

MEMO

TO: Permit Holders and Applicants
Metropolitan Beer Permit Board

FROM: R. Benton McDonough, JD
Executive Director of Metropolitan Permit Board

DATE: August 27, 2019

RE: Director's Memo: Background Checks

On January 1, 2019, the Metropolitan Beer Permit Board (hereinafter referred to as “the Board”) implemented a new policy pertaining to background checks. While the Board previously conducted background checks of a local nature on new applicants, the new policy requires new applicants, and current permit holders submitting a general manager change, to submit a national background check.

Specifically, state law requires a background check for any person, firm, joint-stock company, syndicate, or association having at least a five percent (5%) ownership interest in the applicant or any person to be employed.¹ Further, local ordinances require an applicant to disclose certain information on their initial application. For instance, M.C.L. 7.08.040(C)(7)² and 7.08.040(C)(10)³ require the disclosure of any individual owning at least five percent (5%) of the business or person to be employed who was previously convicted and incarcerated for violation of beer laws or crimes involving moral turpitude. Furthermore, local ordinance M.C.L. 7.08.140B⁴ prohibits the employment of any individual convicted of crimes of moral turpitude.

¹ T.C.A. § 57-5-105(c)(7), “That no person, firm, joint-stock company, syndicate, or association having at least a five percent (5%) ownership interest in the applicant nor any person to be employed in the distribution or sale of beer has 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.”

² M.C.L. 7.08.040(C)(7), “An applicant shall disclose the following information in the application: (7) Whether any person, firm corporation, joint-stock company, syndicate, or association having at least a five percent (5%) ownership interest in the applicant or any person employed in the distribution of sale of beer has 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 years.”

³ M.C.L. 7.08.040(C)(10), “An applicant shall disclose the following information in the application: (10) Whether any person having at least a five percent ownership interest in the establishment has been released from incarceration within the past ten years for conviction of any crime involving moral turpitude. For purposes of this subsection, “Moral turpitude” means premeditated murder, all sex related crimes, the illegal sale of Schedule I and II controlled substances, and crimes of fraud or embezzlement.”

⁴ M.C.L. 7.08.140B, “It is unlawful for any beer permit holder or his agent or employee: B. To employ any person that has been released from incarceration within the past ten years for conviction of any crime involving moral turpitude...”

Finally, state law authorizes a city or county to seek criminal background checks.⁵ The applicant may utilize the services of any reputable company in conducting their national background check. While the Board does not endorse any specific company, a list of potential companies can be found on our website.⁶

⁵ T.C.A. § 57-5-103(e), “A city or county is authorized to seek criminal history background or fingerprint checks on applicants. Criminal background checks may include fingerprint checks against state and federal criminal records maintained by the Tennessee Bureau of Investigation (T.B.I.) and the Federal Bureau of Investigation (F.B.I.).

⁶ <https://www.nashville.gov/Beer-Board/Beer-Permit-Application.aspx>