 3 of chapter 129 or section 3 of chapter 130 of the public laws of 2021 shall be void.
(3) Holders of licenses are not permitted to hold dances within the licensed premises, unless proper permits have been properly obtained from the local licensing authorities.
(4) Any holder of a Class B license may, upon the approval of the local licensing board and for the additional payment of two hundred dollars (\$200) to five hundred dollars (\$500), open for business at twelve o'clock (12:00) p.m. and on Fridays and Saturdays and the night before legal state holidays may close at two o'clock (2:00) a.m. All requests for a two o'clock (2:00) a.m. license shall be advertised by the local licensing board in a newspaper having a circulation in the county where the establishment applying for the license is located.
(5) A holder of a retailer's Class B license is allowed to erect signs advertising his or her business and products sold on the premises, including neon signs, and is allowed to light those signs during all lawful business hours, including Sundays and holidays.
(6) Notwithstanding the provisions of subsection (a) and/or § 3-7-16.4, a holder of a retail class B and/or class ED license may apply to the municipality in which the licensee is located for a permit to conduct a so-called "Lock-In Event", under the following conditions:
(i) A "Lock-In Event" is defined as an event where a specified group of individuals are permitted to remain in a licensed premises after closing hours including, but not limited to, the hours of 1:00 a.m. to 6:00 a.m.
(ii) A Lock-In Event must have the approval of the municipal licensing authority pursuant to a permit issued for each such event, subject to such conditions as may attach to the permit. The fee for the permit shall be not less than fifty dollars (\$50.00) nor more than one hundred dollars (\$100). The granting or denial of a Lock-In Event permit shall be in the sole discretion of the municipal licensing authority and there shall be no appeal from the denial of such a permit.
(iii) During the entire period of any Lock-In Event, all alcoholic beverages must be secured in place or removed from the public portion of the premises and secured to the satisfaction of the municipality issuing the Lock-In Event permit.
(iv) During the Lock-In Event, the establishment shall be exclusively occupied by the Lock-In Event participants and no other patrons shall be admitted to the premises who are not participants. It shall be a condition of the permit that participants shall not be admitted more than thirty (30) minutes after the permitted start time of the Lock-In Event, except in the event of unforeseen travel delays, nor permitted to re-enter the event if they leave the licensed premises.
(v) As part of the Lock-In Event, food shall be served.
(vi) The municipal licensing authority may, in its sole discretion, require the presence of a police detail, for some or all of the event, and the number of officers required, if any, shall be determined by the municipality as part of the process of issuing the Lock-In Event permit. The
licensee shall be solely responsible for the cost of any such required police detail.
(b) The annual license fee for a tavern keeper shall be four hundred dollars (\$400) to two thousand dollars $(\$ 2,000)$, and for a victualer the license fee shall be four hundred dollars ( $\$ 400$ ) to two thousand dollars $(\$ 2,000)$. In towns with a population of less than two thousand five hundred $(2,500)$ inhabitants, as determined by the last census taken under the authority of the United States or the state, the fee for each retailer's Class B license shall be determined by the town council, but shall in no case be less than three hundred dollars (\$300) annually. If the applicant requests it in his or her application, any retailer's Class B license may be issued limiting the sale of beverages on the licensed premises to malt and vinous beverages containing not more than twenty percent (20\%) alcohol by volume, and the fee for that limited Class B license shall be two hundred dollars (\$200) to one thousand five hundred dollars $(\$ 1,500)$ annually. The fee for any Class B license shall in each case be prorated to the year ending December 1 in every calendar year.
(1) Upon the approval and designation of a district or districts within its city or town by the local licensing board, the local licensing board may issue to any holder of a Class B license or a Class ED license, an extended hours permit to extend closing hours on Thursdays, Fridays and Saturdays, the night before a legal state holiday or such other days as determined by the local board, for one hour past such license holder's legal closing time as established by the license holder's license or licenses including, but not limited to, those issued pursuant to subsection (a)(4) of this section. The extended hours permit shall not permit the sale of alcohol during the extended onehour period and shall prohibit the admittance of new patrons in the establishment during the extended one-hour period. The designation of such district(s) shall be for a duration of not less than six (6) months. Prior to designating any such district, the local licensing authority shall hold a hearing on the proposed designation. The proposed designation shall include the boundaries of the proposed district, the applicable days for the extended hours, and the duration of the designation and the conditions imposed. The proposed designation shall be advertised at least once per week for three (3) weeks prior to the hearing in a newspaper in general circulation in the city or town. The city or town will establish an application process for an extended hours permit for such license holder and may adopt rules and regulations to administer the permit.

SECTION 3. Section 3 of Chapter 129 of the Public Laws of 2021 entitled "An Act Relating to Alcoholic Beverages - Retail Licenses", is hereby amended to read as follows:

SECTION 3. This act shall take effect upon passage and shall stunset on March 1, 2022.
SECTION 4. Section 3 of chapter 130 of the Public Laws of 2021 entitled "An Act Relating to Alcoholic Beverages - Retail Licenses", is hereby amended to read as follows:

SECTION 3. This act shall take effect upon passage and shall sumset on Mareh 1, 2022.

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## EXPLANATION

BY THE LEGISLATIVE COUNCIL
OF

## A N A C T <br> RELATING TO ALCOHOLIC BEVERAGES -- MANUFACTURING AND WHOLESALE LICENSES -- RETAIL LICENSES

This act would void the March 1,2022 , sunset provision contained in the act authorizing a holder of a Class B or brew pub manufacturer's license to sell specified amounts of wine, beer and mixed alcoholic beverages with takeout food orders; however, sale of all other alcoholic beverages and any delivery of alcoholic beverages would be prohibited.

This act would take effect upon passage.

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