

A Toast to Good Operators

Charles Hoff, GC of the GRA and principal of the Law Offices of Charles Y. Hoff, PC 404-245-6751

Perhaps one of the most complex and confusing areas of the law for a restaurateur involves that of alcohol regulations and licensing. What is particularly perplexing is the fact that there are state and local laws to contend with that are not always uniform and consistent. As a result, the best thing that an operator can do is spot the issue in advance and be proactive in consulting with either the regulatory body directly or a hospitality/alcohol licensing lawyer familiar with the local ordinances.

There are a number of traps that the unwary operator often falls into with respect to alcohol licensing. For instance, it is critical to know how your local, county or municipality feels about free drink or discounted happy hour promotions before you advertise.

When purchasing the assets of a restaurant, you may not typically think that you may be impacted by whether the prior owner of the establishment was delinquent in paying use and sales or payroll taxes. However, the Department of Revenue has a very close working relationship with the Alcohol licensing authorities and issues can develop at times that can make it more challenging for the new ownership to obtain licensing. It is always best to do your due diligence and consider seeking tax clearance letters under such circumstances.

It is particularly important to understand Dram Shop Act liability which is triggered when your restaurant contributes to the inebriation of a patron or even serves an individual who may have become intoxicated at another location who then is involved in an automobile accident and injures a third party. ServSafe classes for Alcohol as well as competitive programs are available for your staff. In fact, you should make sure that even your valet service is familiar with identifying the telltale signs for inebriated patrons and knows the drill as to how to handle such delicate customer situations.

The GRA takes great pride in the support it gave for the passage of the Merlot to Go bill. The GRA continues to educate its members as to the proper legal protocol required by restaurants to ensure that the statute is properly complied with for the safety of its patrons as well as to ensure that both the restaurant and their customers do not run afoul of the law. It should also be noted that the Merlot to Go statute did not preempt local laws and some jurisdictions do not choose to follow the statute.

Unfortunately, there is not enough space to speak to such subjects as the vagaries of wholesale supplier and retail distribution, pricing, and promotion restrictions; serving minors; receiving temporary alcohol licensing; county residency and hours worked requirements for "license representatives", special event planning licensing, rights to refuse alcohol under the State's Gun Laws, etc. However, the goodness is that you are invited to use the no fee GRA Legal Helpline to help understand these issues. Please don't hesitate to contact our offices by emailing me at choff@hoffhospitality.com; a return contact will usually be made within 48 hours