TITLE 8
ALCOHOLIC BEVERAGES\(^1\)

CHAPTER
1. INTOXICATING LIQUORS.
2. BEER.

CHAPTER 1
INTOXICATING LIQUORS\(^2\)

SECTION
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\(^1\)Municipal code reference
Minors in beer places, etc.: title 11, chapter 1.

State law reference
Tennessee Code Annotated, title 57.

\(^2\)State law reference
Employee and server permits: Tennessee Code Annotated, § 57-3-701, et seq.
8-101. Alcoholic beverages subject to regulation. It shall be unlawful to engage in the business of selling, storing, transporting or distributing, or to purchase or possess alcoholic beverages within the corporate limits of this city except as provided by Tennessee Code Annotated, title 57. (1973 Code, § 2-101, as replaced by Ord. #822, Dec. 2022 Ch5_03-05-24)

8-102. Application for certificate. Before any certificate, as required by Tennessee Code Annotated, § 57-3-208, shall be signed by the mayor, or by any council member, a request in writing shall be filed with the recorder, giving the following information:

1. Name, age and address of the applicant.
2. Number of years residence at applicant's address.
3. Whether or not the applicant has been convicted of a felony in the past ten (10) years.
4. The location of the proposed store for the sale of alcoholic beverages.
5. The name and address of the owner of the store.
6. If the applicant is a partnership, the name, age and address of each partner. If the applicant is a corporation, the name, age and address of the executive officers, or those who will be in control of the package store.

The information in the application shall be verified by the oath of the applicant. If the applicant is a partnership or a corporation, the application shall be verified by the oath of each partner, or by the president of the corporation. (as added by Ord. #822, Dec. 2022 Ch5_03-05-24)

8-103. Applicant to agree to comply with laws. The applicant for a certificate of good moral character shall agree in writing to comply with the state and federal laws and ordinances of the City of Lafayette and rules and regulations of the Alcoholic Beverage Commission of the state for sale of alcoholic beverages. (as added by Ord. #822, Dec. 2022 Ch5_03-05-24)

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1State law reference
Tennessee Code Annotated, § 57-3-208.

2State law reference
Tennessee Code Annotated, § 57-3-208 requires the applicant to submit a criminal history background report.
8-104. **Applicant to appear before board of mayor and council; duty to give information.** An applicant for a certificate of good moral character may be required to appear in person before the board of mayor and aldermen for such reasonable examination as may be desired by the board. (as added by Ord. #822, Dec. 2022 *Ch5_03-05-24*)

8-105. **Action on application.** Every application for a certificate of good moral character shall be referred to the chief of police for investigation and to the City of Lafayette attorney for review, each of whom shall submit his findings to the board of mayor and council within thirty (30) days of the date each application was filed.

The board of mayor and aldermen may issue a certificate of good moral character to any applicant, which shall be signed by the mayor or by a majority of the board of mayor and council. (as added by Ord. #822, Dec. 2022 *Ch5_03-05-24*)

8-106. **Renewal of certificate.** A certificate issued under this chapter remains valid unless there is a change of ownership or location. If either of these events occur, a new certificate must be obtained. (as added by Ord. #822, Dec. 2022 *Ch5_03-05-24*)

8-107. **Applicants for certificate who have criminal record.** No certificate of good moral character for the manufacture or sale at wholesale or retail of alcoholic beverages, or for the manufacture or vinting of wine, shall be issued to any person, (or if the applicant is a partnership, any partner, or if the applicant is a corporation, any stockholder), who, within ten (10) years preceding the application for such certificate of good moral character, has been convicted of any felony or of any offense under the laws of the state or of the United States prohibiting the sale, possession, transportation, storage or otherwise handling of intoxicating liquors, or who has during such period been engaged in business, alone or with others, in violation of such laws. (as added by Ord. #822, Dec. 2022 *Ch5_03-05-24*)

8-108. **Number of retail licenses to be held by retailer.** No retail licensee shall, directly or indirectly, hold more than two (2) retail licenses. In no event shall a retail licensee, directly or indirectly, hold more than fifty percent (50%) of the licenses authorized for issuance in such municipality or county.

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1 State law reference
   Tennessee Code Annotated, § 57-3-208.

2 State law reference
   Tennessee Code Annotated, § 57-3-406.
[note - if cap number of retailers in city at two (2), no one may own more than one (1) in the city limits.] (as added by Ord. #822, Dec. 2022 Ch5_03-05-24)

8-109. **Where establishments may be located.** It shall be unlawful for any person to operate or maintain any retail establishment for the sale, storage or distribution of alcoholic beverages in the city except at locations zoned for that purpose. (as added by Ord. #822, Dec. 2022 Ch5_03-05-24)

8-110. **Retail stores to be on ground floor; entrances.** No retail store shall be located anywhere on premises in the City of Lafayette except on the ground floor thereof. Each such store shall have only one (1) main entrance; provided, that when a store is located on the corner of two (2) streets, such store may maintain a door opening on each such street; and provided further, that any salesroom adjoining the lobby of a hotel may maintain an additional door into such lobby if the lobby is open to the public.¹ (as added by Ord. #822, Dec. 2022 Ch5_03-05-24)

8-111. **Limitation on number of retailers.**² There shall be no limit on retail licenses for the sale of alcoholic beverages that shall be issued under this chapter. (as added by Ord. #822, Dec. 2022 Ch5_03-05-24)

8-112. **Sales for consumption on-premises.** No alcoholic beverages shall be sold for consumption on the premises of a retail seller. (as added by Ord. #822, Dec. 2022 Ch5_03-05-24)

8-113. **Radios, amusement devices and seating facilities prohibited in retail establishments.** No radios, pinball machines, slot machines or other devices which tend to cause persons to congregate in such place shall be permitted in any retail establishment. No seating facilities shall be provided for persons other than employees. (as added by Ord. #822, Dec. 2022 Ch5_03-05-24)

8-114. **Inspection fee.** The City of Lafayette hereby imposes an inspection fee in the maximum amount allowed by Tennessee Code Annotated, § 57-3-501, on all licensed retailers of alcoholic beverages located within the

¹State law reference
Tennessee Code Annotated, § 57-3-404(f)

²State law reference
Tennessee Code Annotated, § 57-3-208(c).
corporate limits of the City of Lafayette. (as added by Ord. #822, Dec. 2022 Ch5_03-05-24)

8-115. Consumption of alcoholic beverages on-premises. Tennessee Code Annotated, title 57, chapter 4, inclusive, is hereby adopted 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 Lafayette, Tennessee. It is the intent of the city council that the said Tennessee Code Annotated, title 57, chapter 4, inclusive, shall be effective in the City of Lafayette, the same as if said code sections were copied herein verbatim. (as added by Ord. #822, Dec. 2022 Ch5_03-05-24)

8-116. 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 City of Lafayette to be paid annually as provided in the chapter, upon any person, firm, corporation, joint stock company, syndicate, or association engaging in the business of selling at retail in the City of Lafayette of alcoholic beverages for consumption on the premises where sold. (as added by Ord. #822, Dec. 2022 Ch5_03-05-24)

8-117. Annual privilege tax to be paid to the 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 City of Lafayette shall remit annually to the recorder the appropriate tax described in § 8-115. 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. #822, Dec. 2022 Ch5_03-05-24)

8-118. Concurrent sales of liquor by the drink and beer. Any person, firm, corporation, joint stock company, syndicate, or association which has received a license to sell alcoholic beverages in the City of Lafayette, pursuant to Tennessee Code Annotated, title 57, chapter 4, shall, notwithstanding § 8-216 of the ordinances of the City of Lafayette, qualify to receive a beer permit from the city upon compliance of all beer permit requirements. (as added by Ord. #822, Dec. 2022 Ch5_03-05-24)
8-119. **Advertisement of alcoholic beverages.** All advertisement of the availability of liquor for sale by those licensed pursuant to Tennessee Code Annotated, title 57, chapter 4, shall be in accordance with the rules and regulations of the Tennessee Alcoholic Beverage Commission. (as added by Ord. #822, Dec. 2022 \textit{Ch5_03-05-24})

8-120. **Violations and penalty.** Any violation of this chapter shall constitute a civil offense and shall, upon conviction, be punishable by a penalty under the general penalty provision of this code. Upon conviction of any person under this chapter, it shall be mandatory for the city judge to immediately certify the conviction, whether on appeal or not, to the Tennessee Alcoholic Beverage Commission. (as added by Ord. #822, Dec. 2022 \textit{Ch5_03-05-24})
CHAPTER 2

BEER

SECTION
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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. Beer permits shall be restrictive.
8-209. Types of beer permits.
8-210. Interference with public health, safety, and morals prohibited.
8-211. Issuance of permits to persons convicted of certain crimes prohibited.
8-212. Prohibited conduct or activities by beer permit holders.
8-213. Revocation or suspension of beer permits.
8-214. Limitation on reissue of permits for same location.
8-215. Industry interest in permit prohibited.
8-216. Privilege tax.
8-217. Civil penalty in lieu of suspension.

8-201. Beer board established. There is hereby established a beer board to be composed of seven (7) members. Four (4) of those members shall be city council persons to be selected by the city council. The other three (3) members shall be laypersons, with deference being to one (1) of them being from the religious community, one (1) from the business community and one (1) from the medical field. Each of those members shall be chosen by the city council and shall serve for a two (2) year term. The terms of office for the laypersons shall commence at the same time as the council persons elected during the 2020 City of Lafayette election and expire at the time of the expiration of those council members whose term expires in 2022. The mayor shall be its chairman and shall

1Municipal code references
    Drug and alcohol testing policy: title 4, ch. 4.
    Minors in beer places: § 11-102.
    Wholesale beer tax: title 5, chapter 4.

State law reference
    For a leading case on a municipality's authority to regulate beer, see the Tennessee Supreme Court decision in Watkins v. Naifeh, 635 S.W.2d 104 (1982).
preside at its meetings. Its members shall serve without compensation. (1973 Code, § 2-201, as amended by Ord. #762, Aug. 2020 Ch4_06-01-21)

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 following each regular meeting of the city council at the city hall unless the chairman announces in advance that there is no business to come before the beer board. A special meeting of the beer board may be called by its chairman provided he gives a reasonable notice thereof to each board member, and the board may adjourn a meeting at any time to another time and place. (1973 Code, § 2-202)

8-203. Record of beer board proceedings to be kept. The city recorder shall be required to attend and to make separate records 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 contents of each beer permit issued by the board. (1973 Code, § 2-203)

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. However, when a quorum is present the affirmative vote of only a simple majority of the members voting shall be required for affirmative action by the board. (1973 Code, § 2-204)

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 the city in accordance with the provisions of this chapter. (1973 Code, § 2-205)

8-206. "Beer" defined. The term "beer" as used in this chapter shall be the same definition appearing in the Tennessee Code Annotated, § 57-5-101. (1973 Code, § 2-206, as replaced by Ord. #700, March 2017 Ch3_03-05-19)

8-207. Permit required for engaging in beer business. It shall be unlawful for any person to sell, store 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, pursuant to Tennessee Code Annotated, § 57-5-101(b), and shall be accompanied by a nonrefundable application fee of two hundred fifty dollars ($250.00). Said fee shall be in the form of a cashier's check payable to the City of Lafayette. 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. (1973 Code, § 2-207)

8-208. **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. 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 a beer permit holder not to comply with any and all express restriction or conditions which may be written into his permit by the beer board. (1973 Code, § 2-208, as amended by Ord. #786, Oct. 2021 Ch5_03-05-24)

8-209. **Types of beer permits.** (1) **Off-premises permit.** An off-premises permit shall be issued for the consumption of beer only off the premises. To qualify for an off-premises permit, an establishment must, in addition to meeting the other regulations and restrictions 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, personal, and home care and cleaning articles, but may also sell gasoline.
(c) Have been in continuous operation for a period of not less than thirty (30) days.

In addition, the monthly beer sales of any establishment which holds an off-premise permit shall not exceed twenty-five percent (25%) of the gross sales of the establishment. Any establishment which for two (2) consecutive months or for three (3) months in any calendar year has beer sales exceeding twenty-five percent (25%) of its gross sales, shall have its beer permit revoked.

(2) **On-premises permit.** An on-premises permit, shall be issued for the consumption of beer only on the premises. To qualify for an on-premises permit, an establishment must, in addition to meeting the other regulations and restrictions in this chapter:

(a) Be a dine in restaurant.
(b) In either case, be engaged in the sale of prepared on site meals.
(c) Have been in continuous operation for a period of not less than thirty (30) days.

In addition, the monthly beer sales of any establishment which holds an on-premises permit shall not exceed twenty-five percent (25%) of the gross sales of the establishment. Any establishment which for two (2) consecutive months or for three (3) months in any calendar year has beer sales exceeding twenty-five percent (25%) of its gross sales, shall have its beer permit revoked. (1973 Code, § 2-209, as replaced by Ord. #786, Oct. 2021 Ch5_03-05-24)
8-210. **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 gatherings, or would otherwise interfere with the public health, safety, and morals. In no event will a permit be issued authorizing the manufacture or storage of beer, or the sale of beer within one hundred feet (100') of any church or educational facility, with the public square being exempt from these restrictions. The distance shall be measured in a straight line from the nearest public entrance of the building from which the beer will be manufactured, stored or sold to the nearest public entrance of the school, church or other place of public gathering. No permit shall be suspended, revoked or denied on the basis of proximity of the establishment to a school, church or other place of public gathering if a valid permit has been issued to any business on that same location unless beer is not sold, distributed or manufactured at that location during any continuous six (6) month period. (1973 Code, § 2-211, as amended by Ord. #696, Sept. 2016, replaced by Ord. #727, Sept. 2018 **Ch3_03-05-19**, and amended by Ord. #798, April 2022 **Ch5_03-05-24**)

8-211. **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. (1973 Code, § 2-212)

8-212. **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 person under eighteen (18) years of age in the sale, storage, distribution or manufacture of beer.
3. Make or allow any sales of beer between the hours of 8:00 A.M. and 11:00 P.M. during any night of the week. However, the sale of beer on Sunday shall be allowed only between the hours of 10:00 A.M. and 11:00 P.M.
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 persons to loiter about his premises.
(8) Serve, sell, or allow the consumption on his premises of any alcoholic beverage with any alcoholic content of more than five percent (5%) by weight.

(9) Allow any type of arcade game, or pool or billiard games in the same building where beer is sold. (1973 Code, § 2-213, as amended by Ord. #787, Oct. 2021 Ch5_03-05-24, Ord. #822, Dec. 2022 Ch5_03-05-24, and Ord. #830, April 2023 Ch5_03-05-24)

8-213. Revocation or suspension of beer permits. The beer board may, at the time it imposes a revocation or suspension, offer a permit holder the alternative of paying a civil penalty for each offense of making or permitting to be made any sales to minors as follows: first offense will be five hundred dollars ($500.00), the second offense will be one thousand five hundred dollars ($1,500.00), the third offense will be two thousand five hundred dollars ($2,500.00). If the permit holder is not a responsible vendor, they will also be asked to obtain certification for all employees within sixty (60) days.

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.

Payment of the civil penalty in lieu of revocation or suspension by a permit holder shall be an admission by the holder of the violation so charged and shall be paid to the exclusion of any other penalty that the city may impose. (1973 Code, § 2-214, as replaced by Ord. #830, April 2023 Ch5_03-05-24)

8-214. Limitation on reissue of permits for same location. Where a permit is revoked, no new permit shall be issued to permit the sale of beer on the same premises until after the expiration of one (1) year from the date the revocation became final and effective. (1973 Code, § 2-215)

8-215. Industry interest in permit prohibited. No permit shall be issued when a brewer, manufacturer, distributor or warehouseman of legal beer has any interest in the business, financial or otherwise, or in the premises upon which the sale of beer is to be carried out. (1973 Code, § 2-216)

8-216. 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 manufacturing of beer shall remit the tax on January 1, 1996, and each year successive January 1, to the City of Lafayette, 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 payment date. (1973 Code, § 2-217)
8-217. Civil penalty in lieu of suspension. The City of Lafayette Beer Board shall follow the requirements of the 2006 Responsible Vendors Act, which went into effect on July 1, 2007. Beer permit holders within the City of Lafayette may participate in the Responsible Vendor Act by agreeing to submit all clerks to a training program within sixty-one (61) days of being hired. The training must be approved by the Alcoholic Beverage Commission, and the training must cover the sale of beer for off-premises consumption, methods of recognizing and dealing with minors who attempt to buy beer, and procedures for refusing to sell beer to minors.

Permit holders shall provide the Alcoholic Beverage Commission with the names and identifying information for all new clerks, allowing the Alcoholic Beverage Commission to keep a list of all certified in the State of Tennessee.

In exchange for complying with the program, a certified vendor shall receive reduced punishments for the illegal sale of beer to a minor. Instead of revocation or suspension of their permit for the first offense the permit holder shall only be subjected to a civil penalty not to exceed one thousand dollars ($1,000.00) per offense, Tennessee Code Annotated, § 57-5-108(a)(C).

If a certified vendor has two (2) or more violations in a twelve (12) month period they shall be subject to a revocation or suspension of their permit. However nonparticipating permit holders will be subject to increased civil penalties. A nonparticipating permit holder guilty of a sale to a minor will be subject to a suspension or revocation of their permit and a civil penalty not to exceed two thousand five hundred dollars ($2,500.00) per offense, Tennessee Code Annotated, § 57-5-108(a).

The permit holder shall have seven (7) days within which to pay the civil penalty.

It shall be the responsibility of the permit holder to advise the chairman of the beer board in writing if they will be participating in the Responsible Vendors Act.

All participating vendors shall upon request from the chairman of the beer board or the chief of police shall make available for inspection all records pertaining to the Responsible Vendors Act.

For any other violation of this chapter the beer board may, at the time it imposes a revocation or suspension, offer a permit holder the alternative of paying the civil penalty not to exceed one thousand five hundred ($1,500.00) for each offense. If a civil penalty is offered as an alternative to revocation or suspension, the holder shall have seven (7) days within to pay the civil penalty or revocation or suspension shall be deemed withdrawn. (1973 Code, § 2-218)