



August 24, 2024

Responsible Vendor Provisions Affecting Beer Boards

Dear Reader:

The following document was created from the CTAS website (ctas.tennessee.edu). This website is maintained by CTAS staff and seeks to represent the most current information regarding issues relative to Tennessee county government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other CTAS website material.

Sincerely,

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Reference Number: CTAS-374

The following provisions of the Tennessee Responsible Vendor Act relate to the operation of the beer board:

1. If a beer board finds that any off-premises beer permit holder made a sale to a minor, the beer board must report the name of the clerk who made the sale to the ABC within 15 days of finding that the sale occurred. The clerk's certification is invalidated and the clerk cannot reapply for one year from the date of the beer board's determination. The ABC will notify the responsible vendor of their certified clerks who have lost their certification within 15 days after notification by the beer board (and the responsible vendor cannot allow these clerks to sell beer). T.C.A. § 57-5-607.
2. The beer board cannot suspend or revoke a responsible vendor's beer permit based on the sale of beer to a minor if the clerk who sold the beer was certified and attended annual meetings since the certification, or was within the 61-day period after employment. However, the ABC will revoke the responsible vendor's certification if the vendor knew or should have known about the violation, or participated in or committed the violation, and the beer board may then impose penalties as if the vendor had not been certified as a responsible vendor. Also, the ABC will revoke the vendor's responsible vendor certification for a period of three years if there are two violations within a 12-month period. T.C.A. § 57-5-608.
3. Penalties that may be imposed on responsible vendors for violations involving the sale of beer to minors are lower than those for vendors who do not participate in the program. A responsible vendor's permit cannot be revoked or suspended for a clerk's illegal sale of beer to a minor as long as the responsible vendor and the clerk were in compliance with the act; a civil penalty not exceeding \$1,000 may be imposed instead. T.C.A. § 57-5-108(a)(2)(A).
4. Vendors who are not in compliance with the responsible vendor program are subject to suspension or revocation of their beer permit for the sale of beer to minors. These non-complying vendors may be offered the alternative of paying a civil penalty not exceeding \$2,500 for each sale to a minor, or a penalty not exceeding \$1,000 for any other offense. T.C.A. § 57-5-108(a)(2)(B).
5. The beer board is required to file an annual report with the ABC by February 1 each year containing the following statistical information for the preceding calendar year: (a) total number of permits issued for off-premises consumption, (b) number of violations for sale of beer for off-premises consumption to a minor resulting from a sting, and arrests made not related to a sting, (c) whether the violations reported occurred at an establishment participating in the responsible vendor program, (d) for stings conducted at establishments participating in the responsible vendor program, whether the underage person was unsuccessful in making the purchase, (e) type and number of violations, other than sales of beer to minors for off-premises consumption, that occurred at establishments selling beer for off-premises consumption, (f) name of permit holder at location where violations occurred, and (g) specific penalty imposed for each violation. T.C.A. § 57-5-605.

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