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:

SECTION 1. Section 3-7-26 of the General Laws in Chapter 3-7 entitled "Retail Licenses" is hereby amended to read as follows:

3-7-26. Certain practices prohibited.
(a) No licensee, employee or agent of any licensee who operates under a license to sell alcoholic beverages shall:
(1) Cause or require any person or persons to buy more than one drink at a time by reducing the price of that drink;
(2) Increase the volume of alcohol contained in any alcoholic beverage without proportionately increasing the price;
(3) Sell, propose to sell or deliver to any person or persons an unlimited number of drinks during a certain period of time for a fixed price; or
(4) Allow or encourage any game or promotion on the premises which involves the drinking of alcoholic beverages or the awarding of alcoholic beverages as prizes for consumption on the premises.

(b)(1) No licensee shall advertise or promote in any manner, or in any medium, happy hours, open bars, two-for-one nights and/or free drink specials.
(2) Any licensee is prohibited from knowingly allowing the use of its premises as part of an organized pub crawl, so-called. A pub crawl shall be defined as an organized event intended to promote the organized, commercial travel of significantly large groups of individuals between
licensed premises for the primary purpose of consuming alcoholic beverages at more than one
premise. Evidence of a pub crawl shall include, but not be limited by:

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

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

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

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

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

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

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

SECTION 2. This act shall take effect upon passage.
EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
AN ACT
RELATING TO ALCOHOLIC BEVERAGES -- RETAIL LICENSES -- HAPPY HOUR

***

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

2 This act would take effect upon passage.