

LICENSEE HANDBOOK

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 Previously issued handbooks should be discarded as they may contain outdated information.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

A HOSPITALITY AMENITY LIQUOR LICENSE



Allows the storage, sale, furnishing, and consumption of alcoholic beverages on the premises of a hotel or resort for hospitality social events

Hospitality Amenity Licenses run annually from November 1st to October 31st. 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 a hospitality license, a nonrefundable application fee of \$330 plus a \$2,000 initial fee is required. All license renewals are due by September 30th every year and the renewal fee is \$1,000.

Be prepared to renew licenses beginning September 1st through September 30th annually.

LICENSING REQUIREMENTS

Hospitality licenses can only be issued to a hotel that has at least 40 guest rooms, or to any hotel or resort licensee as a sublicense.

LARGE HOTELS & RESORTS can have up to three hospitality locations within the boundary as approved by the commission:

- If the hotel or resort has a minimum of 150 guest rooms for temporary sleeping accommodations
- The commission determines the layout of the hotel or resort requires more than one location for the convenience of the guests

A hospitality amenity license may only be issued to a hotel or resort

Only one hospitality premise is allowed for small hotels.

MULTIPLE LICENSES ON THE SAME PREMISES

A hospitality amenity licensee may have more than one retail license on the same premises if the types of licenses held are:

- Restaurant license
- Beer recreational license
- Banquet license

These licenses may not operate in the same room, at the same time, on the same day. However, they may share a kitchen, including a pathway necessary to transport alcohol, with other sublicenses or license types if they are owned by the same person or entity.



HOSPITALITY GUEST

A hospitality guest must be a person who is at least 21 years of age and pays to stay for temporary lodging accommodations at the hotel or resort.

ALCOHOL DISPENSING LOCATIONS

Spirituos Liquor:

Spirituos liquor may only be served to hospitality guests under these circumstances:

- Must be served in an entirely and physically enclosed area, pre-approved on the floorplan, that can only be accessed by a key or a code
- Must be sold at regular menu prices and may not be free or discounted in any way
- Food must be available at all times alcohol is sold



Wine, Heavy Beer, & Beer:

Wine, heavy beer, and beer may be served to hospitality guests under these circumstances:

- Must be served in an approved area on the floorplan separated from the public by a permanent or temporary barrier
- Spirituous liquor may only be on the premises if used in the preparation of a flaming food dish or dessert, or as a flavoring on a dessert
- A guest may have a maximum of two free or discounted alcoholic beverages
- May be offered at a specific time
- Advanced notice to DABS Compliance Specialist has to be given for events offering free or discounted alcohol
- Food must be available at all times alcohol is served



OPERATIONAL REQUIREMENTS

The hospitality license allows for the sale or furnishing of an alcoholic product to a hospitality guest under these conditions:

- Consumption must take place on the licensed premises as shown on an approved floorplan
- Self-service of alcohol is prohibited
- A guest may not have more than two alcoholic beverages at a time
- A guest may not have more than one spirituous liquor drink at a time
- Guests may not remove any alcoholic beverage from the premises
- A guest may not bring an alcoholic beverage into the premises
- Staff must remain on the premises at all times when alcoholic beverages are provided
- Minors are not permitted to enter the premises unless the minor is accompanied at all times by an adult hospitality guest

DISPLAY SIGNS – All hospitality amenities must display:

1. The "Warning" sign – The template may be downloaded from our website at abs.utah.gov.

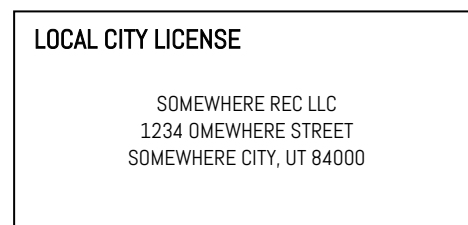
The warning sign contains two messages, each of which must be in a different font. It may be used as-is or custom-made, but the size of the sign and the size of the fonts may not be any smaller than the template. The color of the print does not have to be red, and the sign does not have to be white, 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.



2. Post the DABS license in a prominent place



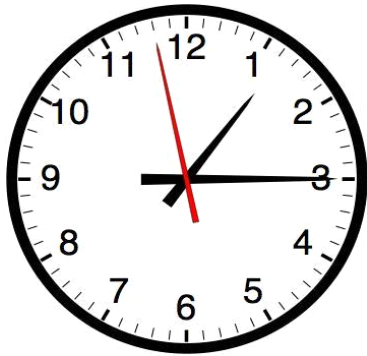
3. Post the local licenses in a prominent place as well



4. Hospitality amenities must display, in a conspicuous place at the entrance of their premises, a sign 8-1/2 inches long and 11 inches wide, which clearly states that entry is limited to individuals who are hospitality guests. Go to the DABS website to download a sign.

SALES AND CONSUMPTION HOURS

Alcoholic beverages may be sold on any day from 10:00 a.m. until 12:59 a.m.



Hospitality Amenities must remain open for one 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 ounces
- A single serving of a flavored malt beverage

Hospitality Amenities do not have to remain open after all patrons have vacated the premises, or during an emergency. Consumption of alcohol in hospitality amenities is prohibited between the hours of 2 a.m. and 10 a.m. The liquor storage area must remain locked at times when liquor sales are not permitted.

RECORDKEEPING

Before holding reoccurring or multiple events where alcoholic products are furnished free of charge or at a reduced rate, a hospitality amenity licensee must provide notice to DABS at least 14 days in advance of each event including:

- The days, dates, and operating hours
- The types of alcoholic products that will be furnished for free or at a reduced rate.



Every hospitality guest who is provided with alcohol must be over 21 years old. A hospitality amenity licensee must create a daily record with the following information:

- The name of each hospitality guest who has paid for a room at the hotel, which includes money, hotel points, etc.
- The total number of hospitality guests
- The room number of each hospitality guest
- The arrival and departure dates of each hospitality guest
- The amount of alcohol, wine, or heavy beer sold, served, or furnished to each hospitality guest

A hospitality amenity is required to keep current, detailed quarterly records for expenses and sales of alcohol and food.

A hospitality amenity licensee may transfer sealed and unopened alcoholic products to or from sublicenses within the hotel or resort if each licensee involved in the transfer tracks it.

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. Your DABS Compliance Specialist 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 for products on the DABS website.



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

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 cash register receipt

NOTE – Returned orders that exceed \$1,000 will require a restocking fee of 10%. All spirituious 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. Find a [list of distributors on the DABS website](#).

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

Licensees may not purchase beer from any other retail outlet (i.e. grocery or convenience stores, etc.) for resale at the licensed establishment.



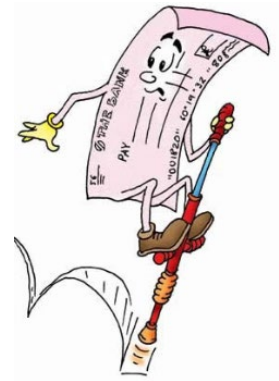
ALCOHOL STORAGE

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.***

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.

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.



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