

2021 -- S 0439 SUBSTITUTE A

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LC001931/SUB A
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

A N A C T

RELATING TO ALCOHOLIC BEVERAGES -- RETAIL LICENSES

Introduced By: Senators Murray, Seveney, Raptakis, E Morgan, Lawson, Kallman,
Mendes, and Valverde

Date Introduced: February 25, 2021

Referred To: Senate Special Legislation and Veterans Affairs

It is enacted by the General Assembly as follows:

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

2 is hereby amended to read as follows:

3 **3-7-7. Class B license.**

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

14 The Pawtucket city council may, in its discretion, issue full and limited Class B licenses
15 which may not be transferred to another person or entity, or to another location, but which shall
16 revert to the city of Pawtucket if not renewed by the holder. This legislation shall not affect any
17 Class B license holders whose licenses were issued by the Pawtucket city council with the right to
18 transfer.

19 (2) The license authorizes the holder to keep for sale and sell beverages including beer in

1 cans, at retail at the place described and to deliver them for consumption on the premises or place
2 where sold, but only at tables or a lunch bar where food is served. It also authorizes the charging
3 of a cover, minimum, or door charge. The amount of the cover, or minimum, or door charge is
4 posted at the entrance of the establishments in a prominent place.

5 (3) Holders of licenses are not permitted to hold dances within the licensed premises, unless
6 proper permits have been properly obtained from the local licensing authorities.

7 (4) Any holder of a Class B license may, upon the approval of the local licensing board
8 and for the additional payment of two hundred dollars (\$200) to five hundred dollars (\$500), open
9 for business at twelve o'clock (12:00) p.m. and on Fridays and Saturdays and the night before legal
10 state holidays may close at two o'clock (2:00) a.m. All requests for a two o'clock (2:00) a.m. license
11 shall be advertised by the local licensing board in a newspaper having a circulation in the county
12 where the establishment applying for the license is located.

13 (5) A holder of a retailer's Class B license is allowed to erect signs advertising his or her
14 business and products sold on the premises, including neon signs, and is allowed to light those signs
15 during all lawful business hours, including Sundays and holidays.

16 (6) Notwithstanding the provisions of subsection (a) and/or § 3-7-16.4, a holder of a retail
17 class B and/or class ED license may apply to the municipality in which such licensee is located for
18 a permit to conduct a so-called "Lock-In Event", under the following conditions:

19 (i) A "Lock-In Event" is defined as an event where a specified group of individuals are
20 permitted to remain in a licensed premises after closing hours including, but not limited to, the
21 hours of 1:00 a.m. to 6:00 a.m.

22 (ii) A Lock-In Event must have the approval of the municipal licensing authority pursuant
23 to a permit issued for each such event, subject to such conditions as such may attach to the permit.
24 The fee for the permit shall be not less than fifty dollars (\$50.00) nor more than one hundred dollars
25 (\$100). The granting or denial of a Lock-In Event permit shall be in the sole discretion of the
26 municipal licensing authority and there shall be no appeal from the denial of such a permit.

27 (iii) During the entire period of any Lock-In Event, all alcoholic beverages must be secured
28 in place or removed from the public portion of the premises and secured to the satisfaction of the
29 municipality issuing the Lock-In Event permit.

30 (iv) During the Lock-In Event, the establishment shall be exclusively occupied by the
31 Lock-In Event participants and no other patrons shall be admitted to the premises who are not
32 participants. It shall be a condition of the permit that participants shall not be admitted more than
33 thirty (30) minutes after the permitted start time of the Lock-In Event, except in the event of
34 unforeseen travel delays, nor permitted to re-enter the event if they leave the licensed premises.

1 (v) As part of the Lock-In Event, food shall be served.

2 (vi) The municipal licensing authority may, in its sole discretion, require the presence of a
3 police detail, for some or all of the event, and the number of officers required, if any, shall be
4 determined by the municipality as part of the process of issuing the Lock-In Event permit. The
5 licensee shall be solely responsible for the cost of any such required police detail.

6 (b) The annual license fee for a tavern keeper shall be four hundred dollars (\$400) to two
7 thousand dollars (\$2,000), and for a victualer the license fee shall be four hundred dollars (\$400)
8 to two thousand dollars (\$2,000). In towns with a population of less than two thousand five hundred
9 (2,500) inhabitants, as determined by the last census taken under the authority of the United States
10 or the state, the fee for each retailer's Class B license shall be determined by the town council, but
11 shall in no case be less than three hundred dollars (\$300) annually. If the applicant requests it in his
12 or her application, any retailer's Class B license may be issued limiting the sale of beverages on the
13 licensed premises to malt and vinous beverages containing not more than twenty percent (20%)
14 alcohol by volume, and the fee for that limited Class B license shall be two hundred dollars (\$200)
15 to one thousand five hundred dollars (\$1,500) annually. The fee for any Class B license shall in
16 each case be prorated to the year ending December 1 in every calendar year.

17 (1) Upon the approval and designation of a district or districts within its city or town by
18 the local licensing board, the local licensing board may issue to any holder of a Class B license or
19 a Class ED license, an extended hours permit to extend closing hours on Thursdays, Fridays and
20 Saturdays, the night before a legal state holiday or such other days as determined by the local board,
21 for one hour past such license holder's legal closing time as established by the license holder's
22 license or licenses including, but not limited to, those issued pursuant to subdivision (4) hereof.
23 The extended hours permit shall not permit the sale of alcohol during the extended one-hour period
24 and shall prohibit the admittance of new patrons in the establishment during the extended one-hour
25 period. The designation of such district(s) shall be for a duration of not less than six (6) months.
26 Prior to designating any such district, the local licensing authority shall hold a hearing on the
27 proposed designation. The proposed designation shall include the boundaries of the proposed
28 district, the applicable days for the extended hours, and the duration of the designation and the
29 conditions imposed. The proposed designation shall be advertised at least once per week for three
30 (3) weeks prior to the hearing in a newspaper in general circulation in the city or town. The city or
31 town will establish an application process for an extended hours permit for such license holder and
32 may adopt rules and regulations to administer the permit.

33 (c) The licensee must offer to the public, in conjunction with the sale of alcoholic
34 beverages, the opportunity to purchase and consume food to be served on the premises in the same

1 [area designed for the sale and consumption of alcoholic beverages. These foods must be offered](#)
2 [for sale during all times that alcoholic beverages are sold and consumed on the licensed premises,](#)
3 [unless the local licensing board grants permission to the licensee to stop the sale of food after ten](#)
4 [o'clock \(10:00\) p.m. Such permission shall be subject to revocation by the local licensing board at](#)
5 [any time for any cause.](#)

6 SECTION 2. This act shall take effect on December 1, 2021.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO ALCOHOLIC BEVERAGES -- RETAIL LICENSES

1 This act would require Class B licensees to offer to the public the opportunity to purchase
2 and consume food in conjunction with the sale of alcoholic beverages, at all times while alcohol is
3 consumed on the premises.

4 This act would take effect on December 1, 2021.

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