ATHENS CITY BEER BOARD PENALTY POLICY FOR VIOLATIONS OF TITLE 8 OF THE ATHENS CITY CODE RELATED TO ALCOHOLIC BEVERAGES, INCLUDING INTOXICATING LIQUORS AND BEER

The holder of a Beer Permit issued by the City of Athens who (1) participates in or commits the violation of Section 8-213 (8) "Make or allow any sale of beer or any other alcoholic beverage, including an intoxicating liquor to a minor under the age of twenty-one (21) years" or Section 8-213 (10) "Make or allow any sale of beer or any other alcoholic beverage, including an intoxicating liquor to any intoxicating person or to any feeble-minded, insane, or otherwise mentally incapacitated person", or (2) has an employee or agent who commits or participates in the violation of either of these Code sections shall be subject to a suspension or revocation of the holder's Beer Permit as follows:

- First-time offenders, a 15-day suspension or in-lieu of suspension, a \$1,000.00 civil penalty;
- Second-time offenders when the offense occurs within one year of first offense, a 60-day suspension or in-lieu of suspension, a \$2,500.00 civil penalty;
- Second-time offenders with the offense occurring after one year from the first offense, a 30-day suspension or in-lieu of suspension, a \$1,750.00 civil penalty;
- Third-time offenders with the offense occurring within three years of the first offense, a revocation of the Beer Permit, and no offer of in-lieu of suspension, a monetary, civil penalty;
- Third-time offender with the offense occurring after three years from the first offense, a 90-day suspension, or in-lieu of suspension, a \$2,500.00 civil penalty.
- Fourth-time offender, with the offense occurring within five years of the fourth offense, a revocation of the beer permit, and no offer of in-lieu of suspension, a monetary, civil penalty.
- Fourth-time offender, with the offense occurring after five years from the third offense, a 120-day suspension, or in-lieu of suspension, a \$2500.00 civil penalty.

Any revocation of a Beer Permit shall be an indefinite revocation with no time limit established for when or if the permit holder may be eligible for a new Beer Permit.

Section 8-215 states that when a Beer Permit is revoked, no new permit shall be issued for the sale of alcoholic beverages on the same premises until after the expiration of one (1) year from the date the revocation becomes final, unless the revocation is the result of a violation of

Section 8-213 (13). Following the revocation of a Beer Permit of a holder, in the event the same holder directly or indirectly submits an Application for a new Beer Permit, unless a permit is prohibited at a particular location until after the expiration of one (1) year, the decision whether to grant or deny the Application for a Beer Permit shall be within the discretion of the Beer Board.

For a violation by a Beer Permit holder of any other section within Title 8 of the Athens City Code, the decision whether to suspend or revoke the Beer Permit or offer a civil penalty inlieu of suspension shall be determined by the Beer Board within its discretion on a case-by-case basis.

In the event the Beer Board determines that the act of making or allowing the sale of beer or any other alcoholic beverage to a person under the age of 21 years is a flagrant or unconscionable act, the Beer Board shall not be required to implement or follow the penalty policy for a violation as stated herein, but may punish the beer permit holder in a manner within its discretion which may include a suspension or revocation without any offer of a civil penalty in-lieu of suspension or revocation. An example of a flagrant or unconscionable act is a circumstance in which the permit holder or the permit holder's employee or agent charges the underage person an amount above the regular price for the beer or other alcoholic beverage or attempts to hide the fact of a sale of beer or any other alcoholic beverage to an underage person.

The Tennessee Responsible Vendor Act of 2006 allows off-premise Beer Permit holders to voluntarily participate in the training of their employees on the responsible sale of alcoholic beverages. By meeting the requirements and becoming certified vendors, participants receive certain beneficial treatment when faced with a first offense related to the sale of alcoholic beverages to a person under the age of twenty-one (21) years. If a permit holder has met the requirements to become a "responsible vendor" under the Tennessee Responsible Vendor Program, the holder's beer permit may not be suspended or revoked based on a Clerk's illegal sale of beer to a person under the age of twenty-one (21), if the Clerk is properly certified and has attended annual meetings since the original certification, or is within 61 days of the date of hire at the time of the violation. If the Beer Board determines that a sale to a person under the age of twenty-one (21) occurred by an off-premises Beer Permit holder who is a "responsible vendor", the Beer Board shall report the name of the Clerk to the Commission within fifteen (15) days of the finding. Pursuant to TCA Section 57-5-608, the Commission is required to revoke the "responsible vendor" status of a vendor if the vendor participates in or commits the sale of an

alcoholic beverage to a person under the age of 21. For this reason, if the Beer Board determines that the permit holder with "responsible vendor" status participated in or committed the violation, the Beer Board shall notify the Commission of this finding within 15 days of the finding. Pursuant to TCA Section 57-5-608, the Commission is required to revoke the vendor's status as a "responsible vendor" if the vendor has two violations for the sale of an alcoholic beverage to a person under the age of twenty-one (21) within a 12-month period.

For so long as the holder of the Beer Permit has the status of a "responsible vendor" from the State Commission, the Beer Board may not suspend or revoke the Beer Permit based on a Clerk's illegal sale of beer to a person under the age of twenty-one (21), but shall impose on a responsible vendor for each offense of the sale of beer to a person under the age of twenty-one (21) a civil penalty of \$500.00 for a first offense for the permit holder and a civil penalty of \$1000.00 for any subsequent offense. In the event the "responsible vendor" status of the permit holder is suspended or revoked by the State Commission, the Beer Board shall impose a penalty pursuant to the policy as stated herein as if the permit holder is not a "responsible vendor".

APPROVED BY ATHENS CITY COUNCIL AT ITS REGULAR MEETING OF TUESDAY, DECEMBER 16, 2014