

## How Not to Lose Your Liquor License: The Responsible Vendor Rule

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*By Daniel Hernandez*

Most hospitality establishments in Florida that serve alcoholic beverages to the public know they can be subjected to severe regulatory penalties if their employees break the law while on duty – even when the establishment is unaware of the employee's conduct. What many hospitality establishments do not know is that they can take measures to mitigate and even prevent the harshest regulatory penalties that can result from employee misconduct.

Florida law authorizes the state agency charged with regulating hospitality establishments in Florida to penalize the liquor license of any establishment whose employee commits a crime while on the establishment's premises. These penalties range from a monetary fine, suspension of the establishment's liquor license, and up to revocation of the establishment's liquor license.

Suspending or revoking the liquor license of an establishment for the conduct of its employee when the establishment had no prior knowledge of that conduct might seem excessively harsh. However, there are measures hospitality establishments can take under Florida law to safeguard their liquor licenses from these most severe regulatory penalties. As an added benefit, these measures may help insulate establishments from civil and criminal liability.

The liquor license of a hospitality establishment that qualifies as "responsible vendor" cannot be suspended or revoked for an employee's illegal sale or service of alcohol to a minor or for an employee's sale, use or trafficking of illegal drugs while on the establishment's premises.

In order to qualify as a responsible vendor, an establishment must provide its employees with periodic training on various topics related to the service of alcoholic beverages, including instruction on spotting underage patrons and the dangers of drinking and driving. The establishment may also include instruction on preventing the sale or use of illegal drugs in the work place. Additional requirements for qualifying as a responsible vendor include an agreement by the establishment to screen its employees to ensure they are not precluded by law from serving alcohol and an agreement by the establishment to terminate any employee that engages in the use or sale of illegal drugs on the establishment's premises.

While not required by Florida law, qualifying as a responsible vendor will shield a hospitality establishment's liquor license from possible suspension and revocation. In addition, responsible vendor status may serve to mitigate possible penalties and damages in criminal and civil cases brought against hospitality establishments as a consequence of employee misconduct. This is

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because the establishment will be able to demonstrate the measures it took to prevent employee misconduct.

A complete list of requirements for qualifying as a responsible vendor can be found in section [561.705, Florida Statutes](#).

### About Daniel Hernandez

Daniel Hernandez is a partner in the Tampa office of Shutts & Bowen LLP, where he practices general administrative law and is a member of the Corporate Practice Group. Daniel has focused his practice on assisting companies and individuals in their dealings and engagements with Florida administrative agencies, including the Florida Department of Health, the Florida Agency for Health Care Administration and the Florida Department of Business and Professional Regulation.

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