

LICENSEE HANDBOOK

ON-PREMISE BANQUET LICENSE



UTAH DEPARTMENT OF ALCOHOLIC BEVERAGE SERVICES

P.O. Box 30408
Salt Lake City, UT 84130-0408
Telephone: 801-977-6800 Fax: 801-977-6889
Website: www.abs.utah.gov

Effective Date June 2022

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 Previously issued handbooks should be discarded as they may contain outdated information.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) 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, and write or e-mail (hotline@utah.gov) to the compliance division of this department.



AN ON-PREMISE BANQUET LIQUOR LICENSE

An On-premise Banquet License allows the storage, sale, service, and consumption of liquor, wine, heavy beer, and beer for contracted private (not open to the general public) events or contracted privately sponsored events (which are events restricted by an admission fee) on the banquet premises of a hotel, resort facility, sports center, convention center, performing arts facility, or an Arena.

All Banquet Licenses must be able to host conventions and conferences, have adequate kitchen or culinary facilities on the premises, and be able to provide complete meals.

*The banquet license also allows for
"room service" in hotels and resorts.*



Banquet Licenses run from November 1st to October 31st. All license renewals are due by September 30th every year. 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.

All banquet licensees, be prepared to renew licenses beginning September 1st through September 30th annually.

BANQUET EVENT FACILITIES DEFINED:



A Hotel is a commercial lodging establishment that offers temporary sleeping accommodations for compensation. It must have at least 1000 square feet of function space, consisting of meeting and/or dining rooms reserved for private use under a banquet contract, and must be able to accommodate a minimum of 75 people. In small or unincorporated areas, hotels may have less square feet but still must have an appropriate amount of function and meeting space as determined by the Commission.

A Resort Facility is a commercial recreational facility or area that is designed primarily to attract and accommodate people to a recreational or sporting environment. It must have at least 1500 square feet of function space consisting of meeting and/or dining rooms that can be reserved for private use under a banquet contract and accommodate a minimum of 100 people. It must have adequate kitchen or culinary facilities on the premises of the resort to provide complete meals.



A Sports Center is a facility that is designed primarily to accommodate people at sporting events. It must have at least 2,500 square feet of function space consisting of meeting and/or dining rooms that can be reserved for private use under a banquet contract and be able to accommodate a minimum of 100 people. It must also have a fixed seating capacity for more than 2,000 persons.

A Convention Center is a facility that primarily provides business or function space to conventions and/or conferences and provides food and beverage functions under a banquet contract. The convention center must have at least 30,000 square feet.



A Performing Arts Facility is a multi-use performance space that is primarily used to present various types of performing arts, including dance, music, and theater. There must be over 2,500 seats that is owned and operated by a governmental entity in cities of over 100,000 people. A performing arts facility does not include sporting events or sporting competitions.

An Arena is an *enclosed event venue* with an occupancy capacity of at least 12,500 people. The arena must be managed and owned either by the same person, or a person who has a majority interest in, or can exercise control or authority over the management of each person who owns or manages a space at the venue.



WHO CAN HAVE A BANQUET LICENSE?

Only a hotel, resort facility, sports center, convention center, performing arts facility, or an arena (we will now refer to as an event facility) are approved to apply for a banquet license.

A BANQUET MUST BE A CONTRACTED EVENT

A written contract between the banquet licensee (operator of the event facility) and the banquet host (another person) is required. The banquet host cannot be the same person as the licensee, nor can the banquet host have more than 20% of common ownership with the person operating the event facility.



For instance,

- If Daniel has a banquet license and operates Hotel Daniel, he could not schedule a banquet event with himself to run his own art show. Daniel would need to obtain an event permit in this case.
- If Daniel's investment partner Mike, who owns 30% of a business with Daniel wants to host the art show, Mike would need to find another event facility to contract his art show or obtain a single event permit.



- If Daniel and Mike operate Hotel Daniel, and they hire a management company to manage the banquet license for them, the management company would be considered "staff" of Daniel and Mike's hotel. Again, Daniel and Mike could not host their own art show.

- If Daniel's mother owns a different hotel and has a banquet license and Daniel owns 15% of his mother's company, Daniel may contract a banquet with his mother's hotel because he owns less than 20% with his mother. Daniel may be the host of his art show under a banquet contract at his mother's hotel, and may also charge tickets to the public to come to his show.*

** See Privately Hosted Events on the following page*



TWO TYPES OF EVENTS MAY BE CONTRACTED

- ✓ A "Private Event" – Where the host has contracted a banquet space to provide food and alcohol for their private gathering. Examples of this would be a wedding, class reunion, company Christmas party, etc. A "private event" does not include the general public or an admission fee.

or

- ✓ A "Privately Sponsored Event" - where a specific social, business or recreational event is held and entry is restricted by an admission fee. Examples of this would be a contracted business convention where attendees are required to buy a ticket to come to the event.



Either type of event may be contracted to provide alcohol for a hosted bar (paid for by the banquet host) or as a cash bar where patrons pay for their own beverages.



REPORTING BANQUETS IN ADVANCE

A banquet licensee must file a report containing advance notice of their events at least 14 days prior to the event or immediately after booking the event if there are less than 14 days available to give notice. Reports may be hand-delivered, submitted by mail, or submitted electronically to their compliance officer. Notification must be made to DABS if the event is canceled or changed.

EACH REPORT SHALL INCLUDE:

1. The date and time of the event
2. The type of the event
3. If the event is going to be:
 - A privately hosted event or
 - A privately sponsored event with an admission fee
4. The specific location of each event
5. The name of the host of the banquet and
 - If there is any ownership with the operator of the event facility - list the percentage
6. How many guests will be expected at the event
7. Control measures for the event which help prevent:
 - Minors from obtaining alcohol
 - Over-consumption of alcohol
 - The general public or uninvited guests from entering the event
 - Individuals who have not paid an admission fee from entering a privately sponsored event



HOW REPORTS ARE USED

Banquet reports will be available to authorized DABS officers, DABS Commissioners, and other law enforcement officers for the purpose of monitoring compliance.

1. Banquet reports may be classified as protected under GRAMA if:
 - The licensee or sublicensee claims business confidentiality and requests that the documents be classified as protected; and
 - The DABS determines that the documents contain commercial information, this disclosure of which could reasonably be expected to result in unfair competitive injury to the licensee or sublicensee submitting the information.
2. Reports will only be retained by DABS for 14 days after the conclusion of the banquet event.
3. Licensees may use the form located on the DABS website or they can make their own report as long as it contains the required elements.



OTHER RECORDKEEPING REQUIREMENTS

SALES AND EXPENSE REPORTS – Licensees must maintain at least 50% of their total annual sales from the sale of food. Therefore, it is required to keep current and detailed quarterly records for expenses and sales of alcohol, food, and other items. This does not include:

- Corkage, mix, or service fees
- Expensive wines in excess of \$175 per bottle or \$30 a glass



Licensees who drop lower than 50% food sales for any quarterly 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 50%, 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.

CAREFUL!
Banquet Licensees whose
food sales drop lower than
50% may have their license
REVOKED.

NOTE: Hotel, resort, and arena banquet sublicenses have different food % requirements. See those summaries for that specific information.

DISPENSING RECORDS

Dispensing liquor through an approved dispensing system is required for any licensee selling spirituous liquor. Dispensing records must also be kept and matched for each event. The total number of alcoholic beverages sold should be the same as the total number of all primary liquor dispensed, after spills, miss-clicks, returned beverages, etc. are accounted for. Your DABS compliance officer can help you with questions or you can find an appropriate dispensing form on the DABS website, or you can make your own.

Licensees shall maintain records for at least three years. Remember, falsifying records is illegal.

BANQUET LICENSES HELD ON THE SAME PREMISES

If a business holds more than one type of license, a banquet CAN be held on the same licensed premises of a restaurant, beer recreational facility, or hospitality amenity as long as they are NOT operating at the same time.

It is also required 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.

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

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

DISPLAY OTHER SIGNS

A Banquet licensee must display:

A Warning Sign - The template may be downloaded from our website [HERE](#)

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* on the banquet 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**

DABS and local licenses also need to be posted in a prominent place.

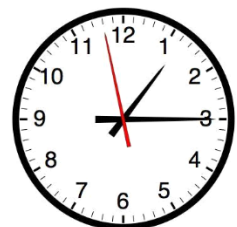


LOCAL CITY LICENSE

SOMEWHERE REC LLC
1234 SOMEWHERE STREET
SOMEWHERE CITY, UT 84000

SALES AND CONSUMPTION HOURS

Alcoholic beverages of all types may be sold at any banquet event or for room service in hotels and resorts on any day, 7 days a week from 10 a.m. until 1 a.m.



PURCHASE AND STORAGE 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 [HERE](#).



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

Please Note: licensees may not buy 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 and given the total cost of the order. The licensee may pay for the product in cash, company check, 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.



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; and
- The licensee produces the original 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 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 or otherwise non-consumable at the time of purchase.

BEER PURCHASES

Beer must be purchased from beer distributors. Licensees must call and set up an account with the appropriate distributor for their area. [GO HERE](#) for a list of distributors.

Beer may also be purchased from any licensed Utah small brewer that manufactures beer. However, banquet licensees may not purchase beer from any other retail outlet (i.e. grocery or convenience stores, etc.) for resale at the licensed establishment.



OTHER OPERATIONAL DO'S AND DON'T'S

NO BROWN-BAGGING

Patrons may not bring any alcoholic beverages into or onto the premises of a banquet nor carry any alcohol out of the banquet, including wine.

(a) Arena Beer Exception:

A patron may carry their beer between the banquet to another sublicensed area if they are adjacent to each other and beer is permitted there.

ALCOHOL STORAGE REQUIREMENTS

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

After the Banquet:

- Alcoholic beverages that are opened, unused, and no longer can be sold, must be destroyed.
- Unopened alcoholic beverages or alcoholic beverages that are open, but can still be sold, may be returned to the banquet licensee's approved locked storage area and be used for another banquet.

MINOR EMPLOYEES

Minors may be employed by a banquet licensee, but may not buss, sell, serve, furnish or dispense alcoholic beverages.

SALE AND SERVICE OF ALCOHOLIC BEVERAGES

Liquor Sales

The primary liquor in a mixed drink may be dispensed from any size bottle, but only in quantities not to exceed 1.5 ounces *through a department-approved calibrated metered dispensing system or device.*

<https://abs.utah.gov/license/dispensing.html>



Liquor Sales (Continued)

Liquor used as a secondary flavoring need not be dispensed through the dispensing system.

Liquor stored and used as flavorings must be clearly labeled "flavoring."

The total amount of spirituous liquor in a beverage (including both the primary liquor and any secondary flavorings) may not exceed 2.5 ounces of spirituous alcohol.

Wine Sales

Wine may be sold and served by the bottle or container in sizes not exceeding 1.5 liters (a Magnum) to tables of four or more.

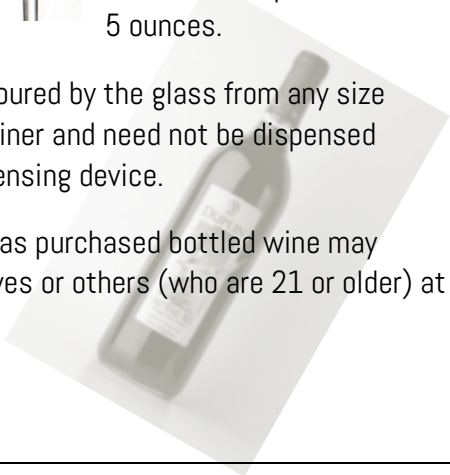
For tables of less than four, the size of the bottle cannot be larger than 750 ml.

Wine may be sold and served by the glass or individual portion in quantities not exceeding 5 ounces.

An individual portion may be served to a patron in more than one glass (as a flight) as long as the total amount of wine in all of the glasses does not exceed the individual portion size of 5 ounces.

Wine may be poured by the glass from any size bottle or container and need not be dispensed through a dispensing device.

A patron who has purchased bottled wine may serve themselves or others (who are 21 or older) at the table.

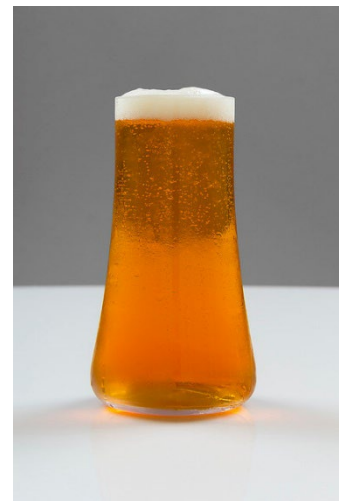


Beer, & Heavy Beer

Beer may be sold and served in any size container, not exceeding 2 liters, and on draft. However, a pitcher (larger than one liter and up to two liters) may only be sold to parties of two or more.

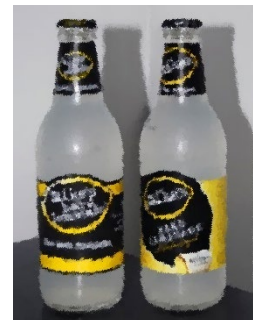
Beer may be sold to an individual patron, only in a container that does not exceed one liter.

Beer flights may be sold to a patron as long as the total amount of beer does not exceed 16 ounces.



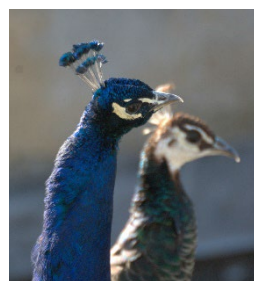
Flavored Malt Beverages

May be sold and served in an original container not exceeding one liter.



Limitation on Total Number of Drinks

Each banquet patron may only have one spirituous liquor drink before them at a time.



NO MORE THAN TWO

Other than spirituous liquor drinks, each banquet patron may have **no more than two** servings of an alcoholic beverage of any kind at a time before the patron.

DISCOUNTING PRACTICES PROHIBITED

Alcoholic beverages may not be sold at a discount at any time.



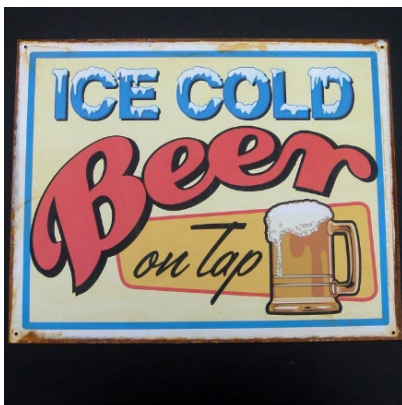
Other discounting practices are prohibited that encourage over-consumption of alcohol (i.e. happy hours, two for ones, all you can drink for a set price, free alcohol, or selling at less than cost).

A banquet licensee or employee may not purchase an alcoholic beverage for a patron.

- The exception to this is a hotel or resort may, as part of room service, give one sealed, non-spirituos alcoholic product per guest room that does not exceed 750 milliliters.

ADVERTISING

Signs advertising the availability of alcoholic beverages may be displayed.



An alcoholic beverage menu with prices is required as part of the contract if it is a hosted bar. For cash bars, the menu must be readily available.

WINE LIST.

CHAMPAGNES.		CLARETS AND SAUVIGNONS.	
per cent. growth.	per cent. vintage.		
G. H. Wrayner's Dry Vin.	30	00	00
" " " " " " "	25	00	00
A. J. Wrayner's, Extra	25	00	00
" " " " " " "	20	00	00
H. J. B. Smith's	20	00	00
H. J. B. Smith's	15	00	00
Smith & Co's	10	00	00
Verney, Extra	10	00	00
Verney, Extra	5	00	00
BORNEO WINE.		GRAPES.	
Wine, Borneo, Extra	30	00	00
Wine, Borneo, Extra	20	00	00
Wine, Borneo, Extra	10	00	00
Wine, Borneo, Extra	5	00	00
BERRY WINE.		NATIVE BRANDS.	
Berry, Borneo, Extra	30	00	00
Berry, Borneo, Extra	20	00	00
Berry, Borneo, Extra	10	00	00
Berry, Borneo, Extra	5	00	00
SHIRAZ.		IMPORTED WINE.	
Shiraz, Borneo, Extra	30	00	00
Shiraz, Borneo, Extra	20	00	00
Shiraz, Borneo, Extra	10	00	00
Shiraz, Borneo, Extra	5	00	00
PORT.		IMPORTED WINE.	
Port, Borneo, Extra	30	00	00
Port, Borneo, Extra	20	00	00
Port, Borneo, Extra	10	00	00
Port, Borneo, Extra	5	00	00
ALE AND PORTER.		BOTTLED.	
Ale, Borneo, Extra	30	00	00
Ale, Borneo, Extra	20	00	00
Ale, Borneo, Extra	10	00	00
Ale, Borneo, Extra	5	00	00
CORDON ROUGE AND LAFAYETTE.		BOTTLED.	
Cordon Rouge, Borneo, Extra	30	00	00
Cordon Rouge, Borneo, Extra	20	00	00
Cordon Rouge, Borneo, Extra	10	00	00
Cordon Rouge, Borneo, Extra	5	00	00
MEXICAL WATER.		BOTTLED.	
Mexical Water, Borneo, Extra	30	00	00
Mexical Water, Borneo, Extra	20	00	00
Mexical Water, Borneo, Extra	10	00	00
Mexical Water, Borneo, Extra	5	00	00
BOTTLED.		BOTTLED.	
Bottled, Borneo, Extra	30	00	00
Bottled, Borneo, Extra	20	00	00
Bottled, Borneo, Extra	10	00	00
Bottled, Borneo, Extra	5	00	00

Servers may ask a patron if they would like an alcoholic beverage menu.

EMPLOYEES



- Any employee handling alcoholic beverages must be 21 years of age or older.
- Servers of alcohol must wear a unique identification badge showing the employee's first name, initials, or a number assigned by the employer.
- Employees may not consume or be under the influence of alcoholic beverages while on duty.



- Employees can be **FINED** for violations as well as the licensee. The commission is authorized to assess an administrative fine against an officer, employee, or agent of a licensee for a violation of the alcoholic beverage laws.

TRAINING

SERVER TRAINING

Alcohol server training is required for all owners, managers, supervisors, and employees who serve (or manage those who serve) alcohol. They must take and pass an alcohol server training seminar every three years and must complete the training within 30 days of hire. Go to our website for information and links to state-approved training programs.



DABS MANAGER TRAINING

Managers 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.
- Manager training does not expire and will not have to be taken again.
- REMEMBER, managers must have BOTH the manager training and the server training.

**MANAGERS MUST TAKE
BOTH
ALCOHOL SERVER TRAINING
& MANAGER TRAINING**

ANY CHANGE OF OWNERSHIP

It is best to call ahead and discuss any ownership changes before doing so, as some small changes can be done internally and others must go through a license transfer of license process and be approved by the commission.



Any ownership changes to the entity or individual who holds the license is required to be reported to the assigned DABS compliance officer within 60 days of the change. However, it is important to note that any closure of 10 days or more of the current licensee must be approved by the DABS, otherwise the license may be forfeited.

If the buyer will be performing the day-to-day operations of the business and intends to continue to sell alcohol before the commission approves the transfer of the license, both parties must first enter into an interim management agreement that must be approved by the DABS.

ROOM SERVICE

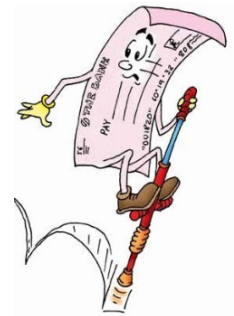
Delivery of alcoholic beverages may be provided to adult guest rooms and privately owned dwellings at resorts and hotels. No minibars are allowed in the rooms. Alcoholic beverages:



- Can only be delivered in person to an adult guest.
- Alcoholic beverages may not be left outside the guest room for retrieval by a guest.
- Alcoholic beverages may be provided by the drink (in other than a sealed container) but portion size restrictions and calibrated metered dispensing requirements also apply to room service sales.
- Room service alcoholic beverages must be sold through the banquet alcohol, and not the restaurant or club alcohol.
- Alcoholic products may be sold in sealed containers including 50 ml Mini-Bottle and 187 ml Wine bottles.

BAD CHECKS

The DABS may immediately suspend the license if it receives a bad check as payment for liquor, licensing or bond fees, fines and 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.

