

# **LICENSEE HANDBOOK**

## **ARENA LICENSE**



### **UTAH DEPARTMENT OF ALCOHOLIC BEVERAGE SERVICES**

P.O. Box 30408  
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Website: [www.abs.utah.gov](http://www.abs.utah.gov)

# TO ALL LICENSEES

As a licensee of the Utah Department of Alcoholic Beverage Services, you are required to be aware of the responsibilities, procedures, and potential liabilities regarding the sale and service of alcoholic beverages.

This handbook has been prepared to help you with the lawful handling of alcoholic beverages. Please review this information and keep the handbook available for reference. This version of the handbook is issued in June 2022. Previously issued handbooks should be discarded as they may contain outdated information.

Our website ([www.abs.utah.gov](http://www.abs.utah.gov)) has information about the liquor laws and rules with direct links to the complete code and administrative rules, as well as information about stores and agencies, products and prices, server training, and other interesting links. The website is regularly updated. Please review the website for information and services as they are developed.

It is our responsibility and desire to be of service and assistance. If you have questions after consulting the handbook, please call 977-6800, write or e-mail ([DABScompliance@utah.gov](mailto:DABScompliance@utah.gov)) the compliance division of this department.

# AN ARENA LIQUOR LICENSE



Allows the storage, sale, service, and consumption of alcoholic beverages on the premises of an arena and its sublicenses.

Arena Licenses run annually from November 1<sup>st</sup> to October 31<sup>st</sup>. License fees are not prorated, so full fees will be due even if a new license was issued at any time during the previous year. To apply for an arena license, a nonrefundable application fee of \$500 is required plus the initial fee of \$5,000, which includes three required sublicenses. \$1,000 is required for each additional sublicense. All license renewals are due by September 30<sup>th</sup> every year. The renewal fee is \$1,000 plus \$1,000 for each sublicense.

*Be prepared to renew licenses beginning September 1<sup>st</sup> through September 30<sup>th</sup> annually.*

**ARENA LICENSES** are limited to a quota of **10** licenses within the State.

**"Arena"** means an enclosed building that operates as a venue, has an occupancy capacity of at least 12,500, and is managed by:

- The same person who owns the enclosed building
- A person who has a majority interest in each person who owns or manages a space in the enclosed building, or
- A person who has authority to direct or exercise control over the management or policy of each person who owns or manages a space in the enclosed building



**AN ARENA LICENSE** consists of a general *ARENA LICENSE* and three or more *SUBLICENSES*:

1. One sublicense must be a **banquet** sublicense.
2. Another sublicense must be a **beer recreational** sublicense
3. Then choose one more of the following sublicenses:
  - A full-service restaurant
  - Limited-service restaurant
  - Beer-only restaurant
  - A bar establishment

**An Arena License MUST  
Choose at Least 3  
Sublicenses**

More than 3 sublicenses may also be chosen, either at the time of the initial application or a later date after the license has been granted.

## **SUBLICENSES**

Banquet, restaurant, beer recreational, and bar sublicenses must still follow statutes and rules for those license types. Go to the DABS website to find and download handbooks for the sublicense type you want to know more about.

## **TEMPORARY CLOSURE OF MORE THAN 10 DAYS**



You **MUST** notify your compliance officer in writing if you are going to be closed for more than 10 days. Emergency closures may be granted by telephone. NOT DOING SO is an automatic forfeiture of the retail license. Failure to RE-OPEN by the approval date also results in automatic forfeiture. It is essential that you maintain contact with your assigned compliance officer

## SUBLICENSES SHARING SPACE

### Beer Recreational, Restaurant & Banquet Sublicenses Can Share Space With Each Other Under Certain Conditions:

These arena sublicenses CAN be held on the same licensed premises as long as they are NOT operating at the same time. All requirements for each license type must be satisfied.

It also requires that a sign be posted in a conspicuous location at the entrance stating what type of license is currently operating in that space. The sign must measure at least 8 ½ by 11 inches.

However, an arena may allow patrons to transport ONLY beer from one sublicensed premises to another, as long as they are adjacent to each other and where beer consumption is permitted.

**This premises is  
currently operating  
as a Restaurant**

**This premises is  
currently operating  
as a Beer Recreational**

## BARS CANNOT SHARE SPACE with other sublicenses

A restaurant and bar are not considered in the same room if:

- The premises of the bar and the restaurant share a permanent wall that measures at least eight feet high
- Each premise must have a separate entryway that does not require a patron to pass through the bar to access the restaurant premises
- If a patron must pass through the restaurant to access the entryway to the bar, a patron must not be able to see a dispensing structure on the bar premises.

## SUBLICENSES MAY SHARE THE SAME KITCHEN

Arenas that have sublicenses may share the same kitchen. The kitchen may be located in any one of the sublicensed premises or located in more than one.

Licensees would be required to have their own dining areas, entrances, etc. Each licensee must be able to keep independent records, check Identification, and be able to watch and control a patron's consumption and any other operational procedures for their specific license type.



## OPERATIONAL REQUIREMENTS

**DISPLAY SIGNS** – All sublicenses within the Arena must display:

1. The “Warning” sign – The template may be downloaded from our website at [abs.utah.gov](http://abs.utah.gov).

The warning sign contains two messages, each of which must be in a different font. It may be used as-is or custom-made, but the size of the sign and the size of the fonts may not be any smaller than the template. The color of the print does not have to be red, and the sign does not have to be white, but it has to be easily readable and *posted in a prominent place* (obviously, not behind the pickle jar or in the office) in each sublicensed premises.

**WARNING**  
**DRINKING ALCOHOLIC BEVERAGES**  
**DURING PREGNANCY CAN CAUSE**  
**BIRTH DEFECTS AND PERMANENT**  
**BRAIN DAMAGE FOR THE CHILD**

CALL THE DEPARTMENT OF HEALTH AT  
1-800-822-2229 WITH QUESTIONS OR MORE INFORMATION

**WARNING**  
**DRIVING UNDER THE INFLUENCE OF**  
**ALCOHOL OR DRUGS IS A SERIOUS**  
**CRIME THAT IS PROSECUTED**  
**AGGRESSIVELY IN UTAH**



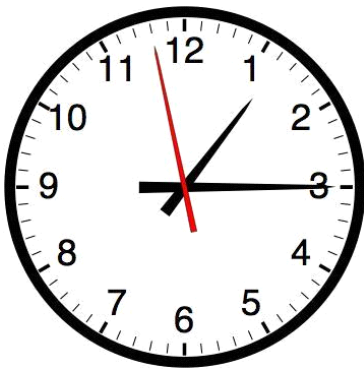
### LOCAL CITY LICENSE

SOMEWHERE REC LLC  
1234 SOMEWHERE STREET  
SOMEWHERE CITY, UT 84000

2. Post the DABS arena license and the local licenses in a prominent place as well.

## SALES AND CONSUMPTION HOURS

Each sublicense must follow the sales and consumption hours of the specific license type, such as a banquet, beer recreational, a full, limited, or beer-only restaurant, or a bar.



- Bar, beer recreational, and banquet licenses: All alcohol may be sold from 10:00 a.m. until 12:59 a.m. every day.
- Restaurant licenses: All alcohol specific to the license type may be sold from 11:30 a.m. until 11:59 p.m. Monday through Friday. On weekends, state or federal legal holidays, or for private events, alcohol, specific to the license type may be served beginning at 10:30 a.m.

There is an exception for beer, it is allowed to be served until 12:59 a.m. for all license types. *For more detailed information, go to the license summaries on the DABS website for each specific license type.*

Each license type must be able to “stand alone” and be completely independent from each other, except for the kitchen and pathway to it.



## RECORDKEEPING

Each sublicense is required to keep current, detailed quarterly records for expenses and sales of alcohol and food. The Arena License is required to *maintain at least 70% of their total business from the sale of food*, which does not include:

- A mix for an alcoholic product
- A service charge

Expensive wines in excess of \$175 per bottle or \$30 a glass are not included in calculating the food to alcohol ratio. Licensees who drop lower than 70% food sales for any quarterly

**CAREFUL! Arena Licensees whose food sales drop lower than 70% may have their license REVOKED.**

period may be put on a probationary status, during which time they will be closely monitored by their compliance officer for food sales during the next quarterly period. Failure of the licensee to provide satisfactory proof of the required food percentage may have their license revoked by the DABS Commission. Licensees who are substantially lower than 70%, or who have repeatedly been on a probationary status in the past, however, may be required

to immediately come before the Commission and show why they should keep their license.

Dispensing liquor through an approved dispensing system is required for any sublicense selling spirituous liquor. Dispensing records must also be kept and matched daily to the sales records of all primary liquor beverages sold. Spills, miss-clicks, returned beverages, etc. must all be accounted for on a dispensing record. Your DABS compliance officer can help you with questions and formulating an appropriate form. Licensees shall maintain records for at least three years. **Remember, falsifying records is illegal.**

## PURCHASE OF ALCOHOL

- Spirits, wine, flavored malt beverages, and heavy beer must be purchased at the Utah state liquor stores or package agencies. Purchasing alcohol from outside of the state of Utah is unlawful.

**Procedures for ordering alcohol are as follows:**

- The licensee must call, fax, or order online in advance of pickup to allow department personnel sufficient time to assemble the order. Include your business name, DABS license number, and list the products by code number. You can find the code numbers on our website at [abs.utah.gov](http://abs.utah.gov).

**Please Note:** Licensees may not pick merchandise directly off the shelves of a state store or package agency to fill their order.





**Allow at least 4 Hours** for department personnel to assemble the order for pick-up.

When the order is complete, the licensee will be notified by phone and given the total cost of the order. The licensee may pay for the product in cash, company check, company credit card, or cashier's check. You will have to examine and sign for the order before it leaves the store to verify that the product has been received.

A licensee may sign up for  
"ACH" ordering  
**ONLINE!**  
Contact DABS to get  
signed up.

## LIQUOR RETURNS

Spirituos liquor may be returned by the licensee for the original purchase price if:

- The bottle has not been opened
- The seal remains intact
- The label remains intact
- The licensee produces the original cash register receipt

NOTE – Returned orders that exceed \$1,000 will require a restocking fee of 10%. All spirituous liquor returned that is based on a single purchase on a single cash register receipt must be returned at the same time.



**Wine and beer may not be returned** . . . unless it can be shown that the product was spoiled at purchase or otherwise non-consumable.

## BEER

Beer must be purchased from beer distributors. Licensees must call and set up an account with the appropriate distributor for their area. For a list of distributors go to our website at [abs.utah.gov](http://abs.utah.gov).

Beer may also be purchased from any licensed Utah small brewer that manufactures beer.

Licensees may not purchase beer from any other retail outlet such as grocery or convenience stores, etc. for resale at the licensed establishment.





## ALCOHOL STORAGE

Alcohol may only be stored in a designated place approved by DABS on the initial application floorplan. *Any changes to the storage area(s) must first be approved by DABS.*

Arenas may have one or more remote storage locations, or a centralized location, to serve all sublicenses. However, each sublicense must be able to separately account for its own alcoholic beverages when stored in a common location.

**NOTE:** Liquor, wine, and heavy beer storage must remain locked at all times when alcohol sales are not permitted. However, the licensee may open the storage area during hours otherwise prohibited for the limited purpose of inventory, restocking, repair, and cleaning.

## ALCOHOL DISPENSING LOCATIONS

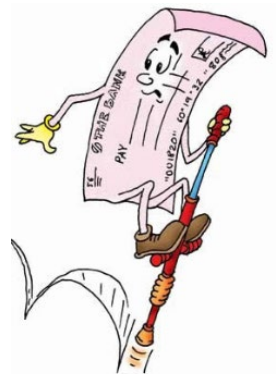
The arena may also have a remote dispensing system, meaning a system where the alcoholic beverages are stored in a single centralized location, such as the gun system. These types of systems distribute the alcohol through lines and/or hoses and may have separate dispensing heads at different locations. However, the system must be capable of accounting for the amount of alcohol dispensed to each location.

If sublicenses are in reasonable proximity to each other, the dispensing of alcoholic beverages may be made from another sublicense under the following requirements:

- Sales records must be able to record the amounts of each alcohol beverage sold in any sublicense
- The cost of the alcoholic beverages must be maintained for each location
- Dispensing of alcoholic beverages to each sublicense must be done only during allowed hours pertinent to that license type. Dispensing may not be made in any manner prohibited by the operational restrictions of that license type. For example, a restaurant sublicense would not be able to dispense liquor to a bar sublicense after midnight. For most arenas, if there is only one dispensing location, it may make sense to dispense from the bar sublicense so there are no conflicting hours.

## BAD CHECKS

The DABS may immediately suspend the license if it receives a bad check as payment for liquor, licensing or bond fees, fines, costs for violations, etc. A fee will also be assessed for bad checks and the licensee will be required to pay the full amount plus the fee.



## PROHIBITED CONDUCT

- **LEWD ACTS**, attire, and sexually-oriented conduct of employees and entertainers that are considered contrary to public welfare and morals are prohibited on the premises.
- **GAMBLING** – *NO “paying” to “play a game of chance” to “win money or a prize.”*  
Licensees may not engage in or permit any form of gambling on its premises including contests or gaming schemes that require risking something of value for a chance of a return - including raffles, bingo, poker, etc.
- **ILLEGAL DRUGS** or drug paraphernalia - A retail licensee may not knowingly allow a person on the licensed premises to sell, distribute, possess, or use a controlled substance; or use, deliver, or possess with the intent to deliver drug paraphernalia



## TRAINING

### 1. DABS MANAGER TRAINING:

EVERY MANAGER must complete the DABS manager training program as a condition of obtaining their DABS license. Any new manager must take the training within 30 days of hire.

- A manager includes owners and employees that act in a supervisory or managerial capacity over the furnishing of an alcoholic product or the employees who serve alcoholic products.
- Training will be conducted by the DABS and the fee is \$25 per manager.

### 2. THE UTAH DIVISION OF SUBSTANCE ABUSE AND MENTAL HEALTH TRAINING:

EVERY SERVER and all owners, managers, supervisors, and employees who serve (or manages those who serve) alcohol must take and pass an alcohol server training seminar every three years and must complete the training within 30 days of commencing employment. There are links to find the approved training programs from our website at [abs.utah.gov](http://abs.utah.gov)