LICENSEE HANDBOOK
BAR ESTABLISHMENT LICENSES

UTAH DEPARTMENT OF ALCOHOLIC BEVERAGE SERVICES

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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 Previously issued handbooks should be discarded as they may contain outdated information.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 us at 977-6800, or write, or e-mail the compliance division of this department at DABSCompliance@utah.gov.
Bar Establishment License

Allows the storage, sale, service, and consumption of alcoholic beverages on the premises of a social bar establishment.

Bar Licenses run from July 1st to June 30th. All license renewals are due by May 31st every year. The renewal fee is $2,000. 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.

Be prepared to renew licenses beginning May 1st through May 31st annually.
BAR LICENSES are limited to a quota, formulated by the population of the state. There are three types of bar licenses. The bar, the equity, and the fraternal. However, this handbook pertains only to the social bar establishment.

Bar licenses are issued to social drinking establishments that are open to the public. However, the bar may choose to be private and restrict access to only those who are on a list or pay a fee if they choose.

OPERATIONAL REQUIREMENTS

DISPLAY SIGNS - A Bar licensee must display:

- **A Warning Sign** - The template may be downloaded from our website.

  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 bar premises.

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

  - **NO ONE UNDER 21** - Bars must also display a sign 8-1/2 inches long and 11 inches wide indicating that the premises is “A BAR” and that “NO ONE UNDER 21 IS ALLOWED”. It must be posted in a conspicuous place at the entrance of the premises. Templates can be found on our website, or you may make your own.
SALES AND CONSUMPTION HOURS

Alcoholic beverages may be sold on any day from 10:00 a.m. until 1:00 a.m. Consumption of alcohol in bars is prohibited between the hours of 2 a.m. and 10 a.m. Clubs must remain open an extra hour after alcohol sales and service have ended to allow a patron to finish consuming:

- a single drink containing spirituous liquor
- a single serving of wine not exceeding five ounces
- a single serving of heavy beer
- a single serving of beer not exceeding 26 ounce
- a single serving of a flavored malt beverage

Clubs do not have to remain open after all patrons have vacated the premises, or during an emergency.

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.

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

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.

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

Spirituous 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 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. A list of distributors may be found on the DABS website.

Beer may also be purchased from any licensed Utah small brewer that manufactures beer. However, bar 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 floor plan. *Any changes in the storage area(s) must first be approved by DABS.*

Storage or dispensing systems located at a patron’s table are prohibited.

**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.
Any employee who sells, serves, dispenses, or handles beer must be twenty-one 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 and must be worn above the waist.
- Employees may not consume or be under the influence of alcoholic beverages while on duty.

TRAINING

SERVER TRAINING:
The Utah Division of Substance Abuse and Mental Health 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 commencing employment. Go to our website for information on state-approved training programs.

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.

Employees can be FINED for violations.
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.

Please be careful off-duty owners or employees who have been drinking must not step back in and perform any on-duty type functions.

NO MINOR EMPLOYEES ARE ALLOWED

- Minors may not be employed on the premises of a bar. This includes band members, construction workers, etc.
- Minors may not be admitted into, use, or be on the premises of a bar EVER – even if closed.
- A narrow exception exists for minors allowed in “dance or concert hall” permits issued before May 12, 2009.
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.

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 type of 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 # OF DRINKS

Each bar patron may only have two servings of an alcoholic beverage of any kind at a time. Two spirituous beverages may only contain a total of 2.5 ounces of liquor, including flavorings, between the two drinks and the second drink cannot be a shot of the same alcohol as the primary liquor in the first drink - no sidecars.

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

ADVERTISING

Signs advertising the availability of alcoholic beverages may be displayed.

PRICE LISTS

A bar must have readily available for its patrons, a printed alcoholic beverage price list, or a menu containing current prices of all alcoholic beverages.

FOOD AVAILABILITY

Bars shall have food available at all times when an alcoholic product is sold, offered for sale, furnished, or consumed on the licensed premises.
**RECORDKEEPING**

Bar licensees are required to keep current, detailed quarterly records for expenses and sales of alcohol and food. All records must be kept for a minimum of three years.

Dispensing liquor through an approved dispensing system is required for any licensee 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. You may find dispensing forms on the DABS website, or you can formulate your own.

Remember, falsifying records is illegal.

**BROWN BAGGING**

Patrons may not bring in or store spirituous liquor, heavy beer, or beer on the premises. However, at the licensee’s discretion, a patron may bring in bottled wine for consumption on the premises.

- Wine brought in must be immediately delivered to a server or an employee of the bar.
- A wine service may then be performed, and patrons may serve themselves or others at the table.

**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.
**Electronic Age Verification – ID Scanners**

The ID scanner requirement applies to all social bars whether or not they choose to restrict access by way of membership.

Bars must electronically verify age before anyone who appears to be 35 years of age or younger may gain admittance.

Bars must be able to read, print, or download the data in the ID scanners. Owners/managers should have the knowledge and capability to produce the data upon request of a peace officer or an authorized representative of the DABS.

The DABS does not provide a list of approved scanners. ID scanners (electronic age verification devices) are available from multiple manufacturers and vendors. An ID scanner selected must meet the requirements of rule R82-4-101 which may be viewed on our website, or a summary of requirements can be found in the HOT TOPICS NOTEBOOK under ‘Licensee Support’.

**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 and 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.