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Tennessee Responsible Vendor Act

Dear Reader:

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

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

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

Sincerely,

The University of Tennessee
County Technical Assistance Service
226 Anne Dallas Dudley Boulevard, Suite 400
Nashville, Tennessee 37219
615.532.3555 phone
615.532.3699 fax
www.ctas.tennessee.edu

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Tennessee Responsible Vendor Act

Reference Number: CTAS-371

The Tennessee Responsible Vendor Act of 2006, codified at T.C.A. § 57-5-601 et seq., is a program administered by the Tennessee Alcoholic Beverage Commission (ABC) for vendors who sell beer for off-premises consumption. The program is an effort to curb the sale of beer to minors and to reduce intoxication and accidents, injuries and deaths related to intoxication. The program is voluntary; vendors are not required to participate. Vendors who do elect to participate in the program and who receive and maintain their certification as a responsible vendor are entitled to reduced penalties for offenses related to the sale of beer to minors.

ABC Fees. The ABC charges the following fees, set out in T.C.A. § 57-5-609, in connection with the administration of the responsible vendor program:

Annual fee for entities approved to conduct responsible vendor training--\$ 35

Annual fee for responsible vendors:

0 - 15 certified clerks--\$ 25

16 - 49 certified clerks--\$ 75

50 - 100 certified clerks--\$150

Over 100 certified clerks--\$250

Responsible Vendor Certification

Reference Number: CTAS-372

Under T.C.A. § 57-5-606, the ABC will certify a beer vendor as a "responsible vendor" upon compliance with the following:

1. All clerks who sell beer for off-premises consumption must successfully complete a responsible vendor training program and become certified within 61 days after being employed by the vendor, and the vendor must verify with the ABC prior to employing a clerk that the clerk is eligible for certification.
2. Each clerk must be issued a name badge with the clerk's first name clearly visible, and must wear the badge at all times while on duty.
3. The vendor must provide employees with instruction approved by the ABC which includes the laws regarding the sale of beer for off-premises consumption, methods for recognizing and dealing with underage customers, and procedures for refusing to sell beer to underage customers and for dealing with intoxicated customers.
4. The vendor must require all certified clerks to attend at least one annual meeting at which the vendor disseminates updated information prescribed by the ABC.
5. The vendor must maintain employment and training records.

Responsible Vendor Signage

Reference Number: CTAS-373

Responsible vendors are required to post signs on their premises informing customers of their policy against selling beer to underage persons. These signs must be at least 8½" x 11" and must contain the following language: "STATE LAW REQUIRES IDENTIFICATION FOR THE SALE OF BEER." T.C.A. § 57-5-301(a)(1).

Responsible Vendor Provisions Affecting Beer Boards

Reference Number: CTAS-374

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

1. If a beer board finds that any off-premises beer permit holder made a sale to a minor, the beer board must report the name of the clerk who made the sale to the ABC within 15 days of finding that the sale occurred. The clerk's certification is invalidated and the clerk cannot reapply for one year from the date of the beer board's determination. The ABC will notify the responsible vendor of their certified clerks who have lost their certification within 15 days after notification by the

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

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