#### TITLE 8

# ALCOHOLIC BEVERAGES<sup>1</sup>

## **CHAPTER**

- 1. BEER.
- 2. INTOXICATING LIQUORS.
- 3. CONSUMPTION OF ALCOHOLIC BEVERAGES ON PREMISES.

## CHAPTER 1

## **BEER**

## **SECTION**

- 8-101. Beer board established.
- 8-102. Meetings of the beer board.
- 8-103. Record of beer board proceedings to be kept.
- 8-104. Requirements for beer board quorum and action.
- 8-105. Powers and duties of the beer board.
- 8-106. "Beer" defined.
- 8-107. Permit required for engaging in beer business.
- 8-108. Beer permits shall be restrictive.
- 8-109. Interference with public health, safety, and morals prohibited.
- 8-110. Issuance of permits to persons convicted of certain crimes prohibited.
- 8-111. Prohibited conduct or activities by beer permit holders.
- 8-112. Revocation of beer permits.
- 8-113. Privilege tax.
- 8-114. Civil penalty in lieu of suspension.
- 8-101. <u>Beer board established</u>. There is hereby established a beer board to be composed of the board of mayor and aldermen. The beer board shall be vested with the authority to issue, suspend or revoke permits for the storage and sale of beer or ale or beverage of a like alcoholic content within the corporate

<sup>&</sup>lt;sup>1</sup>Municipal code references

Minors in beer places, etc.: title 11, chapter 2.

Tax provisions: title 5.

State law reference

For a leading case on a municipality's authority to regulate beer, see the Tennessee Supreme Court decision in <u>Watkins v. Naifeh</u>, 635 S.W.2d 104 (1982).

- limits of Jasper, Tennessee. The mayor shall be chairman of the beer board. (1983 Code, § 2-101)
- 8-102. Meetings of the beer board. All meetings of the beer board shall be open to the public. The board shall hold regular meetings in the town hall 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 a reasonable notice thereof to each member. The board may adjourn a meeting at any time to another time and place. (1983 Code, § 2-102)
- 8-103. Record of beer board proceedings to be kept. The 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 or resolution presented; the vote of each member thereon; and the provisions of each beer permit issued by the board. (1983 Code, § 2-103)
- 8-104. 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. (1983 Code, § 2-104)
- 8-105. <u>Powers and duties of the beer board</u>. 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. (1983 Code, § 2-105)
- 8-106. "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 five percent (5%) by weight. (1983 Code, § 2-106)
- 8-107. 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 TCA § 57-5-101(b), and shall be accompanied by a non-refundable application fee of two hundred fifty dollars (\$250.00). Said

fee shall be in the form of a cashier's check payable to the Town of Jasper. <sup>1</sup> Each applicant must be a person of good moral character and certify that he has read and is familiar with the provisions of this chapter. (1983 Code, § 2-107, as amended by Ord. #203, Sept. 9, 1993)

- 8-108. Beer permits shall be restrictive. All beer permits shall be restrictive as to the type of beer business authorized under them. Separate permits shall be required for selling at retail, storing, distributing, and manufacturing. Beer permits for the 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. It shall likewise be unlawful for him not to comply with any and all express restrictions or conditions which may be written into his permit by the beer board. (1983 Code, § 2-108)
- 8-109. Interference with public health, safety, and morals prohibited. No permit authorizing the sale of beer will be issued when such business would cause congestion of traffic or would interfere with schools, churches, or other places of public gathering, or would otherwise interfere with the public health, safety, and morals. In no event will a permit be issued authorizing the storage, sale, or manufacture of beer at places within three hundred (300) feet of any school, church, or other such place of public gathering. The distance shall be measured in a straight line between the nearest points on the respective property lines. (1983 Code, § 2-110)
- 8-110. <u>Issuance of permits to persons convicted of certain crimes prohibited</u>. 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. (1983 Code, § 2-111)
- 8-111. <u>Prohibited conduct or activities by beer permit holders</u>. 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 person under eighteen (18) years of age in the sale, storage, distribution, or manufacture of beer. (This provision shall not apply to grocery stores selling beer for off-premises consumption only.)

<sup>&</sup>lt;sup>1</sup>State law reference

Tennessee Code Annotated, section 57-5-108(c).

- (3) Any beer permit holder authorized to make sales for on-premise consumption shall not make any such sales between the hours of 12:00 midnight and 6:00 A.M. during any day of the week or between the hours of 12:00 midnight on Saturday and 12:00 noon on Sunday. This restriction does not apply to the sale of beer for off-premise consumption, and same may be made by a legally authorized permit holder at any time.
- (4) Allow any loud, unusual, or obnoxious noises to emanate from his premises.
- (5) Make or allow any sale of beer to a person under twenty-one (21) years of age.
- (6) Make or allow any sale of beer to any intoxicated person or to any feeble-minded, insane, or otherwise mentally incapacitated person.
  - (7) Allow drunk or disreputable persons to loiter about his premises.
- (8) Fail to provide and maintain separate sanitary toilet facilities for men and women. (1983 Code, § 2-112, as amended by Ord. #203, Sept. 1993, and Ord. #237, Aug. 1998, and replaced by Ord. #315, May 2007)
- 8-112. 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. Complaints brought for the purpose of suspending or revoking such permits shall be made in writing and filed with the chairman of the beer board who shall give written notice, accompanied by a copy of the written complaint, to the holder of the beer permit commanding the holder to appear before the beer board at a time and place designated in the notice, and show cause why the permit should not be suspended or revoked. The notice shall be served by an officer authorized by law or ordinance to serve process for the town, or by registered letter, at least ten (10) days prior to the date of the hearing to which the holder of the beer permit is cited to appear. During the hearing the beer board shall publicly hear and determine the nature and merits of the complaint, and for this purpose the chairman of the board is authorized to compel the attendance of witnesses by subpoena, and after the hearing the beer board may for proper cause suspend or revoke the beer permit in question. (1983 Code, § 2-113)
- 8-113. Privilege tax. There is hereby imposed on the business of selling, distributing, storing or manufacturing beer an annual privilege tax of one hundred dollars (\$100.00). Any person, firm, corporation, joint stock company, syndicate or association engaged in the sale, distribution, storage or manufacture of beer shall remit the tax on January 1, 1994, and each successive January 1, to the Town of Jasper, Tennessee. At the time a new permit is issued to any business subject to this tax, the permit holder shall be required to pay the privilege tax on a prorated basis for each month or portion thereof remaining until the next tax payment date. (Ord. #203, Sept. 9, 1993)

8-114. 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, 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. #203, Sept. 9, 1993)

#### CHAPTER 2

## INTOXICATING LIQUORS

## **SECTION**

- 8-201. Definitions.
- 8-202. Dealers in alcoholic beverages subject to regulations.
- 8-203. Manufacture of alcoholic beverages prohibited.
- 8-204. Wholesalers.
- 8-205. Certificate of good moral character a prerequisite for a retail permit.
- 8-206. Content of application for certificate of good moral character.
- 8-207. Misrepresentation or concealment.
- 8-208. Restrictions on issuance of certificate of good moral character.
- 8-209. Investigation fee.
- 8-210. Miscellaneous restrictions on licensees and their employees.
- 8-211. Nature and revocability of license.
- 8-212. Display of license.
- 8-213. Maximum number of licenses.
- 8-214. Location of liquor store.
- 8-215. License non-transferable.
- 8-216. Limited times of operation.
- 8-217. Minors, persons visibly intoxicated, and habitual drunkards.
- 8-218. Consumption on premises prohibited.
- 8-219. Inspection fee.
- 8-220. Inspection fee reports.
- 8-221. Records to be kept by licensee.
- 8-222. Inspections.
- 8-223. Effect of failure to report and pay inspection fee.
- 8-224. Use of funds derived from inspection fees.
- 8-225. Other violations by licensee.
- 8-226. Licensee's responsibility.
- 8-227. Initial applications.
- 8-201. <u>Definitions</u>. Whenever used in this chapter the following terms shall have the following meanings unless the context necessarily requires otherwise:
- (1) "Alcoholic beverages" means and includes alcohol, spirits, liquor, wine, and every liquid containing alcohol, spirits or wine and capable of being consumed by a human being, other than patent medicine, beer or wine, where

<sup>&</sup>lt;sup>1</sup>State law reference

Tennessee Code Annotated, section 57-3-101.

either of the latter has an alcoholic content of five percent (5%) by weight, or less.

- (2) "Applicant" means the party applying for a certificate of good moral character or a license.
- (3) "Application" means the form or forms an applicant is required to file in order to obtain a certificate of good moral character or license.
- (4) "Bottle" means any container, vessel, bottle or other receptacle used for holding any alcoholic beverage. "Unsealed bottle" means a bottle with the original seal, cork, cap or other enclosing device either broken or removed, or on which the federal revenue strip stamp has been broken.
  - (5) "Board" means the board of mayor and aldermen of the town.
- (6) "Certificate of good moral character" means the certificate provided for in <u>Tennessee Code Annotated</u>, title 57, chapter 3, in connection with the prescribed procedure for obtaining a State Liquor Retailer's License.
  - (7) "Town" means the Town of Jasper, Tennessee.
  - (8) "City recorder" means the city recorder of the town.
- (9) "Corporate limits" means the corporate limits of the town as the same now exist or may hereafter be changed.
- (10) "Distiller" means any person who owns, occupies, carries on, works, conducts or operates any distillery either by himself or by his agent.
- (11) "Distillery" means and includes any place or premises wherein any alcoholic beverage is manufactured for sale.
- (12) "Federal statutes" means the statutes of the United States now in effect or as they may hereafter be changed.
- (13) "Inspection fee" means the monthly fee a licensee is required by this ordinance to pay, the amount of which is determined by a percentage of the gross sales of a licensee.
- (14) "License" means a license issued by the state under the provisions of this chapter for the purpose of authorizing the holder thereof to engage in the business of selling alcoholic beverages at retail in the town.
  - (15) "Licensee" means the holder of a license.
- (16) "Liquor store" means the building or the part of a building where a licensee conducts any of the business authorized by his license.
- (17) "Manufacturer" means and includes a distiller, vintner and rectifier of alcoholic beverage. "Manufacture" means and includes distilling, rectifying and operating any winery or any device for the production of alcoholic beverages.
- (18) "Person" shall mean and include an individual, partner, association or corporation.
- (19) "Rectifier" means and includes any person who rectifies, purifies or refines any alcoholic beverage by any process other than as provided for on distillery premises, and also any person who, without rectifying, purifying or refining an alcoholic beverage, shall, by mixing an alcoholic beverage with any other material, thereby manufacture any imitation thereof, or who compounds

an alcoholic beverage for sale under the name of: whiskey, brandy, gin, rum, wine, spirits, cordials, bitters, or any other name.

- (20) "Retail sale" or "sale at retail" means a sale of alcoholic beverage to a consumer or to any person for any purpose other than for resale.
- (21) "Sale or sell" means and includes the exchange or barter of alcoholic beverage, and also any delivery made otherwise than gratuitously of alcoholic beverage; the soliciting or receiving of an order for alcoholic beverage; the keeping, offering or exposing alcoholic beverage for sale.
- (22) "State alcoholic beverage commission" means the Tennessee Alcoholic Beverage Commission, provision for which is made in the state statutes, including without limitation the provisions of <u>Tennessee Code</u> Annotated, title 57.
- (23) "State rules and regulations" means all applicable 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 state.
- (24) "State statutes" means the statutes of the State of Tennessee now in effect or as they may hereafter be changed.
- (25) "Vintner" means any person who owns, occupies, carries on, works, conducts or operates any winery, either by himself or by his agent.
- (26) "Wine" means the product of the normal alcoholic fermentation of the juice of fresh, sound, ripe, grapes, with the usual cellar treatment and necessary additions to correct defects due to climatic, saccharine and seasonal conditions, including also champagne sparkling and fortified wine of an alcoholic content not to exceed twenty-one percent (21%) by volume. No other product shall be called "wine" unless designated by appropriate prefixes descriptive of the fruit, or other product from which the same was predominantly produced or unless designated as an artificial or imitation wine.
- (27) "Winery" means an includes any place or premises wherein wine is manufactured or brandies are distilled as the by-product of wine or where cordials are compounded.
- (28) "Wholesale sale" or "sale at wholesale" means a sale to any person for purposes of resale.
- (29) "Wholesaler" means any person who sells at wholesale any alcoholic beverage for the sale of which a license is required under the provisions of <u>Tennessee Code Annotated</u>, title 57, chapter 3.
- (30) "Words importing the masculine gender shall include the feminine and neuter, and the singular shall include the plural." (1983 Code, § 2-201)

- 8-202. <u>Dealers in alcoholic beverages subject to regulations</u>.<sup>1</sup> It shall be unlawful for any person either to engage in the business of selling, storing, transporting, or distributing any alcoholic beverage within the corporate limits of the town or to sell, store, transport, distribute, purchase or possess any alcoholic beverage within the corporate limits of the town, except as provided by the state statutes, by the state rules and regulations, by the federal statutes and by this chapter. (1983 Code, § 2-202)
- 8-203. <u>Manufacture of alcoholic beverages prohibited</u>. It shall be unlawful for any person to manufacture any alcoholic beverage within the corporate limits of the town. (1983 Code, § 2-203)
- 8-204. Wholesalers. Unless hereafter authorized by an ordinance of the town, no wholesaler's license shall be granted to any person for the operation within the corporate limits of the town of any business for the sale at wholesale of any alcoholic beverage. Any wholesaler, whose business is located outside the town and who holds a valid state license, and who has paid to the town all privilege taxes and fees applicable to such wholesale business, may sell, at wholesale, any alcoholic beverage to a licensee in the town and such licensee may purchase any alcoholic beverage from such wholesaler, but only as provided by the state statutes, the state rules and regulations, the federal statutes, and by this chapter. (1983 Code, § 2-204)
- 8-205. <u>Certificate of good moral character a prerequisite for a retail permit</u>. Certificate of good moral character shall be a prerequisite for a retail permit to sell alcoholic beverages in the Town of Jasper. To be eligible to apply for or to receive a certificate of good moral character, an applicant must satisfy the requirements of this chapter and the state statutes and state rules and regulations for a holder of a state liquor retailer's license.<sup>3</sup> (1983 Code, § 2-205, as replaced by Ord. #308, Oct. 2006)
- 8-206. Content of application for certificate of good moral character. Each applicant for a certificate of good moral character shall file with the board of mayor and aldermen a completed form of application, on a form to be provided by the board of mayor and aldermen, which shall contain the following

<sup>&</sup>lt;sup>1</sup>State law reference

Tennessee Code Annotated, sections 57-3-102 and 57-3-204.

<sup>&</sup>lt;sup>2</sup>State law reference

Tennessee Code Annotated, section 57-3-203.

<sup>&</sup>lt;sup>3</sup>State law reference

Tennessee Code Annotated, sections 57-3-204 and 57-3-208.

information: (a) the name and street address of each person to have any interest, direct or indirect, in the licensee as owner, partner, or stockholder, director, officer or otherwise; (b) the name of the liquor store to be operated under the license; (c) the address of the liquor store to be operated under the license and zoning designation application to such location; (d) the statement that each applicant has either resided within the corporate limits of the town as the same now exist during the two (2) consecutive years immediately preceding the date the application is filed; (e) the names and addresses of at least three (3) residents of the town who have known each applicant for at least two (2) years; (f) the agreement of each applicant to comply with the state statutes, federal statutes, this chapter and with the state rules and regulations with reference to the sale of alcoholic beverages; (h) the agreement of each applicant that he will be actively engaged in the retail sale of alcoholic beverages at the liquor store described in the application within one hundred and twenty (120) days after the license is granted to such applicant. The application form shall be accompanied by a copy of each application, and each questionnaire form and other material to be filed by the applicant with the state alcoholic beverage commission in connection with this same application and shall also be accompanied by five (5) copies of a plan drawn to a scale of not less than one (1) inch equals twenty (20) feet, giving the following information: (1) the shape, size, and location of the lot upon which the liquor store is to be operated under the license; (2) the shape, size, height, and location of all buildings, whether they are to be erected, altered, moved, or existing, upon the lot; (3) the off-street parking space and the off-street loading and unloading space to be provided including the vehicular access to be provided from these areas to a public street; and (4) the identification of every parcel of land within three hundred (300) feet of the lot upon which the liquor store is to be operated indicating ownership thereof and the locations of any structures situated thereon and the use being made of every such parcel. The application form shall be signed and verified by each person to have any interest in the licensee, either as owner, partner, or stockholder, director, officer or otherwise. If, at any time, the applicable state statutes shall be changed so as to dispense with the requirements of a certificate of good moral character, no original or renewal license shall be issued until an application in the same form has been filed with the board of mayor and aldermen.

The recorder shall review each application, note any apparent questions, errors and insufficiencies and submit same to the board of mayor and aldermen for consideration and action.<sup>1</sup> (1983 Code, § 2-206)

<sup>&</sup>lt;sup>1</sup>State law reference Tennessee Code Annotated, section 57-3-208.

8-207. <u>Misrepresentation or concealment</u>. A misrepresentation or concealment of any material fact in any application shall constitute a violation of this chapter, and the board shall forthwith report such violation to the State Alcoholic Commission together with the request that the State Alcoholic Beverage Commission take action necessary to revoke or refuse to grant or renew a license to an applicant guilty of such misrepresentation or concealment.<sup>1</sup> (1983 Code, § 2-207)

## 8-208. Restrictions on issuance of certificate of good moral character.

- (1) No certificate of good moral character shall be issued unless a license issued on the basis thereof to such applicant can be exercised without violating any provision of this chapter, the state statutes, the state rules and regulations or the federal statutes.
- (2) The board of mayor and aldermen shall not sign any certificate of good moral character for any applicant until (a) such applicant includes in his application a statement that if he is granted a certificate of good moral character he will open his liquor store with a minimum inventory of twenty thousand (\$20,000.00) dollars in wholesale value and that his liquor store will have at least five hundred (500) square feet of floor space; (b) such applicant's application has been filed with the board; (c) the location stated in the application has been approved by the board as a suitable location for the operation of a liquor store; and (d) the application has been considered at a meeting of the board and approved by a majority vote of the entire board.<sup>2</sup> (1983 Code, § 2-208)

8-209. <u>Investigation fee</u>. Each application for a certificate of good moral character filed with the town shall be accompanied by a \$10.00 fee payable to the town for investigating the applicant. (1983 Code, § 2-209)

#### 8-210. Miscellaneous restrictions on licensees and their employees.

(1) No certificate of good moral character shall be issued to a person who is a holder of a public office, either appointive or elective, or who is a public employee, either national, state, town or county; and it shall be unlawful for any such person to have any interest in the liquor retail business, directly or indirectly, either proprietary or by means of any loan, mortgage, or lien, or to participate in the profits of any such business.

<sup>&</sup>lt;sup>1</sup>State law reference Tennessee Code Annotated, section 57-3-104.

<sup>&</sup>lt;sup>2</sup>State law reference <u>Tennessee Code Annotated</u>, section 57-3-208.

(2) No certificate of good moral character shall be issued to a person who has been convicted of a felony involving moral turpitude within ten (10) years prior to the time he or the legal entity with which he is connected files application therefor, provided, however, 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; and provided, further, that in the case of any such conviction occurring after a license has been issued and received, the said license shall immediately be revoked, if such convicted felon be an individual licensee, and if not, the partnership, corporation, or association with which he is connected shall immediately discharge him as an employee, and such convicted felon shall forthwith divest himself of all interest in the business of the licensee, either as a partner, officer, director, stockholder or otherwise.

No certificate of good moral character shall be issued to any person, who, within ten (10) years preceding application therefor shall have been convicted of any offense under the state statutes, state rules and regulations, the federal statutes, this chapter or of the statutes of any other state of the United States prohibiting or regulating the sale, possession, transportation, storing, manufacturing, or otherwise handling alcoholic beverage or who has, during said period, been engaged in business alone or with others in violation of any of the state statutes, state rules and regulations, the federal statutes or the laws, rules and regulations of any other state, county or town of the United States; and provided further that in case of any such conviction occurring after a license has been issued and received, it shall be recommended that the said license shall be revoked.

- (3) It shall be unlawful for any manufacturer or wholesaler to have any interest in the licensee's rental or revenues.
- (4) It shall be unlawful for any person to have ownership in, or to be a partner in or a stockholder, director, or officer of, to participate either directly or indirectly, in the profits of, any business for which a license is granted hereunder, unless his interest in said 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 shall have been fully disclosed in writing by supplement to the application filed with the board and approved in writing by the board before such interest is acquired. Where such interest is owned by any person on or before the application for a license, the burden shall be upon such person to see that this section is fully complied with, whether, he, himself, signs or prepared the application, or whether the same is prepared by another; or if such interest is required after the issuance of the license the burden of the required disclosure of the proposed acquisition of such interest be upon both the seller and the purchaser.
- (5) No licensee shall employ a person in the sale of alcoholic beverages who is not a citizen of the United States.

- (6) No licensee shall employ in the storage, sale, or distribution of alcoholic beverages a person under the age of eighteen (18) years, and it shall be unlawful for any licensee to permit a minor in its place of business to engage in the storage, sale or distribution of alcoholic beverages.
- (7) No licensee shall employ in the sale of alcoholic beverages any person who, within ten (10) years prior to the date of his employment, shall have been convicted of a felony involving moral turpitude and in case an employee shall be convicted he shall immediately be discharged; provided, however, 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.
- (8) It shall be unlawful for a licensee to advertise by signs, window displays, posters, or any other designs intended to advertise any alcoholic beverage within the corporate limits of the town, except by signs approved by the board not larger than four (4) feet by eight (8) feet in designating the premises as "\_\_\_\_\_\_\_ Package Store." Only two (2) such signs, and no other, shall be permitted, one free standing and one attached to the building. Nothing contained herein shall prohibit any manufacturer or wholesaler from advertising in news media.
- (9) No licensee shall employ or otherwise use the services of any canvasser, agent, solicitor, or representative for the purpose of receiving an order from a consumer for any alcoholic beverage at the residence or places of business of such consumer, nor shall any such licensee receive or accept any such order which shall have been solicited or 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 licensee at the licensee's premises.
- (10) All retail stores shall be confined to the premises of the licensee. No curb service shall be permitted nor shall there be permitted drive-in windows.
- (11) No liquor store shall be located in the town on any premises above the ground floor. Each liquor store shall have only one main entrance for use by the public as a means of ingress and egress for the purpose of purchasing alcoholic beverages at retail, provided, however, that any liquor store adjoining the lobby of a hotel or motel may maintain an additional entrance into such lobby so long as said lobby is open to the public.
- (12) If a licensee is a corporation, then the addition to the other provisions of this chapter:
  - (a) No person owning stock in or who is an officer or director in such corporate licensee shall have any interest as an owner, stockholder, officer, director, or otherwise in any business licensed to engage in the sale at wholesale or retail of alcoholic beverages in the state or in any other place;

- (b) No stock of such corporate licensee shall be transferred by sale, gift, pledge, operation of law or otherwise to any person who has not been a resident of the town for the two (2) consecutive years immediately preceding the date of any such transfer; nor shall any of said stock be so transferred to any person who would not be otherwise qualified as an original stockholder of an initial corporate applicant for a license hereunder.
- (13) If any licensee, for any reason, shall not be actively engaged in and keep open its liquor store during normal business hours for a period of fifteen (15) work days in any calendar year, then the city recorder shall forthwith report such fact to the State Alcoholic Beverage Commission and take such other action as may appear necessary or proper to have the license of such licensee revoked.
- (14) Each liquor store licensed hereunder shall be personally and actively managed by the holder of the license, if the licensee is an individual, or by a partner or corporate officer, if the licensee is a partnership or corporation. In every case where alcoholic beverage is sold by a licensee that is either a partnership or a corporation, the name and address of the managing partner or the corporate officer who will be in active control and management of the liquor store shall be designated in the application, and any future changes in such manager shall be reported forthwith in writing to the city recorder. (1983 Code, § 2-210)
- 8-211. Nature and revocability of license. The issuance of a license hereunder shall vest no property rights in the licensee and such license shall be a privilege subject to revocation or suspension as provided by the state statutes and state rules and regulations. In the event of any violation of the state statutes, state rules and regulations, federal statutes or of the provisions of this ordinance by a licensee or by any person for whose acts the licensee is responsible, the city recorder shall forthwith report such violation to the Tennessee Alcoholic Beverage Commission or its successor and shall take such action before the Tennessee Alcoholic Beverage Commission or other appropriate state board to have the license of such licensee suspended or revoked as provided by law. (1983 Code, § 2-211)
- 8-212. <u>Display of license</u>. The licensee shall display and post, and keep displayed and posted, his 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. (1983 Code, § 2-212)

<sup>&</sup>lt;sup>1</sup>State law reference

Tennessee Code Annotated, sections 57-3-208 and 57-3-210.

- 8-213. Maximum number of licenses. No more than two (2) licenses shall be issued and outstanding at any time under the provisions of this ordinance. No person shall make application for, nor shall any person have on file and pending at any time on application for more than one (1) certificate of good moral character or for more than one (1) license to a liquor store. (1983 Code, § 2-213)
- 8-214. <u>Location of liquor store</u>. Liquor stores may be operated and maintained on premises within the corporate limits, but only within the following listed zones as defined in the zoning ordinance of the Town of Jasper, Tennessee, as set out on the zoning map of the town, as in effect on the date of any application for a license hereunder:
  - C-1 (Central Business) District
  - C-2 (General Commercial) District

All provisions of the zoning ordinance of the Town of Jasper, Tennessee, including but not limited to those provisions relating to the required yard area, off-street loading and unloading of vehicles to operate hereunder, shall be complied with by each licensee as a condition precedent to the operation of any liquor store authorized by this chapter. No pinball machines or other amusement devices and no seating facilities other than for employees shall be permitted in any liquor store. No political advertising of or for any candidate or party by poster, card, matches or other and no campaign material shall be placed, displayed or dispensed on the premises of any liquor store. A liquor store shall not be located within three hundred (300) feet of any church edifice or school as measured in a direct line from the center of the front door of the licensee's place of business. To assure that these requirements are satisfied, no original or renewal certificate of good moral character for an applicant for a license shall be issued for any location until a majority of the members of the board have approved the proposed location as being suitable for liquor store after a consideration of this matter at a meeting of the board.<sup>2</sup> (1983 Code, § 2-214)

8-215. <u>License non-transferable</u>. A licensee shall not sell, assign, give, pledge, or otherwise transfer his license or any interest therein to any other person. No license shall be transferred from the licensee by operation of law

<sup>&</sup>lt;sup>1</sup>State law reference Tennessee Code Annotated, section 57-3-208.

<sup>&</sup>lt;sup>2</sup>State law reference <u>Tennessee Code Annotated</u>, section 57-3-208.

through any proceedings in bankruptcy, insolvency, or receivership, or by execution, garnishment or other similar proceedings. No license shall be transferred from one location to another location without the prior written approval of the board. (1983 Code, § 2-215)

8-216. <u>Limited times of operation</u>. No retailer shall sell or give away any alcoholic beverages between 11:00 p.m. on Saturday night and 8:00 a.m. on Monday of each week and shall not sell, give away or otherwise disburse alcoholic beverages except between the hours of 8:00 a.m. and 11:00 p.m. Monday through Saturday. Retail stores shall not be open to the general public except during regular business hours and shall be closed for business Thanksgiving Day and Christmas Day. In addition, no retailer shall sell or give away any alcoholic beverages on Christmas, Thanksgiving Day, Labor Day, New Year's Day and the Fourth of July. In the event of an emergency, liquor stores may be closed by order of the mayor. (1983 Code, § 2-216)

8-217. Minors, persons visibly intoxicated, and habitual drunkards. It shall be unlawful for any licensee to sell, furnish, or give away any alcoholic beverage to any person who is under twenty-one (21) years of age or to any person who is visibly intoxicated or to any person who is a habitual drunkard (any person under twenty-one (21) years of age or visibly intoxicated or a habitual drunkard being hereafter in this section referred to as "such person.") It shall be unlawful for any such person to enter or remain in a liquor store, or to loiter in the immediate vicinity of a liquor store. It shall be unlawful for a licensee to allow any such person to enter or remain in the licensee's liquor store or any part of the licensee's adjacent to the liquor store. It shall be unlawful for any such person to buy or receive any alcoholic beverage from any licensee or from any other person. It shall be unlawful for a minor to misrepresent his age in an attempt to gain admission to a liquor store or in an attempt to buy any alcoholic beverage from a licensee for the purpose of selling or giving such alcoholic beverage to such person. (1983 Code, § 2-217)

8-218. <u>Consumption on premises prohibited</u>. It shall be unlawful for any licensee to sell or furnish 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. It shall

<sup>&</sup>lt;sup>1</sup>State law reference Tennessee Code Annotated, section 57-3-406.

<sup>&</sup>lt;sup>2</sup>State law reference <u>Tennessee Code Annotated</u>, section 57-3-406.

be unlawful for any licensee to allow any person to consume any alcoholic beverage in such licensee's liquor store or on the premises used by the licensee in connection therewith. (1983 Code, § 2-218)

8-219. Inspection fee. There is hereby levied on each licensee in the town an inspection fee in the amount of five per cent (5%) of the wholesale price of all alcoholic beverage supplied during each calendar month by a wholesaler to each licensee in the town. It shall be unlawful for any wholesaler to supply, ship or otherwise deliver any alcoholic beverage to a licensee, and it shall be unlawful for any licensee to receive any alcoholic beverage, unless there shall be issued and delivered to the licensee by the wholesaler, concurrently with each such shipment or delivery, an invoice showing: (a) the date of the transaction; (b) the name and address of the wholesaler and of the licensee; (c) the brand name and quantity of alcoholic beverage covered by the invoice and (d) the unit wholesale price and the gross wholesale price for each item listed thereon. wholesaler's invoice shall be issued and delivered to the licensee as hereinafter provided without regard to the terms of payment or on credit or partly for cash and partly for credit. The inspection fee, computed as hereinabove provided, shall be paid by each licensee to the city recorder on or before the 15th day of each calendar month for the preceding calendar month. Each licensee, as a condition precedent to operating a liquor store in the town, shall execute and deliver to the town a bond in the amount of one thousand dollars (\$1,000.00); and said bond shall be payable to the town; shall be executed by a surety company duly authorized and qualified to do business in the state; and said bond shall be conditioned that the licensee shall pay to the town all inspection fees due hereunder. The aforesaid surety bond shall be in a form approved by the municipal attorney. (1983 Code, § 2-219)

8-220. <u>Inspection fee reports</u>. The town aldermen of finance or auditor shall prepare and make available to each licensee sufficient forms for the monthly report of the inspection fees payable by each licensee; and the city recorder is authorized to promulgate reasonable rules and regulations to facilitate the reporting and collection of inspection fees and to specify the records to be kept by each licensee.<sup>2</sup> (1983 Code, § 2-220)

8-221. Records to be kept by licensee. In addition to any records specified in the rules and regulations promulgated by the city recorder pursuant to the

<sup>&</sup>lt;sup>1</sup>State law reference Tennessee Code Annotated, section 57-3-501.

<sup>&</sup>lt;sup>2</sup>State law reference <u>Tennessee Code Annotated</u>, section 57-3-503.

preceding section, each licensee shall keep on file at such licensee's liquor store the following records: (a) original invoices required under section 8-220 above for all alcoholic beverages bought by or otherwise supplied to the licensee; (b) original receipts for any alcoholic beverage returned by such licensee to any wholesaler; and (c) accurate record of all alcoholic beverages lost, stolen, damaged, given away, or disposed of other than by sale, and showing for each such transaction the date thereof, the quantity and brands of alcoholic beverage involved, and, where known, the name of the person or persons receiving the same. All such records shall be preserved for a period of at least two (2) years unless the city recorder gives the licensee written permission to dispose of such records at an earlier time. (1983 Code, § 2-221)

8-222. <u>Inspections</u>. The city recorder or town auditor are authorized to examine the books, papers, and records of any licensee at any and all reasonable times for the purpose of determining whether the provisions of this chapter are being observed. The town fiscal officer or town auditor and the chief of police and other police officers of the town are authorized to enter and inspect the premises of a liquor store at any time the liquor store is open for business. Any refusal to permit the examination of the books, papers, and records of a licensee by a fiscal officer or auditor or the inspection and examination of the premises of a liquor store, shall be a violation of this chapter and the town fiscal officer or auditor shall forthwith report such violation to the State Alcoholic Beverage Commission with the request that appropriate action be taken to revoke the license of the offending licensee.<sup>2</sup> (1983 Code, § 2-222)

8-223. Effect of failure to report and pay inspection fee. The failure to pay the inspection fee and to make the required reports accurately and within the time prescribed in this chapter shall, at the sole discretion of the town board, be cause for the taking of such action as is necessary to suspend the offending licensee's license for as much as thirty days, or to revoke said license. (1983 Code, § 2-223)

8-224. <u>Use of funds derived from inspection fees</u>. All funds derived from the inspection fees imposed herein shall be paid into the general fund of the town. The town shall defray all expenses in connection with the enforcement of this chapter, including particularly the payment of the compensation of officers, employees or other representatives of the town in investigating and inspecting

<sup>&</sup>lt;sup>1</sup>State law reference Tennessee Code Annotated, section 57-3-503.

<sup>&</sup>lt;sup>2</sup>State law reference <u>Tennessee Code Annotated</u>, section 57-3-503.

licensees and applicants and in seeing all provisions of this chapter are observed; and the board finds and declares that the amount of these inspection is reasonable and that the funds expected to be derived from these inspection fees will be reasonably required for said purposes. The inspection fee levied by this chapter shall be in addition to any general gross receipts, sales or other general taxes applicable to the sale of alcoholic beverages, and shall not be a substitute for any such taxes. (1983 Code, § 2-224)

- 8-225. Other violations by licensee. Any licensee, who in the operation of such licensee's liquor store, shall violate any federal statute, any state statute, or any state rule or regulation concerning the purchase, sale, receipt, possession, transportation, distribution or handling of alcoholic beverages, shall be guilty of a violation of the provisions of this chapter. (1983 Code, § 2-225)
- 8-226. <u>Licensee's responsibility</u>. Each licensee shall be responsible for all acts of such licensee's officers, stockholders, directors, employees, agents and representatives, so that any violation of this chapter by any officer, stockholder, director, employee, agent, or representative of a licensee shall constitute a violation of this chapter by such licensee. (1983 Code, § 2-226)
- 8-227. <u>Initial applications</u>. In making the initial certification of good moral character for the first two (2) persons to be licensed hereunder, the board of mayor and aldermen will consider all applications filed before a closing date to be fixed by it, and after eliminating the applicants who do not possess the qualifications required by the state statutes, by the state rules and regulations and by this chapter, it will select by drawing lots in an open meeting of the board of mayor and aldermen from among the remaining applicants the names of the two (2) applicants to whom the certificate of good moral character will be issued to the Tennessee Alcoholic Beverage Commission for issuance of a license to operate a liquor store hereunder, without regard to the order or time in which applications are filed. (1983 Code, § 2-227)

## CHAPTER 3

## CONSUMPTION OF ALCOHOLIC BEVERAGES ON PREMISES

## **SECTION**

- 8-301. Definition of "alcoholic beverages."
- 8-302. Consumption of alcoholic beverages on premises.
- 8-303. Privilege tax on retail sale of alcoholic beverages for consumption on the premises.
- 8-304. Annual privilege tax to be paid to the town's recorder.
- 8-305. Advertisement of alcoholic beverages.
- 8-306. Opting out of extension of hours.
- 8-301. <u>Definition of "alcoholic beverages</u>." 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. (as added by Ord. #286, Dec. 2003)
- 8-302. 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 said code when such sales are conducted within the corporate limits of Jasper, Tennessee. It is the intent of the Board of Mayor and Aldermen of the Town of Jasper that the said Tennessee Code Annotated, title 57, chapter 4, inclusive, shall be effective in Jasper, Tennessee, the same as if said code sections were copied herein verbatim. (as added by Ord. #286, Dec. 2003)
- 8-303. 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 the same amounts levied by Tennessee Code Annotated, title 57, chapter 4, section 301, for the Town of Jasper 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 Jasper, alcoholic beverages for consumption on the premises where sold. (as added by Ord. #286, Dec. 2003)
- 8-304. Annual privilege tax to be paid to the town's recorder. 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 Jasper shall remit annually to the town recorder the appropriate tax as referenced in Jasper Municipal Code § 8-303 above. 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 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. #286, Dec. 2003)

8-305. Advertisement of alcoholic beverages. On the business premises of those individuals, persons or associations holding licenses for the sale of alcoholic beverages, there shall be no signs or other advertising display promoting the sale of alcoholic beverages in general, or of a specific alcoholic beverage, outside of the building, in the windows, or other places visible from outside the building to advertise alcoholic beverages. The placement of all such advertising signs shall be limited to inside the building so as not to be visible from outside the building. (as added by Ord. #286, Dec. 2003)

8-306. Opting out of extension of hours. The board of mayor and aldermen, pursuant to the provisions of <u>Tennessee Code Annotated</u>, § 57-4-203(d)(5) elects to opt out of any extension of hours in the Town of Jasper, Tennessee, for the sale of alcoholic beverages for consumption on the premises. (as added by Ord. #286, Dec. 2003)