



STAFF REPORT

Report To: Liquor and Entertainment Board **Meeting Date:** March 4, 2021

Staff Contact: Hope Sullivan

Agenda Title: For Possible Action: Discussion and possible action regarding the 2020 Annual Report of the Carson City Liquor Hearings Officer and recommendations concerning proposed amendments to chapter 4.13 of the Carson City Municipal Code ("CCMC") governing the Liquor Board and liquor licensing and sales in Carson City. (Hope Sullivan, hsullivan@carson.org)

Staff Summary: Pursuant to chapter 4.13 of CCMC, the Liquor Board is required to appoint a Hearings Officer who has authority to review, approve, approve with conditions or disapprove liquor license applications. CCMC 4.13.150 requires the Hearings Officer to prepare and present an annual activity report to the Liquor Board. The report must include the disciplinary actions and penalties resulting from the Hearings Officer's decisions as well as the administrative citation process. This item includes a report on liquor licenses approved in 2020 as well as compliance checks, in addition to a general overview and discussion of the existing provisions of chapter 4.13 of CCMC and whether the local regulatory process for liquor licensing and sales should be amended for technical clarity or other substantive changes.

Agenda Action: Other / Presentation **Time Requested:** 5 minutes

Proposed Motion

N/A

Board's Strategic Goal

Safety

Previous Action

N/A

Background/Issues & Analysis

The Liquor Board granted liquor license approval authority to a Liquor Hearings Officer in 2017. The Liquor Hearings Officer schedules and conducts an administrative hearing when the Business License Division of the Community Development Department receives a liquor license application. Liquor license administrative hearings are regularly scheduled for the last Wednesday of each month, but special meetings are scheduled as needed to accommodate applicants. Community Development Director Lee Plemel and Planning Manager Hope Sullivan are appointed Liquor Hearings Officers.

Hearings Officer Annual Report:

In 2020, the Hearings Officer held 5 meetings in which 7 liquor licenses were approved. Licenses were approved for the following businesses:

1. HWY 420 Liquor & Smoke - 2049 California Street - Packaged Liquor License
2. Remedy's Bar - 306 East William Street - Tavern / Bar Liquor License
3. Golden Gate Petroleum of Nevada - 837 Retail Court - Packaged Liquor License
4. Mathwig Investments LLC - 260 West Winnie Lane - Tavern / Bar Liquor License
5. The Bank Saloon - 418 South Carson Street - Tavern / Bar Liquor License
6. Capital City Sushi - 319 North Carson Street - Dining Room with Beer and Wine License
7. Juan's Mexican Grill & Cantina - 318 North Carson Street - Dining room with hard liquor license.

The Hearings Office did not conduct any hearings related to revocation.

Alcohol Server Compliance Checks:

Alcohol server compliance checks were conducted in August and September 2020. A total of 34 businesses were subject to compliance checks, and nine businesses failed the check. Each of the businesses that failed the compliance check were issued a warning and advised to contact the Sheriff's office and Partnership Carson City to schedule virtual server training. No citations were issued.

For comparison, there were a total of three offense citations issued during two compliance checks in 2019. In addition to a misdemeanor citation for the violating server, a \$100 fine is imposed on the business for a first offense administrative citation, and a \$500 fine is imposed for a second offense citation. Third offenses result in a \$1,000 fine for the business and an administrative hearing, at which time the Administrative Hearings Officer may also suspend or revoke a license and/or impose additional conditions of approval.

In addition to the foregoing report, staff will provide a general overview of the existing provisions of chapter 4.13 of CCMC which govern the Liquor Board and liquor licensing and sales in Carson City. As the City is currently undergoing a multiyear process of reviewing and proposing amendments to CCMC for the purpose of technical clarity and/or substantive changes, staff will also seek guidance and direction that the Board may wish to issue on the local liquor ordinances, if any.

Applicable Statute, Code, Policy, Rule or Regulation

CCMC Chapter 4.13

Financial Information

Is there a fiscal impact? No

If yes, account name/number:

Is it currently budgeted? No

Explanation of Fiscal Impact:

Alternatives

N/A

Attachments:

[CCMC 4.13.pdf](#)

Board Action Taken:

Motion: _____

- 1) _____
- 2) _____

Aye/Nay

(Vote Recorded By)

4.13.010 - Definitions.

As used in this chapter, the following words shall have the meanings described in this section, unless the context clearly indicates otherwise:

1. "Beer" means any alcoholic beverage obtained by the fermentation of any infusion or decoction of barley, malt, hops or similar product, or any combination thereof, in water, as set forth in NRS 369.010.
2. "Board" means the Carson City Liquor Board which is composed of the board of supervisors and the sheriff.
3. "Brew Pub" means:
 - a. An establishment which manufactures malt beverages and sells those malt beverages at retail pursuant to the provisions of NRS 597.230; and
 - b. Complies with the definition of "brew pub" set forth under CCMC Title 18.
4. "Brewery" means an establishment which manufactures malt beverages but does not sell those malt beverages at retail, as set forth in NRS 369.180.
5. "Business License Division" means the business license division of the Carson City Community Development Department.
6. "Craft Distillery" means an establishment which:
 - a. Manufactures distilled spirits from agricultural raw materials through distillation; and
 - b. Is authorized to sell those distilled spirits pursuant to the provisions of NRS Chapter 597.
7. "Dining Room" means a place which is regularly and in a bona fide manner used and kept open for the serving of meals to guests for compensation, which have suitable kitchen facilities connected therewith complying with all regulations of the departments of health of the city and state.
8. "Director" means the director of the department of Community Development.
9. "Hearings Officer" means an official appointed by the Carson City Liquor Board, who shall exercise such powers and duties as are described by this chapter.
10. "Intoxicating Liquor" means the four varieties of liquor: alcohol, spirits, wine and beer, and every liquor or solid, patented or not, containing one-half of one percent (0.50%) or more of alcohol by volume, and is intended for consumption by human beings as a beverage; and is synonymous with "liquor" as also defined in this chapter.
11. "License" means any license issued pursuant to this chapter.
12. "Liquor" means whiskey, wine, beer, malt liquor, gin, cordials, ethyl alcohol or rum, and any other beverage or substance with an alcoholic content of one-half of one percent (0.50%) or more by volume which is used for beverage purposes.
13. "Liquor Caterer" means a person who dispenses, serves, or sells alcoholic beverages by the drink only for consumption on the premises where the alcoholic beverages are dispensed. The liquor caterer's services must be performed between diverse locations on a shifting and intermittent basis as opposed to a permanent location; and the location of the premises where such alcoholic beverages are dispensed is disclosed to the licensing authority three (3) working days prior to the occurrence of the same.
14. "Liquor Manager" means the person who is responsible for the day to day operations of liquor sales at the licensed location and is responsible for enforcing the liquor license rules and regulations. A Liquor Manager is not required to be the on site manager of the licensed location.
15. "Packaged Liquor" means the sale of unopened liquor in its original container in a package by the licensee at the premises specified in the license for consumption off the licensee's premises.

16. "Person" means any individual, firm, association, partnership, corporation, or other entity.
17. "On Premise" means an establishment with a liquor license for the consumption of liquor at the business location where the liquor license is held.
18. "Owner" means the person, firm or corporation on file with the Business License Division who holds the liquor license.
19. "Retail" means the sale of liquor by the package, bottle or drinks to consumers.
20. "Tavern" means any bar, cocktail lounge, or club, with or without live or recorded entertainment, and with or without dancing.
21. "Wine" means any alcoholic beverage obtained by the fermentation of the natural contents of fruits or other agricultural products containing sugar, as set forth in NRS 369.140.
22. "Wholesale Liquor" means the sale and delivery of liquor, which must be packaged in original sealed or corked containers, to any licensee for the purposes of resale.
23. "Wholesale Dealer" means a person licensed to sell liquor as it is originally packaged to retail liquor stores or to another licensed wholesaler, but not to sell to the consumer or general public, as set forth in NRS 369.130.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.020 - Meetings of Board—Quorum—Voting—Compensation—Chairman—Clerk.

1. The board shall meet as often as its business requires at scheduled times at the beginning, during, or immediately following a meeting of the board of supervisors.
2. Four or more members of the board shall constitute a quorum and each member shall have one vote. A majority vote of the members present shall be necessary to authorize the issuance of any license or to transact any other business.
3. In the event of a tie vote, the matter being voted upon shall not carry.
4. All members of the board shall serve without additional compensation.
5. The mayor shall serve as the board chair.
6. The city clerk shall serve as the clerk of the board.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.030 - Powers and Duties of the Board.

1. The board shall regulate and control the sale or disposition of intoxicating liquors by:
 - a. Appointing a hearings officer authorized to grant or deny applications for licenses and who may impose conditions, limitations or restrictions upon licenses pursuant to the provisions of this chapter;
 - b. Considering appeals of hearings officer decisions pursuant to Section 4.13.102 of this chapter;
 - c. Suspending or revoking any license when, in the opinion of a majority of the board after hearing, there exists sufficient reason therefor. In an emergency the board may immediately suspend or limit a license until a hearing can be conducted;
 - d. Prohibiting the employment or service of minors in the sale or disposition of liquor;

- e. Prohibiting the sale or disposition of liquor in places where, in the judgment of the liquor board, such sale or disposition may tend to create or constitute a special law enforcement problem or a public nuisance;
- f. Fixing fees and procedures for the collection of fees for licenses as well as investigation fees;
- g. Fixing the hours of each day during which liquor may be sold or disposed of;
- h. Prescribing the conditions under which liquor may be sold or disposed of.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.035 - Powers and Duties of the Hearings Officer.

1. A hearings officer shall be appointed by formal action of the board;
2. The hearings officer is entitled to no extra compensation for the hearings officer duties;
3. The hearings officer shall have the power and duty to study, review, approve, disapprove or approve with conditions all liquor license applications;
4. The hearings officer may elect to forward an application to the board for its consideration within the timeframe outlined in Section 4.13.100 (3) under the following circumstances:
 - a. A conflict of interest is determined to exist; or
 - b. The sheriff has recommended denial of the license based on the applicant's background investigation; or
 - c. A hearing before a quorum of the board would be more appropriate; or
 - d. An applicant is requesting a new license after revocation of a previously held license pursuant to Section 4.13.150(6).
5. Where this chapter indicates the hearings officer process may be used, the decision of the hearings officer is final unless appealed to the board in accordance with Section 4.13.102 (Appeals).

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.040 - License Required.

It shall be unlawful for any person knowingly to sell or to hold for sale or offer for sale to any person any liquor within Carson City without first procuring and paying for a license as provided for in this chapter. Failure to obtain a license, or to serve or sell liquor without a license, as outlined in this section shall be considered a misdemeanor violation and subject to associated penalties and fines pursuant to Chapter 1.08 of this title.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.045 - Fees.

For the privilege of holding a liquor license in Carson City, the City shall have the right to set application fees, license fees, administrative fees, investigation fees and any other fees necessary to administer this Title. These fees shall be set and amended by approval of the board and will be contained in a fee schedule maintained by the Business License Division.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.050 - Classes of Licenses—Separate Entity.

1. The following classes of licenses may be issued to qualified applicants:
 - a. Tavern/bar liquor licenses;
 - b. Dining room with beer and wine liquor licenses;
 - c. Dining room with "liquor" liquor licenses;
 - d. General wholesale liquor licenses;
 - e. Packaged liquor licenses;
 - f. Extra bar at a licensed location liquor license, (permanent wet bar);
 - g. Liquor catering license;
 - h. Combination package and "on premise" liquor license.
 - i. Brew pub liquor license;
 - j. Brewery liquor license;
 - k. Craft distillery liquor license.
2. Any license required by this chapter is a separate and distinct license from all other city licenses and liquor licenses and is in addition to any other license required for conducting or carrying on any other business in connection with or separate from the activities licensed by this chapter.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.060 - Application for License.

1. Application for any license provided in this chapter must be made to the hearings officer by affidavit on the form provided by the Business License Division.
2. Each application must:
 - a. Be filed with the Business License Division;
 - b. Be accompanied by the investigation fee as provided in this chapter;
 - c. Be accompanied by all fees, except the annual license fee, as required by this chapter;
 - d. Include the name and address of the person or persons to whom the liquor license will be issued and the name of any additional natural person who will serve as the liquor manager. If the applicant is:
 - (1) A partnership, the application must include the names and addressees of all partners, and if one of the partners will not be serving as the liquor manager, the name and address of one or more natural persons who will serve as the liquor manager.
 - (2) A corporation, association, or other organization, the application must include the names and addresses of the chief executive officer, any other officer or employee who is responsible for directing the day to day sale of liquor in Carson City and one or more natural persons who will serve as the liquor manager and the principal place of business of the corporation;
 - e. Specify the class or classes of license sought;
 - f. Specify the location, by street and number, of the premises for which the license is sought, and the name of the owner(s), lessee, or assignee of the premises where the business is to be operated;

- g. Be signed by all persons who are listed on the application for the liquor license. In the case of corporations, clubs or organizations with members, the application must be verified by the president or secretary and any natural person who is listed as a liquor manager; and
- h. Include a sworn affidavit signed by the person listed as the liquor manager which states that all employees serving and/or selling liquor will complete a server training course acceptable to the Sheriff's Office within one hundred twenty (120) days of obtaining a license.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.070 - Investigation—Fees.

1. As a condition to receipt of a liquor license, each applicant for a license and each person added to an existing license shall submit to a background investigation to be conducted by the Sheriff. No investigation is required for a person who holds a current license and is seeking:
 - a. A transfer of a license to another location;
 - b. An additional liquor license for another location; or
 - c. An additional class license; if an investigation has been completed.
2. No background investigation is required for wholesale dealers that conduct business, but do not have a physical business location, in Carson City, provided that the wholesale dealer submits proof of a valid liquor license in the county where its primary business is located, and the proposed liquor manager is the same as the liquor manager on the license submitted for proof from the county where its primary business is located.
3. Each applicant for a liquor license shall pay an investigation fee to the Business License Division at the time of filing the application or when the investigation is required. If more than one individual must be investigated, the first individual will be subject to the full investigation fee, and each additional individual will be subject to a reduced fee. A change in liquor managers for an existing liquor license will be subject to a reduced investigation fee. Once an investigation has begun the fee is nonrefundable.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.080 - Investigation—Duties of Sheriff.

1. The sheriff shall, where applicable, as a part of the investigation of an application for a liquor license:
 - a. Inspect, or cause to be inspected, the location of the proposed place of business;
 - b. Investigate the moral character of the person or persons applying for the license and managers of the proposed business for which a license is sought;
 - c. Report the results of the investigation to the Business License Division.
2. The sheriff may, as a part of the investigation:
 - a. Require the applicant or applicants to be fingerprinted and/or photographed;
 - b. Require the applicant or applicants to answer any and all questions deemed appropriate and necessary by the sheriff or board, pertaining to such application or the fitness of any persons connected as owners, part owners, officers, managers or assistants of any establishment applying for a liquor license.
3. The investigation must be completed in the shortest time possible; however, the sheriff is required to make a complete investigation and shall be given a reasonable amount of time to verify the information obtained.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.090 - Health Department Duties.

The Health Department, where applicable, must inspect the premises wherein the applicant or applicants seek to be licensed. After such inspection, the Health Department shall indicate approval or disapproval of the premises on the application form. If the Health Department disapproves the premises, the reasons and necessary corrections must be stated.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.100 - License—Procedure.

1. After completion of the investigation by the sheriff and where applicable, the inspection by the Health Department, the Business License Division shall cause the application to be placed upon the agenda for consideration by the hearings officer.
2. The applicant or applicants or their authorized representative must appear before the hearings officer at the appointed time for approval or denial of the license. Wholesale dealers are exempt from this requirement provided they submit proof of a valid liquor license in the county where their primary business is located, and the proposed liquor manager is the same as the liquor manager on the license submitted for proof from the county where its primary business is located.
3. The hearings officer shall make a determination on the application within 30 days of the completion of the investigation.
4. The annual license fee required pursuant to Section 4.13.110 of this chapter is due upon the approval of the issuance of the license.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.102 - Appeals.

1. Any applicant or any aggrieved party may file an appeal as specified in this section provided that the appellant has participated in the administrative process prior to filing the appeal.
2. A decision by the hearings officer may be appealed by the applicant or any aggrieved party to the board following the procedures in Subsection 6 of this section. In the case where an administrative citation is being appealed pursuant to Section 4.13.150(8) and (10) for first and second offenses only, the citation shall be appealed to the hearings officer.
3. The board may affirm, modify or reverse the decision of the hearings officer. A decision by the board is final. Except as otherwise provided in NRS 369.200, any appeal of a board decision shall be made to a court of competent jurisdiction.
4. The board shall render its decision of the appeal within 60 days of the submittal of a complete appeal application unless the appellant waives this time requirement.
5. All appeal hearings must be conducted at a meeting for which notice is given in accordance with the state open meeting law contained in NRS Chapter 241, where applicable.
6. Procedure for Filing an Appeal.
 - a. All appeals must be filed in writing with a letter of appeal to the director.
 - b. The letter of appeal must be submitted within 10 days of the date of the hearings officer's decision for which an appeal is requested.

- c. The appeal letter must include the appellant's name, mailing address, daytime phone number, email address, and relationship to the applicant.
- d. The letter must specify the application and/or decision for which the appeal is being requested. The letter must indicate which aspects of the decision are being appealed. No other aspect of the appealed decision will be heard.
- e. The letter must provide the necessary facts or other information that support the appellant's contention that the hearings officer erred in his decision.
- f. Issues not addressed in the hearing before the hearings officer for an application which is being appealed may not be raised as a basis for the appeal unless there is substantial new evidence which has become available accompanied by proof that the evidence was not available at the time of the hearing. If new information is submitted to the board, the application may be referred back to the hearings officer for further review and action.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.105 - License—Application Fees.

- 1. Each application for a new license, additional location for liquor service, or to add a person or persons to an existing license must be accompanied by the following appropriate fee.
- 2. The license application fee shall be refunded if the application is denied. If the applicant does not go into the business of selling, dispensing or serving liquor, a 50 percent refund may be requested if given to the Business License Division in writing within 90 days of approval of the license.
- 3. An application for a change in the active manager does not require a license application fee.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.110 - License—Fees.

- 1. The license and renewal fees for the liquor license classes pursuant to Section 4.13.050 shall be contained in the fee schedule maintained by the Business License Division. License and renewal fees are non-refundable and are required to be paid to obtain or retain a license to sell liquor.
- 2. License fees for new licenses will be prorated on a monthly basis, based on a fiscal calendar year from July to June.
- 3. All liquor license fees not paid on or before July 1 of each year will be deemed delinquent and will be subject to a penalty as outlined in Subsection 5. For purposes of this subsection, if July 1 falls on a Saturday, Sunday or holiday, then the fees will be due the next business day.
- 4. A license for which the liquor license fee has not been paid within 30 days of the due date shall be deemed expired and will no longer authorize the sale of alcohol. Notwithstanding any other provision of law, a license expired pursuant to this subsection will not be reinstated until the penalty fee as outlined in Subsection 5 has been paid in addition to the regular license fee.
- 5. A penalty fee of 50 percent of the annual license fee shall be paid in addition to any current license fees due for both delinquent and expired licenses pursuant to Subsections 3 and 4.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.115 - Death of or Change to Person Listed on a License.

An updated application must be filed with the Business License Division within 30 days after the occurrence of one of the following events:

1. Death of a person licensed pursuant to this chapter;
2. In the case of a corporate licensee, any change in the officers of a corporation listed on the application for a liquor license pursuant to this chapter; or
3. Any change in the person responsible for directing the day to day sales of liquor in Carson City.

In the event of a change in liquor managers, approval by the hearings officer pursuant to Section 4.13.035 is required.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.120 - License—Transferability, Use and Reactivation.

1. Except as otherwise provided in Subsection 2, a liquor license is not transferable or assignable between any two persons or entities (including partners), nor are any persons other than those listed on the license authorized to conduct the business.
2. If the business for which a liquor license has been issued is sold, the buyer may operate the business under the seller's liquor license for up to 90 days under the following conditions:
 - a. The buyer of the business must apply for a liquor license as provided by this chapter within seven days of the purchase of the business; and
 - b. A written agreement, executed by buyer and seller must be submitted to the Business License Division at the time of application submittal stating:
 - (1) That the seller and buyer agree that the buyer may operate the business under the seller's liquor license; and
 - (2) That the seller, as the holder of the license under which buyer may operate, agrees to remain liable for any violation of this Chapter.
3. The following changes may be made to an existing liquor license:
 - a. Change in liquor managers with approval of the hearings officer pursuant to Section 4.13.035;
 - b. Transfer to a location other than the location on the initial license application if an application to transfer the license is submitted with an appropriate fee to the Business License Division and approved by the hearings officer. An application to transfer is not subject to investigation or payment of investigation fees. Once transferred, a liquor license is not longer valid at the former location.
4. It is unlawful for any person to sell, serve or dispense liquor in any building or room not designated in the license or encroachment permit for an area occupying the public right-of-way adjacent to the business pursuant to Section 4.13.210.
5. If a liquor license holder voluntarily relinquishes a license, the license can be reissued within one year, without the assessment of an additional application fee, upon approval of the hearings officer. An appropriate fee will be assessed for investigative and administrative costs.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.125 - Issuance or Denial of License.

1. The hearings officer or the board if an application is forwarded pursuant to Section 4.13.035 herein, may grant or deny the application for a liquor license or place conditions on a license to ensure compliance with this chapter and other applicable laws and regulations. Conditions of approval may include, but not be limited to, the payment of delinquent City fees, fines or taxes prior to the issuance

of the license. A denial must be based upon a finding that any applicant for any license, whether made by an individual, partnership, or corporation, is unsuitable for the issuance of a liquor license.

2. The following persons are unsuitable for the issuance of a liquor license:
 - a. A person who has been convicted within the past five years of:
 - (1) A felony or other crime which under the laws of this state would amount to a felony.
 - (2) Any crime of which fraud or intent to defraud was an element whether committed in this state or elsewhere.
 - (3) Larceny in any degree.
 - (4) Buying or receiving stolen property.
 - (5) Unlawful entry of a building.
 - (6) A gross misdemeanor, or equivalent conviction in another state, or unlawful possession, use, or distribution of controlled substances or dangerous drugs.
 - (7) Illegal use of a dangerous weapon.
 - (8) Operating a motor vehicle while under the influence of liquor and/or controlled substances or dangerous drugs.
 - (9) Contributing to the delinquency of a minor.
 - (10) A gross misdemeanor or equivalent conviction in another state, of battery, domestic battery or similar offense.
 - b. A person who has intentionally falsified information on, or omitted information from, a liquor license application within the past five years.
 - c. A person under the age of 21 years.
 - d. A person who is in arrears in child support payments unless proof of an approved payment plan or similar arrangement is produced and approved to the satisfaction of the hearings officer.
 - e. A person whom the hearings officer or board determines is not a suitable person to receive a liquor license under the provisions of this Chapter, having due consideration for the proper protection of public health, safety, morals, good order and general welfare of the inhabitants of the City.
 - f. Except any elected Carson City officer or any member of the Carson City Board of Supervisors, a Carson City employee who oversees or enforces the rules and regulations of liquor licenses shall not have any involvement with, interest in, or management of any establishment that possesses a liquor license.
3. If an application for a liquor license is denied, the applicant thereof shall be notified in writing of the reason or reasons therefore.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.130 - Right of Inspection.

All officials involved in the license process and deputy sheriffs of Carson City shall have access to every part and portion of the establishment for which a license is issued under the provisions of this chapter at any time when such establishment is open for the transaction of business and at all other reasonable times.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.135 - Enforcement Authority.

It is the duty of the director, his officers, and all officials charged with the issuance of licenses, and/or those with police powers, to enforce the provisions herein. Such enforcement power includes, but is not limited to:

1. Issue citations;
2. Serve notices of correction;
3. Issue orders of suspension or limitation;
4. Prohibit unlawful business activities;
5. Prevent activities in contravention of the licensing ordinances;
6. Require findings of suitability;
7. All other duties relating to licensing enforcement as provided herein.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.140 - Grounds for Disciplinary Action.

Any of the following conditions or occurrences are grounds for disciplinary action against a licensee for any of the following violations done either personally or through an agent, servant or employee:

1. Failure of the licensee to promptly pay a fee required or fine issued pursuant to this chapter;
2. Any act or failure to act by the licensee or its agents or employees in connection with the operation of the liquor business which would be a violation of a state or federal criminal statute or a Carson City criminal ordinance, including selling or dispensing of liquor not purchased from a state-licensed wholesale dealer pursuant to NRS 369.487;
3. Any violation of the terms or conditions of a license;
4. Any misrepresentation made in an application for a liquor license;
5. Employment of any person under the age of 21 years in the business of selling or otherwise disposing of liquor, except when such person is 17 years old or older selling or disposing of packaged liquor only and working under direct supervision of a responsible person who is 21 years or older and is physically present on the premises;
6. Any act or failure to act by the licensee or its agents or employees in connection with the operation of the liquor business which creates or tends to create or constitute a public nuisance, or which fosters the maintenance of a disorderly house or place;
7. Refusal or neglect to comply with any provisions of this chapter;
8. Selling or giving away liquor to any person under the age of 21 years;
9. Any act or failure to act by the licensee which the board determines is detrimental to the public health, safety and welfare.

The board shall have the power to recommend to the State Department of Taxation the temporary suspension or permanent revocation of a license for any one of the above acts or omissions, pursuant to NRS 369.230.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.150 - Disciplinary Action Procedure and Penalties.

1. The board may on its own motion, upon recommendation of the sheriff, or the director upon the sworn complaint in writing of any person, investigate the conduct of any licensee under this chapter to determine whether grounds for disciplinary action of a licensee exist. The board, sheriff, or the director may request the assistance of the licensee in such an investigation.
2. After an investigation, if it appears that a ground for disciplinary action exists, the liquor board shall issue and cause to be served on the licensee an order to show cause why disciplinary action should not be taken. Said order must contain:
 - a. A statement directing the licensee or licensee's representative to appear before the board at a time and place set out therein which must be not less than ten days from the date of service of said order to show cause on the licensee;
 - b. A brief statement of the grounds for disciplinary action;
 - c. A statement that the licensee shall have an opportunity to be heard, present witnesses and confront any witnesses against him.
3. Service on the licensee shall be made by personally delivering a copy of the order to show cause to one of the persons whose name is on the license or by mailing a copy of the order by registered mail with return receipt to the place of business of the licensee, which is specified in the license.
4. At the hearing on the order to show cause, the licensee and the complainant, if there is one, may be represented by attorneys, present testimony, and cross-examine witnesses. If the hearing is pursuant to a complaint, the complainant must also be present.
5. Within 30 days after the hearing, the board must render its decision as to disciplinary action and give notice thereof to the licensee. A majority of those members present at the hearing must agree in order to direct a disciplinary action.
6. Except for a license expired pursuant to 4.13.110, any person who has had a license revoked may reapply for a license after six months after the revocation order, but a new license may only be issued by an unanimous decision of all members of the board.
7. Disciplinary action is the procedure taken by the board to conduct hearings regarding whether a licensee is in violation of applicable law, and the action which may be imposed by the board pursuant to the hearings, which action consists of imposing the penalties set forth in Paragraph 8 of this section.
8. Penalties that may be imposed upon a licensee by the board for criminal citations issued within any 12 month period that are related to the sale of liquor at the licensed premises:
 - a. First offense, if the person violating the criminal statute is issued a citation by the sheriff, the sheriff shall notify the Business License Division of the name of the person to whom a citation was issued and the location, date and time of the offense. The holder of the liquor license for the location at which the criminal citation was issued will be notified within three business days by registered mail, sent by the Business License Division, or personal service noting the name of the person to whom a citation was issued and the location, date and time of the occurrence. The holder of the liquor license will be issued an administrative citation in the amount of \$100.00 and alcohol server training will be required within three months of the issuance of the citation for all employees selling, dispensing, or serving liquor that have not attended the training or equivalent training within the last year. A list of all employees selling, dispensing, or serving liquor that have attended alcohol server training must be submitted to the Business License Division within 30 days of completion of the training.
 - b. Second offense, if the person violating the criminal statute is issued a citation by the sheriff, the sheriff shall notify the Business License Division of the name of the person to whom a citation was issued and the location, date and time of the offense. The holder of the liquor license will be notified within three business days by registered mail, sent by the Business License Division, or personal service noting the name of the person to whom a citation was issued and the location, date and time of the occurrence. The holder of the liquor license for the location at which the criminal citation was issued will be issued an administrative citation in the amount of \$500.00 and alcohol server training will be required within three months of the issuance of the citation for all

employees selling, dispensing, or serving liquor that have not attended the training or equivalent training within the last year. A list of all employees selling, dispensing, or serving liquor that have attended alcohol server training must be submitted to the Business License Division within 30 days of completion of the training.

- c. Third offense, if the person violating the criminal statute is issued a citation by the sheriff, the sheriff shall notify the Business License Division of the name of the person to whom a citation was issued and the location, date and time of the offense. The holder of the liquor license will be notified within three business days by registered mail, sent by the Business License Division, or personal service noting the name of the person to whom a citation was issued and the location, date and time of the occurrence. The holder of the liquor license shall also be notified within three business days by registered mail or personal service that they must attend a hearing before the hearings officer. The hearings officer may issue a fine of \$1,000.00 for a third offense to the holder of the liquor license and also may suspend, revoke or place conditions upon the liquor license.
 - d. Emergency suspension, if the person violating the criminal statute has been issued four or more criminal citations within any 12 month period related to the sale of liquor at the licensed premises, the sheriff, his designee, or the board may suspend the liquor license of the license holder until the next meeting of the board pursuant to the provisions of Section 4.13.160.
 - e. The board shall have the right to suspend or revoke summarily any license in cases appearing to it to be of an aggravated and flagrant violation of law, pursuant to NRS 369.280.
9. The holder of a liquor license upon whom a fine or other discipline has been imposed pursuant to Subsection 8 may file an appeal pursuant to Subsections 10 or 11 or shall pay the fine within 30 days of the date the fine is imposed. If the holder of the liquor license fails to file an appeal pursuant to Subsections 10 or 11 and fails to pay the fine within 30 days of the date the fine is imposed, the holder of the liquor license shall be notified within three business days by registered mail or personal service that they must attend a hearing before the board for a show cause hearing as to why the liquor license should not be revoked pursuant to CCMC 4.13.140 for failure to pay a fine issued pursuant to this chapter.
 10. A holder of a liquor license upon whom a fine has been imposed pursuant to Paragraph a. or b. of Subsection 8 may file, in writing, not more than 10 days after the fine has been imposed, a request for an appeal with the Business License Division pursuant to Section 4.13.102. If the Business License Division receives an appeal pursuant to this subsection, the Business License Division shall schedule a show cause hearing for the matter before the hearings officer. The holder of the liquor license shall be notified by registered mail or personal service by the Business License Division that they must attend the scheduled hearing before the hearings officer. The hearings officer may overturn the issuance of an administrative citation if the hearings officer determines that the administrative citation was not issued to the proper holder of the liquor license for the establishment where the criminal violation occurred or that the holder of the liquor license met the duty required pursuant to CCMC 4.13.170 to provide continuing training to the employees of the holder of the liquor license and the criminal violation occurred nonetheless. If the hearings officer sustains the imposing of the fine, the holder of the liquor license shall pay the fine within 30 days of the date the hearings officer sustains the imposition of the fine. If the holder of the liquor license fails to pay the fine within 30 days of the date the fine is sustained, the holder of the liquor license shall be notified within three business days by registered mail or personal service that they must attend a hearing before the board for a show cause hearing as to why the liquor license should not be revoked pursuant to Section 4.13.140 for failure to pay a fine issued pursuant to this chapter.
 11. A holder of a liquor license upon whom a fine or other discipline has been imposed pursuant to Paragraph c. of Subsection 8 may file, not more than 10 days after the fine or other discipline has been imposed, a request for an appeal with the Business License Division pursuant to Section 4.13.102. If the Business License Division receives an appeal pursuant to this paragraph, the Business License Division shall schedule a show cause hearing for the matter before the board. The holder of the liquor license shall be notified by registered mail or personal service by the Business License Division that they must attend the scheduled meeting before the board. The board may overturn or modify the fine or other disciplinary action imposed by the Hearings Officer if the board determines that the hearings

officer improperly determined that the administrative citation was issued to the proper holder of the liquor license for the establishment where the criminal violation occurred or that the holder of the liquor license did not meet the duty required pursuant to Section 4.13.170 to provide continuing training to the employees of the holder of the liquor license and the criminal violation occurred nonetheless or that the fine or other disciplinary action imposed by the Hearings Officer was arbitrary or capricious. If the board sustains the imposing of the fine or other discipline, the holder of the liquor license shall pay any fine imposed within 30 days of the date the board sustains the imposition of the fine. If the holder of the liquor license fails to pay the fine within 30 days of the date the fine is sustained, the holder of the liquor license shall be notified within three business days by registered mail or personal service that they must attend a hearing before the board for a show cause hearing as to why the liquor license should not be revoked pursuant to Section 4.13.140 for failure to pay a fine issued pursuant to this chapter.

12. The hearings officer shall hold public hearings at such times as are necessary to carry out the duties of the hearings officer set forth pursuant to the provisions of this section. The hearings officer shall be charged with performing all functions necessary and incidental to making the final determination, including, addressing appeals relating to first and second offense citations and conducting hearings related to third offense citations, hearing evidence, and issuing any other necessary orders pursuant to the powers given to the hearings officer. The hearings officer shall conduct the hearing fairly, evaluate evidence and issue binding decisions.
13. The hearings officer shall prepare and present to the board, with the assistance of the Business License Division, an annual activity report in January of every year, which includes the disciplinary actions and penalties resulting from the hearings officer's decisions and the Administrative Citation process.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.160 - Emergency Summary Suspension.

1. Notwithstanding any of the provisions of this chapter, the sheriff, his designee, or the board may without prior notice suspend a license if:
 - a. Four or more criminal citations are issued within any 12 month period related to the sale of liquor at the licensed premises; or
 - b. The sheriff, his designee, or the board can determine that the continued operation of the licensed premises constitutes a clear and immediate threat to the health, safety and welfare of the residents of Carson City.
2. When a suspension occurs pursuant to Subsection 1 of this section, the suspension shall remain in effect until the next meeting of the board, subject to the requirements of Chapter 241 of the Nevada Revised Statutes. If the show cause hearing cannot be heard by the board within 10 days of suspension, the licensee can file a written request with the Carson City Clerk requesting a special meeting of the board for the show cause hearing.
3. If the sheriff issues a suspension pursuant to Subsection 1, neither himself nor his designee may participate in any vote taken at the subsequent show cause hearing.
4. If a license is summarily suspended, the sheriff shall send a written order of suspension, certified mail return receipt requested, within three business days of the suspension to the licensee at the mailing address listed on the liquor license or shall deliver the written order of suspension by personal service. The order of suspension must set forth the grounds upon which it is issued, including a statement of facts constituting the alleged emergency necessitating the action. The order must also be posted in a conspicuous place at the licensed premises within one business day of issuance.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.170 - Qualifications of Employees.

1. Any employee of a holder of a liquor license who serves or dispenses alcohol shall complete alcohol server training within 30 days of employment.
2. A holder of a liquor license shall establish a continuing program of training for employees of the holder who serve or dispense alcohol in compliance with all applicable laws related to the sale of alcohol, including, but not limited to, the prohibition on the sale of alcohol to persons under the age of 21 years.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.180 - Minors—Possession Prohibited.

It is unlawful for any minor to have in his or her possession within Carson City any liquor of any type or kind.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.190 - Unlawful to Serve Minors.

1. It is unlawful for any licensee or his agent or employee to sell, serve, give away, or otherwise provide liquor to any person under the age of 21 years or to allow or permit any person under the age of 21 years to possess or consume liquor in or upon the licensed premises.
2. Any person who knowingly and willfully violates the provisions of this section shall be guilty of a misdemeanor and shall be punished by imprisonment in the city jail for not more than six months, or by a fine of not more than, \$1,000.00 or by both such fine and imprisonment.
3. In any criminal prosecution or in any proceeding for disciplinary action against a liquor licensee based upon violation of this section, proof that the defendant licensee, or his agent or employee, demanded and was shown, immediately prior to providing liquor to a person under the age of 21 years, bona fide documentary evidence of age and identity of the person, issued by a federal, state, county or municipal government, or subdivision or agency thereof, containing the name, birth date, and photograph of the person, is a defense to the prosecution or proceeding for the suspension or revocation of a liquor license.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.200 - Hours of Operation for Licensees.

Unless a specific condition is placed on a liquor license by the board, liquor may be sold or disposed of at any hour of the day.

(Ord. No. [2017-8](#), § I, 4-20-2017)

4.13.210 - Reserved.