

**TITLE 8****ALCOHOLIC BEVERAGES**<sup>1</sup>**CHAPTER**

1. INTOXICATING LIQUORS.
2. BEER.
3. LIQUOR STORES.

**CHAPTER 1****INTOXICATING LIQUORS****SECTION**

- 8-101. Definition of alcoholic beverages.
- 8-102. Consumption of alcoholic beverages on premises.
- 8-103. Privilege tax on retail sale of alcoholic beverages for consumption on the premises.
- 8-104. Annual privilege tax to be paid to the town clerk.

**8-101. Definition of alcoholic beverages.** As used in this chapter, unless the context indicates otherwise: Alcoholic beverages means and includes alcohol, spirits, liquor, wine, and every liquid containing alcohol, spirits, wine and capable of being consumed by a human being, other than patented medicine or beer, where the latter contains an alcoholic content of five percent (5%) by weight, or less. (1975 Code, § 2-101, Ord. #153D, \_\_\_\_\_, modified, as replaced by Ord. #2011-03, June 2011)

**8-102. Consumption of alcoholic beverages on premises.** Tennessee Code Annotated, title 57, chapter 4, inclusive is hereby adopted so as to be applicable to all sales of alcoholic beverages for on premises consumption which are regulated by the said code when such sales are conducted within the corporate limits of Spring City, Tennessee. It is the intent of the mayor and board that the said Tennessee Code Annotated, title 57, chapter 4, inclusive, shall be effective in Spring City, Tennessee, the same as if said code sections were copied verbatim. (as added by Ord. #2011-03, June 2011)

**8-103. Privilege tax on retail sale of alcoholic beverages for consumption on the premises.** Pursuant to the authority contained in Tennessee Code Annotated, § 57-4-301, there is hereby levied a privilege tax (in

---

<sup>1</sup>State law reference

Tennessee Code Annotated, title 57.

the same amounts levied by Tennessee Code Annotated, title 57, chapter 4, section 301, for the Town of Spring City General Fund to be paid annually as provided in this chapter) upon any person, firm, corporation, joint stock company, syndicate, or association engaging in the business of selling at retail in the Town of Spring City alcoholic beverages for consumption on the premises where sold. (as added by Ord. #2011-03, June 2011)

**8-104. Annual privilege tax to be paid to town clerk.** Any person, firm, corporation, joint stock company, syndicate or association exercising the privilege of selling alcoholic beverages for consumption on the premises in the Town of Spring City shall remit annually to the town clerk the appropriate tax described in § 8-103. Such payments shall be remitted not less than thirty (30) days following the end of each twelve (12) month period from the original date of the license. Upon the transfer of ownership of such business or the discontinuance of such business, said tax shall be filed within in thirty (30) days following such event. Any person, firm, corporation, joint stock company, syndicate, or association failing to make payment of the appropriate tax when due shall be subject to the penalty provided by law. (as added by Ord. #2011-03, June 2011)

## CHAPTER 2

### BEER<sup>1</sup>

#### SECTION

- 8-201. Beer board.
- 8-202. Meetings of the beer board.
- 8-203. Record of beer board proceedings to be kept.
- 8-204. Requirements for beer board quorum and action.
- 8-205. Powers and duties of the beer board.
- 8-206. "Beer" defined.
- 8-207. Permit required for engaging in beer business.
- 8-208. Privilege tax.
- 8-209. Beer permits shall be restrictive.
- 8-210. Permits issued for sale of beer within corporate limits for off premises and on premises consumption.
- 8-211. Transfer of permits.
- 8-212. Proximity to schools, churches restricted.
- 8-213. Issuance of permits to persons convicted of certain crimes prohibited.
- 8-214. Prohibited conduct or activities by beer permit holders.
- 8-215. Revocation of beer permits.
- 8-216. Civil penalty in lieu of suspension.
- 8-217. Sign restriction.

**8-201. Beer board.** The board of commissioners shall serve as the beer board and the mayor shall serve as chairman and the vice mayor shall serve as chairman in the absence of the mayor. (Ord. #254-96, Feb. 1996)

**8-202. Meetings of the beer board.** All meetings of the beer board shall be open to the public. The board shall hold regular meetings in such places and at such times as it shall prescribe. When there is business to come before the beer board, a special meeting may be called by the chairman provided he gives at least a twenty-four (24) hour written notice thereof to each member and the press. The board may adjourn a meeting at any time to another time and place. (Ord. #254-96, Feb. 1996)

---

<sup>1</sup>Municipal code references

Minors in beer places, etc.: title 11, chapter 1.

Tax provisions: title 5.

State law reference

For a leading case on a municipality's authority to regulate beer, see Watkins v. Naifeh, 635 S.W.2d 104 (Tenn. 1982).

**8-203. Record of beer board proceedings to be kept.** The city recorder shall make a record of the proceedings of all meetings of the beer board. The record shall be a public record and shall contain at least the following: The date of each meeting; the names of the board members present and absent; the names of the members introducing and seconding motions and resolutions, etc., before the board; a copy of each such motion and/or resolution presented; the vote of each member thereon; and the provisions of each beer permit issued by the board. (Ord. #254-96, Feb. 1996)

**8-204. Requirements for beer board quorum and action.** The attendance of at least a majority of the members of the beer board shall be required to constitute a quorum for the purpose of transacting business. Matters before the board shall be decided by a majority of the members present if a quorum is constituted. Any member present but not voting shall be deemed to have cast a "nay" vote. (Ord. #254-96, Feb. 1996)

**8-205. Powers and duties of the beer board.** The beer board shall have the power and it is hereby directed to regulate the selling, storing for sale, distributing for sale, and manufacturing of beer within this municipality in accordance with the provisions of this chapter. (Ord. #254-96, Feb. 1996)

**8-206. "Beer" defined.** The term "beer" as used in this chapter shall mean and include all beers, ales, and other malt liquors having an alcoholic content of not more than eight percent (8%) Alcohol by Weight (ABW) or approximately ten and one tenth percent (10.1% ) Alcohol by Volume (ABV). (Ord. #254-96, Feb. 1996, as replaced by Ord. #2022-07, Sept. 2022 *Ch11\_11-02-23*)

**8-207. Permit required for engaging in beer business.** It shall be unlawful for any person to sell, store for sale, distribute for sale, or manufacture beer without first making application to and obtaining a permit from the beer board. The application shall be made on such form as the board shall prescribe and/or furnish, and pursuant to Tennessee Code Annotated, § 57-5-104(A), and there shall be a non-refundable application fee of two hundred and fifty dollars (\$250.00). Each applicant must be a person of good moral character and he must certify that he has read and is familiar with the provisions of this chapter. (Ord. #254-96, Feb. 1996)

**8-208. Privilege tax.** There is hereby imposed on the business of selling and distributing beer a privilege tax of one hundred dollars (\$100). Any person, firm, corporation, joint stock company, syndicate or association engaged in the sale or distribution of beer shall remit the tax at the time a permit is issued and on January 1st of each year thereafter. The cost of the permit will be prorated on a monthly basis when first application is made. (Ord. #254-96, Feb. 1996)

**8-209. Beer permits shall be restrictive.** All beer permits shall be restrictive as to the type of beer business authorized them. Separate permits shall be required for selling at retail, storing, distributing, and manufacturing. Beer permits for retail sale of beer may be further restricted by the beer board so as to authorize SALES ONLY for off premises consumption. It shall be unlawful for any beer permit holder to engage in any type or phase of the beer business not expressly authorized by his permit. (Ord. #254-96, Feb. 1996)

**8-210. Permits issued for sale of beer within corporate limits for off premises and on premises consumption.** No permit for the sale of beer shall be issued to any person, persons, firm, corporation, joint stock company, syndicate, partnership, or association for the sale of beer or other alcoholic beverage with an alcohol content not exceeding five percent (5%) by weight within the corporate limits of Spring City, Tennessee, except as defined by the following classes of business:

(1) Class A off premises consumption. To qualify for a Class A off premises consumption permit an establishment must, in addition to meeting the other regulations in this chapter:

- (a) Be a grocery store or a convenience type market; and
- (b) In either case, be primarily engaged in the sale of grocery and personal and home care and cleaning articles, but may also sell gasoline.

(c) The business privilege sales, and ad valorem taxes are maintained in a paid status at all times, and the majority of the gross sales of said businesses are derived from the retail sales of groceries, and which is not located within one hundred feet (100') of a church or other public gathering place, and which is not located within five hundred feet (500') of a school. No beer will be sold, warehoused, or distributed from any building other than the one to which the permit is for sale in the said grocery store shall be permitted. Any beer or alcoholic beverage sold by a Class A permit holder shall not be opened or consumed on the licensed premises.

(2) Class A on premises consumption. To qualify for a Class A on premises consumption permit, an establishment must, in addition to meeting other regulations and restrictions in this chapter:

- (a) Be primarily a restaurant or an eating place; and
- (b) Be able to seat a minimum of thirty (30) people, including children, in booths and at tables, in addition to any other seating it may have; and
- (c) Have all seating in the interior of the building under a permanent roof; and on premises consumption permit shall not exceed fifty percent (50%) of the gross sales of the establishment. Any such establishment which for two (2) consecutive months or for any three (3) months in any calendar year has beer sales exceeding fifty percent (50%)

of its gross sales shall have its beer permit revoked. The business privilege sales, and ad valorem taxes are maintained in a paid status at all times, and the majority of the gross sales of said businesses are derived from the retail sales of groceries, and which is not located within two hundred feet (200') of a church or other public gathering place, and which is not located within five hundred feet (500') of a school. (Ord. #254-96, Feb. 1996, as replaced by Ord. #2011-06, July 2011, and amended by 2021-10, Sept. 2021 ***Ch11\_11-02-23***)

**8-211. Transfer of permits.** There shall be no transfer of a beer permit from one licensee to another. (Ord. #254-96, Feb. 1996)

**8-212. Proximity to schools, churches restricted.** (1) It shall be unlawful to store or sell at wholesale or retail beer in the corporate limits of the city within two hundred fifty (250) feet from the front door of any active school or active church building for sales for all Class 1 off-premises consumption permits or for wholesale distributors within the corporate limits of the city.

(2) The distances provided for herein shall be measured in a straight line by beginning at the front door of the business location and going from that point to the front door of any active church house or active school.

(3) A drawing shall be furnished the beer board prior to the consideration of the application for a license by the beer board, and verified by the beer board. (Ord. #254-96, Feb. 1996)

**8-213. Issuance of permits to persons convicted of certain crimes prohibited.** No beer permit shall be issued to any person who has been convicted for the possession, sale, manufacture, or transportation of intoxicating liquor, or any crime involving moral turpitude within the past ten (10) years. No person, firm, corporation, joint-stock company, syndicate, or association having at least a five percent (5%) ownership interest in the applicant shall have been convicted of any violation of the laws against possession, sale, manufacture, or transportation of beer or other alcoholic beverages or any crime involving moral turpitude within the past ten (10) years. (Ord. #254-96, Feb. 1996)

**8-214. Prohibited conduct or activities by beer permit holders.** It shall be unlawful for any beer permit holder to:

(1) Employ any person convicted for the possession, sale, manufacture, or transportation of intoxicating liquor, or any crime involving moral turpitude within the past ten (10) years.

(2) Employ any minor under 18 years of age in the sale, storage, distribution or manufacture of beer.

(3) Make or allow any sale of beer to a person under twenty-one (21) years of age.

- (4) Make or allow any sale of beer on Sunday.
- (5) Allow any person under twenty-one (21) years of age to loiter in or about his place of business.
- (6) Make or allow any sale of beer to any intoxicated person.
- (7) Allow the consumption on his premises of any alcoholic beverage.
- (8) Allow drunk persons to loiter about his premises.

Under the provision of Tennessee Code Annotated, § 57-4-203(d)(5) the Town of Spring City elects to opt out of any extensions of hours granted by the State of Tennessee Alcoholic Beverage Commission. (Ord. #254-96, Feb. 1996, as amended by Ord. #2011-04, June 2011)

**8-215. Revocation of beer permits.** The beer board shall have the power to revoke any beer permit issued under the provisions of this chapter when the holder thereof is guilty of making a false statement or misrepresentation in his application or of violating any of the provisions of this chapter. However, no beer permit shall be revoked until a public hearing is held by the board after reasonable notice to all the known parties in interest. Revocation proceedings may be initiated, in writing, by the police chief or by any member of the beer board. (Ord. #254-96, Feb. 1996)

**8-216. Civil penalty in lieu of suspension.** The beer board may, at the time it imposes a revocation or suspension, offer a permit holder the alternative of paying a civil penalty not to exceed \$1,500 for each offense of making or permitting to be made any sales to minors or, a civil penalty not to exceed \$1,000 for any other offense. If a civil penalty is offered as an alternative to revocation or suspension, the holder shall have seven (7) days within which to pay the civil penalty before the revocation or suspension shall be imposed. If the civil penalty is paid within that time, the revocation or suspension shall be deemed withdrawn. (Ord. #254-96, Feb. 1996)

**8-217. Sign restriction.** No outdoor sign, advertisement or display that advertises beer that is visible from the outside of the building wherein a retail beer outlet is located, may be erected or maintained on the property on which a retail beer establishment is located other than one sign, advertisement or display which makes reference to the fact that the establishment sells beer but does not use brand names, pictures, numbers, prices or diagrams relating to beer. The above restrictions also apply to indoor signs. (Ord. #254-96, Feb. 1996)

## CHAPTER 3

### LIQUOR STORES

#### SECTION

- 8-301. Definitions.
- 8-302. Selling and distributing generally.
- 8-303. Licenses required for sale of alcoholic beverages at retail.
- 8-304. Licensee responsible for officers and agents.
- 8-305. Location of liquor store.
- 8-306. Limitations on building containing liquor store.
- 8-307. Restrictions generally.
- 8-308. Fees.
- 8-309. Records kept by licensee.
- 8-310. Inspections generally.
- 8-311. Enforcement - violations - penalties.
- 8-312. Certificate of compliance.
- 8-313. Application.
- 8-314. Consideration.
- 8-315. Restrictions upon issuance.
- 8-316. License from city to operate liquor store.
- 8-317. Restrictions on local liquor retailer's licenses.
- 8-318. Restrictions upon licensees and employees.
- 8-319. Nature of license; suspension or revocation.

**8-301. Definitions.** Whenever used in this title, the following terms shall have the following meanings unless the context necessarily requires otherwise:

(1) "Alcoholic beverage." Alcoholic beverage means and includes alcohol, spirits, liquor, wine, and every liquid containing alcohol, spirits, and wine capable of being consumed by a human being other than medicine or beer where the latter contains an alcohol content of five percent (5%) by weight or less. Alcoholic beverage also includes any liquid product containing distilled alcohol capable of being consumed by a human being, manufactured or made with distilled alcohol irrespective of alcoholic content. Products or beverages including beer containing less than one-half percent (1/2%) alcohol by volume, other than wine as defined in this section, shall not be considered alcoholic beverage and shall not be subject to regulation or taxation pursuant to this chapter unless specifically provided.

(2) "Applicant." A person applying for a local liquor store privilege license or a certificate of compliance, as the context provides.

(3) "Applicant group." More than one (1) person joining together to apply for a local liquor store privilege license or certificate of compliance, as the

context provides, to operate a single liquor store pursuant to the same application.

(4) "Application." The form or forms or other information an applicant or applicant group is required to file with the city in order to attempt to obtain a local liquor store privilege license or certificate of compliance, as the context provides.

(5) "Certificate of compliance." The certificate required in Tennessee Code Annotated, § 57-3-208, as the same may be amended, supplemented or replaced, and subject to the provisions set forth in this chapter for issuance of such a certificate.

(6) "City." The city is the Town of Spring City, Tennessee.

(7) "Co-licensees." Persons who together hold a single local liquor store privilege license for a single liquor store.

(8) "Federal statutes." The statutes of the United States now in effect or as they may hereafter be changed.

(9) "Inspection fee." The monthly fee a licensee is required by this chapter to pay, the amount of which is determined by a percentage of the gross purchase price of all alcoholic beverages acquired by the licensee for retail sale from any wholesaler or any other source. In the event of co-licensees holding a local liquor store privilege license for a single liquor store, such inspection fee shall be the same as if the local liquor store privilege license were held by a single licensee.

(10) "License fee." The annual fee a licensee is required by this chapter to pay prior to the time of the issuance or renewal of a local liquor store privilege license. In the event of co-licensees holding a local liquor store privilege license for a single liquor store, only one (1) license fee is required.

(11) "Licensee." The holder or holders of a local liquor store privilege license. In the event of co-licensees, each person who receives a certificate of compliance and local liquor store privilege license shall be a licensee subject to the rules and regulations herein.

(12) "Liquor store." The building or part of a building where a licensee conducts any of the business authorized by the local liquor store privilege license and state liquor license held by such licensee.

(13) "Local liquor store privilege license." A local liquor store privilege license issued under the provisions of this chapter for the purpose of authorizing the holder or holders thereof to engage in the business of selling alcoholic beverages at retail in the city at a liquor store. Such a local liquor store privilege license will only be granted to a person or persons who has or have a valid state liquor retailer's license. One (1) local liquor store privilege license is necessary for each liquor store to be operated in the city.

(14) "Manufactured." A structure, transportable in one (1) or more sections, and which is built on a permanent chassis and designed to be used as a dwelling with or without permanent foundation.

(15) "Person." Person means any natural person as well as any corporation, limited liability company, partnership, firm or association or any other legal entity recognized by the laws of the State of Tennessee.

(16) "Retail sale or sale at retail." The sale to a consumer or to any person for any purpose other than for resale.

(17) "State law, rules and regulations." All applicable laws, rules and regulations of the State of Tennessee applicable to alcoholic beverages as now in effect or as they may hereafter be changed including, without limitation, the local option liquor rules and regulations of the Tennessee Alcoholic Beverage Commission.

(18) "State liquor retailer's license." A license issued by the alcoholic beverage commission of the State of Tennessee pursuant to Tennessee Code Annotated, § 57-3-201 *et seq.* permitting its holder to sell alcoholic beverages at retail in Tennessee.

(19) "Wholesaler." Wholesaler means any person who sells at wholesale any beverage for the sale of which a license is required under the provisions of this chapter.

(20) "Wine." Wine means the product of normal alcoholic fermentation of juice of fresh, sound, ripe grapes, with the usual cellar treatment and necessary additions to correct defects due to climactic, saccharine, and seasonal conditions, including champagne, sparkling and fortified wine of an alcoholic content not to exceed twenty-one percent (21%) by volume. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-302. Selling and distributing generally.** It shall be unlawful for any person to engage in the business of selling or distributing alcoholic beverages within the corporate limits of the city except as provided by Tennessee Code Annotated, title 57 and by the rules and regulations promulgated thereunder and as provided under this title. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-303. Licenses required for sale of alcoholic beverages at retail.** It shall be lawful for a licensee to sell alcoholic beverages at retail in a liquor store provided that such sales are made in strict compliance with all federal statutes, all state laws, rules and regulations, and all provisions of this chapter and provided that such licensee has a valid and duly issued state liquor retailer's license and a valid and duly issued local liquor store privilege license from the city permitting him or her to sell alcoholic beverages at retail. Transfer of ownership or possession of any alcoholic beverage by a licensee in any manner other than by retail sale is prohibited. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-304. Licensee responsible for officers and agents.** Each licensee shall be responsible for all acts of such licensee as well as the acts of a

co-licensee, and acts of the licensee's officers, employees, agents and representatives so that any violation of this chapter by any co-licensee, officer, employee, agent or representative of a licensee shall constitute a violation of this chapter by such licensee. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-305. Location of liquor store.** It shall be unlawful for any person to operate or maintain a liquor store for the retail sale of alcoholic beverages in the city unless at a location approved by city commission. All such stores shall be located within the G-1, G-2, or G-4 zones as appears on the official zoning map of the Town of Spring City on the date of application. Such liquor store shall not be located within two hundred feet (200') of any church or school as measured along a straight line from the nearest property line of any such establishment to the front door of the liquor store. No liquor store shall be located where the operation of a liquor store at the premises contemplated by an application would unreasonably interfere with public health, safety or morals. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-306. Limitations on building containing liquor store.** All liquor stores shall be a permanent type of construction in a material and design approved by city commission. No liquor store shall be located in a manufactured or other movable or prefabricated type of building. All liquor stores shall have night light surrounding the outside of the premises and shall be equipped with a functioning burglar alarm system on the inside of the premises. Full, free and unobstructed vision shall be afforded to and from the street and public highway to the interior of the liquor store by way of large windows in the front and to the extent practical to the sides of the building containing the liquor store. All liquor stores shall be subject to applicable zoning, land use, building and life safety regulations, as adopted within the Town of Spring City Municipal Code, unless specifically stated otherwise herein. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-307. Restrictions generally.** (1) Entertainment devices and seating forbidden. No form of entertainment, including pinball machines, music machines or similar devices shall be permitted in any liquor store. No seating facilities, other than for employees of the liquor store, shall be permitted in any liquor store.

(2) Time and days of operation. No liquor store shall be open and no licensee shall sell or give away any alcoholic beverage on any Sunday. On other days, no liquor store shall be open and no licensee shall sell or give away any alcoholic beverage before eight o'clock in the morning (8:00 A.M.) or after eleven o'clock at night (11:00 P.M.). No liquor store shall be open for business on Christmas, Thanksgiving, New Year's Day, Labor Day or the Fourth of July.

(3) Selling or furnishing to person(s) below the age of twenty-one (21) years, etc. It shall be unlawful for any licensee to sell, furnish or give away any alcoholic beverage to a person below the age of twenty-one (21) years or to a person visibly intoxicated. It shall be unlawful for such person to enter or remain in a liquor store (except that employees with appropriate employee permits issued pursuant to state law who are age eighteen (18) years and older are permitted in a liquor store for the purpose of engaging in paid employment only) or to loiter in the immediate vicinity of a liquor store. It shall be unlawful for a person below the age of twenty-one (21) years to misrepresent his or her age in an attempt to gain admission to a liquor store or in an attempt to buy any alcoholic beverage from a licensee.

(4) Consumption on premises of liquor store. It shall be unlawful for any licensee to sell any alcoholic beverage for consumption in such licensee's liquor store or on the premises used by the licensee in connection therewith. It shall be unlawful for any person to consume any alcoholic beverage in a liquor store or in the immediate vicinity of a liquor store.

(5) Advertising. There shall be no advertising signage of any kind whatsoever outside the building containing a liquor store either for the liquor store or to advertise any matter pertaining to alcoholic beverages sold at liquor stores except as set forth herein. The provisions of the Town of Spring City Zoning and Land Use Control Regulations, chapter 6, and any other city ordinances or regulations addressing signs shall not apply to liquor stores unless any specific restrictions on signs or advertising in the zone where a liquor store is located are more restrictive than the restrictions contained herein, in which case the more restrictive provision shall apply. There may be placed on the front of a liquor store, but not extending therefrom over twelve inches (12"), a sign setting out the name of the liquor store. Such sign shall not exceed twenty (20) square feet in dimension. No such sign shall contain letters of neon or tube lighting so as to produce lighting within the letters themselves through signs lit by back lighting are permitted. No reader board or changeable copy signs shall be permitted. One (1) free-standing sign shall be allowed on the premises. No off-premises signs shall be allowed within the city. Regarding signage inside a liquor store, no banner or temporary or permanent signage shall be placed so that it obstructs free and clear vision of the interior of the liquor store from outside of the liquor store.

(6) Off premises business. All retail sales of alcoholic beverages shall be confined to the premises of the liquor store. No curb service is permitted, nor shall there be permitted drive-in windows. No licensee shall employ any canvasser, agent, solicitor, or other representative for the purpose of receiving an order from a consumer for any alcoholic beverages at the residence or place of business of such consumer nor shall any licensee receive or accept any such order which shall have been solicited and received at the residence or place of business of such consumer. This paragraph shall not be construed as to prohibit the solicitation by a state licensed wholesaler of any order from any licensed

retailer at the licensed premises. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-308. Fees.** (1) Amounts generally. There is hereby levied on each licensee an inspection fee of eight percent (8%) on the gross purchase price of any alcoholic beverages acquired by the licensee for retail sale from any wholesaler or any other source.

(2) Collection. Collection of such inspection fee shall be made by the wholesaler or other source vending to the licensee at the time the sale is made to the licensee. Payment of all such records shall be preserved for a period of at least fifteen (15) months unless the city recorder gives the licensee written permission to dispose of such records at an earlier time. In the event of co-licensees holding a single license, one (1) set of records per liquor store satisfies the requirements of this part.

(3) Reports. The city recorder shall prepare and make available to each wholesaler and other source vending alcoholic beverages to licensees sufficient forms for the monthly report of inspection fees payable by such licensee making purchases from such wholesaler or other source. Such wholesaler shall timely complete and return the forms and the required information and inspection fees within the time specified above.

(4) Failure to pay fees. The failure to pay the inspection fees and to make the required reports accurately and within the time required by this chapter shall, at the sole direction of the city manager, be cause for suspension of the offending licensee's local liquor store privilege license for as much as thirty (30) days and, at the sole discretion of the city commission, be cause for revocation of such local liquor store privilege license. Each such action may be taken by giving written notice thereof to the licensee, no hearing with respect to such an offense being required. If a licensee has his or her license revoked, suspended or otherwise removed and owes the city inspection fees at the time of such suspension, revocation, or removal the city attorney may timely file the necessary action in a court of appropriate jurisdiction for recovery of such inspection fees. Further, each licensee who fails to pay or have paid on his or her behalf the inspection fees imposed hereunder shall be liable to the city for a penalty on the delinquent amount due in an amount of ten percent (10%) of the inspection fee.

(5) Use of fees. All funds derived from inspection fees imposed herein shall be used to defray expenses in connection with the enforcement of this title including particularly the payment and compensation of officers, employees, and other representatives of the city in investigating and inspecting licensees and applicants and in seeing that all provisions of this title are observed. The city commission finds and declares that the amount of these inspection fees is reasonable, and that the funds expected to be derived from these inspection fees will be reasonably required for such purposes. (as added by Ord. #2021-03,

March 2021 *Ch11\_11-02-23*, and amended by Ord. #2022-08, Sept. 2022 *Ch11\_11-02-23*)

**8-309. Records kept by licensee.** In addition to any records specified in the state rules and regulations, each licensee shall keep on file, at such licensee's liquor store, the following records:

(1) The original invoices of all alcoholic beverages bought by the licensee;

(2) The original receipts for any alcoholic beverages returned by such licensee to any wholesaler;

(3) A current daily record of the gross sales by such licensee with evidence of cash register receipts for each day's sales; and

(4) An accurate record of all alcoholic beverages lost, damaged, or disposed of other than by sale and showing for each such transaction the date thereof, the quantity and brands of alcoholic beverages involved and the name of the person or persons receiving the same.

All such records shall be preserved for a period of at least fifteen (15) months unless the city recorder gives the licensee written permission to dispose of such records at an earlier time. In the event of co-licensees holding a single license, one (1) set of records per liquor store satisfies the requirements of this part. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-310. Inspections generally.** The city manager, the city recorder, the city finance director, the chief of police or the authorized representatives or agents of any of them are authorized to examine the premises, books, papers and records of any liquor store at any time the liquor store is open for business for the purpose of determining whether the provisions of this chapter are being observed. Refusal to permit such examination shall be a violation of this chapter and shall constitute sufficient reason for revocation of the local liquor store privilege license of the offending licensee or for the refusal to renew the local liquor store privilege license of the offending licensee. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-311. Enforcement - violations - penalties.** Any violation of the provisions of this chapter shall constitute a misdemeanor and shall, upon conviction, be punishable by a fine of not less than fifty dollars (\$50.00). Upon conviction of any person under this chapter, it shall be mandatory for the city judge to immediately certify said conviction, whether on appeal or not, directly to the Tennessee Alcoholic Beverage Commission, together with petition that all licenses be revoked, pursuant to the provisions of chapter 3 of title 57 of the Tennessee Code Annotated, and the rules and regulations of said commission. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-312. Certificate of compliance.** As a condition precedent to the issuance of a state liquor retailer's license by the state alcoholic beverage commission, city commission may authorize the issuance of certificates of compliance by the city according to the terms contained herein. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-313. Application.** (1) Filing - content. An applicant or applicant group for a liquor store shall file with the city recorder a completed written application on a form to be provided by the city recorder which shall contain all of the following information and whatever additional information the city commission or city manager may require:

(a) The name and street address of each person to have an interest, direct or indirect, in the liquor store as an owner, partner, stockholder or otherwise. In the event that a corporation, partnership, limited liability company or other legally recognized entity is an applicant or member of an applicant group, each person with an interest therein must be disclosed and must provide the information on the application provided by the city;

(b) The name of the liquor store proposed;

(c) The address of the liquor store proposed and its zoning designation;

(d) A statement that the persons receiving the requested license to the best of their knowledge if awarded the certificate of compliance could comply with all the requirements for obtaining the required licenses under state law and the provisions of this chapter for the operation of a liquor store in the city;

(e) The agreement of each applicant or each member of an applicant group, as appropriate, to comply with all applicable laws and ordinances and with the rules and regulations of the Tennessee Alcoholic Beverage Commission with reference to the sale of alcoholic beverages and the agreement of each applicant or each member of an applicant group as to the validity and the reasonableness of these regulations, inspection fees, and taxes provided in this title with reference to the sale of alcoholic beverages.

(2) Further documentation. The application form shall be accompanied by a copy of each questionnaire form and other material to be filled out by the applicant or each member of the applicant group with the Tennessee Alcoholic Beverage Commission in connection with the same application and shall be accompanied by five (5) copies of a scale plan drawn to a scale of not less than one inch equals twenty feet (1" = 20') giving the following information:

(a) The shape, size and location of the lot which the liquor store is to be operated under the license;

(b) The shape, size, height and location of all buildings whether they are to be erected, altered, moved or existing upon the lot;

(c) The off-street parking space and off-street loading and unloading space to be provided including the vehicular access to be provided from these areas to a public street; and

(d) The identification of every parcel of land within two hundred feet (200') of the lot upon which the liquor store is to be operated indicating ownership thereof and the location of any structures thereon and the use being made of every such parcel.

(3) Signature. The application form shall be signed and verified by each person to have any interest in the liquor store either as an owner, partner, stockholder or otherwise.

(4) Misrepresentation - concealment of fact - duty to amend. If any applicant, member of an applicant group, or licensee misrepresents or conceals any material fact in any application form or as to any other information required to be disclosed by this chapter, such applicant, member of an applicant group, or licensee shall be deemed to have violated the provisions of this chapter and his or her application may be disregarded or his or her license restricted or revoked as deemed appropriate by city commission. Further, no sale, transfer or gift of any interest of any nature, either financial or otherwise, in a liquor store shall be made without first obtaining a replacement license from the city upon the approval of the city commission.

(5) Fees. Each application shall be accompanied by a non-refundable three hundred dollar (\$300.00) investigation fee. One (1) application fee per applicant group is sufficient. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-314. Consideration**. In issuing the initial certificates of compliance sufficient for the licensing of up to two (2) liquor stores in the city permitted by this chapter, the city commission will consider all applications filed, before a closing date to be fixed by it and after publication of notices published in a newspaper of general circulation in Rhea County, Tennessee required by state law. City commission will select from such applications the persons deemed by it in its sole discretion to have qualifications required by law and the most suitable circumstances for the lawful operation of a liquor store without regard to the order of time in which the applications are filed. Such persons and only such persons shall receive the initial certificates of compliance issued by the city. If, thereafter, an additional license becomes available due to the cancellation, revocation or otherwise of a previously issued license, city commission will select from all pending applications the applicant or applicant group deemed by it to have the qualifications required by law and the most suitable circumstances for the lawful operation of a liquor store after a closing date to be fixed by it upon public notice of the availability of such license. Such person or persons and only such person or persons will receive certificates of compliance issued by the city sufficient to allow the operation of the liquor store contemplated by the chosen application. Applications shall be retained by the

city until such time as all liquor stores for which certificates of compliance have been issued by the city are opened for business. At that time, all pending applications which did not result in the granting of certificates of compliance after consideration by city council will expire and be disposed of by the city. Applications can only be submitted to the city during the time frame the city commission has set forth for receipt of such applications. Applications and all matters submitted with or as a part of such applications become at the time they are submitted the sole and exclusive property of the city and constitute public records open to public inspection. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-315. Restrictions upon issuance.** (1) Additional certificate of compliance. The city council shall not issue a certificate of compliance unless there is an available liquor store license that is pending approval by the Tennessee Alcoholic Beverage Commission.

(2) No violation of chapter. No certificate of compliance shall be issued unless a license issued on the basis thereof can be exercised without violating any provisions of this chapter.

(3) Prerequisites of issuance. The city manager upon approval of city commission shall not sign any certificate of compliance for any applicant or applicant group until:

(a) Such application has been filed with the city recorder;

(b) The location stated in the certificate has been approved by the city commission as a suitable location for the operation of a liquor store; and

(c) The application has been considered at a public meeting of the city commission and approved by a vote of at least three (3) members thereof.

(4) Time period for action. Any applicant or applicant group who has obtained a certificate of compliance as provided herein must, unless an extension is granted by city commission, within six (6) months open a liquor store in the city or said certificate will be revoked by the passage of this amount of time and a certification thereof will be sent to the alcoholic beverage commission of the State of Tennessee and the local liquor license issued pursuant to such application shall be considered canceled and revoked. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-316. License from city to operate liquor store.** After an applicant or applicant group receives a license from the State of Tennessee to operate a retail liquor store pursuant to Tennessee Code Annotated, §§ 57-3101, et seq., he or she shall apply to the city recorder for a local liquor retailer's license to operate a retail liquor store pursuant to the following terms, conditions and restrictions. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-317. Restrictions on local liquor retailer's licenses.** (1) Maximum number of licenses. No more than two (2) local liquor retailers' licenses for the sale of alcoholic beverages at liquor stores shall be issued under this chapter representing no more than two (2) liquor stores in the city.

(2) Term renewal. Each license shall expire on December 31st of each year. A license shall be subject to renewal each year by compliance with all applicable federal statutes, state statutes, state rules and regulations and the provisions of this chapter.

(3) Display. A licensee shall display and post and keep displayed and posted his or her license in a conspicuous place in the licensee's liquor store at all times when any activity or business authorized thereunder is being done by the licensee.

(4) Transfer. A licensee or co-licensee shall not sell, assign or transfer his or her license or any interest therein to any other person. No license shall be transferred from one location to another location without the express permission of city commission.

(5) Fees. A license fee of five hundred dollars (\$500.00) is due at the time of application for a license and annually prior to January 1 each year thereafter. The initial license shall remain in effect for the remainder of the calendar year when it is first issued so that the first year may not be a full year period. The license fee shall be paid to the city recorder before any license shall issue.

(6) Sale of business. Upon compliance with all the requirements of §§ 8-412 and 8-413 by such individual or other legal entity, their heirs, successors, or assigns seeking to purchase or continue operation of an existing liquor store, city commission may authorize a new certificate of compliance to said successor. The application for such new certificate of compliance shall be accompanied by a non-refundable three hundred dollar (\$300.00) investigation fee. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-318. Restrictions upon licensees and employees.** (1) Initial qualifications. To be eligible to apply for or to receive a license, an applicant or in the case of an applicant group, each member of the applicant group, must satisfy all of the requirements of the state statutes and of the state rules and regulations for the holder of a liquor retailer's license.

(2) Public officers and employees. No license shall be issued to a person who is a holder of a public office either appointed or elected or who is a public employee either national, state, city or county. It shall be unlawful for any such person to have any interest in such liquor store either directly or indirectly, either proprietary or by means of a loan or participation in the profits of any such business. This prohibition shall not apply however to uncompensated, appointed members of boards or commissions who have no duties covering the regulation of alcoholic beverages or beer.

(3) Felons. No licensee shall be a person who has been convicted of a felony within ten (10) years prior to the time he or she or the legal entity which he or she is connected shall receive a license; provided that this provision shall not apply to any person who has been so convicted but whose rights of citizenship have been restored or judgment of infamy has been removed by a court of competent jurisdiction. in case of such conviction occurring after a license has been issued and received, the license shall immediately be revoked if such convicted felon is an individual licensee and, if not, the partnership, corporation, limited liability company or association with which he or she is connected shall immediately discharge him or her and he or she shall have no further interest therein or else such license shall be immediately revoked.

(4) Employee felons. No licensee shall employ in the storage, sale, or distribution of alcoholic beverages any person who within ten (10) years prior to the date of his or her employment shall have been convicted of a felony. In the case that an employee is convicted of a felony while he is employed by a licensee at a liquor store, he or she shall be immediately discharged after his or her conviction provided that this provision shall not apply to any person who has been so convicted but whose rights of citizenship have been restored or judgment of infamy has been removed by a court of competent jurisdiction.

(5) Liquor offenses. No license shall be issued to any person who within ten (10) years preceding application for such license or permit shall have been convicted of any offense under the laws of this state or any state or of the united states regulating the sale, possession, transportation, storing, manufacturing, or otherwise handling of intoxicating liquors or beer who has during such period been engaged in business, alone or with others, in violation of any such laws or rules and regulations.

(6) Disclosure of interest. It shall be unlawful for any person to have ownership in or participate in, either directly or indirectly, the profits of any liquor store unless his or her interest in such business and the nature, extent and character thereof shall appear on the application or if the interest is acquired after the issuance of a license unless it be fully disclosed to the city manager and approved by him or her in a timely manner.

(7) Age. No licensee shall be a person under the age of twenty-one (21) years and it shall be unlawful for any licensee to employ any person under the age of eighteen (18) years for the physical storage, sale or distribution of alcoholic beverages or to permit any such person under such age in his or her place of business to engage in the storage, sale or distribution of alcoholic beverages.

(8) Interest in only one liquor store. A person shall have an interest, either direct or indirect, in no more than one (1) liquor store licensed under this title in the Town of Spring City. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)

**8-319. Nature of license: suspension or revocation.** The issuance of a license does not vest a property right in the licensee but is a privilege subject to revocation or suspension. Any license shall be subject to suspension or revocation by city commission for any violation of this title by the licensee or by any person for whose acts the licensee is responsible. The licensee shall be given reasonable notice and an opportunity to be heard before the city commission suspends or revokes a license for any violation unless provided otherwise specifically herein. If the licensee is convicted of a violation of this title by a final judgment in any court and the operation of the judgment is not suspended by an appeal, upon written notice to the licensee, the city manager may immediately suspend the license for a period not to exceed sixty (60) days, and the city commission may revoke the license on the basis of such conviction thereafter. A license shall be subject to revocation or suspension without a hearing whenever such action is expressly authorized by other provisions of this chapter stating the effect of specific violations. (as added by Ord. #2021-03, March 2021 *Ch11\_11-02-23*)