

REFERENCE GUIDE

ON-PREMISE BEER RETAILER LICENSE Recreational Amenity



UTAH DEPARTMENT OF ALCOHOLIC BEVERAGE SERVICES

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Website: 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 reference guide has been prepared to help you legally handle alcoholic beverages. Please learn the information and keep the guide available for later review. This version of the reference guide is issued in January 2024. Previously issued reference guides should be discarded as they may contain outdated information.

Our website (www.abs.utah.gov) has information about the alcohol laws and rules with direct links to the complete code and administrative rules and 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 reference guide, please call 801-977-6800, write or e-mail the DABS Licensing & Compliance Division at DABScompliance@utah.gov.

BEER RECREATIONAL AMENITY LICENSE



Utah Code Title 32B, Chapter 6, Part 7, The On-Premise Beer Retailer License allows the storage, sale, service, and consumption of beer in establishments with a recreational amenity.

Beer recreational amenity licenses run from March 1st to the last day of February. There is no quota, and the Alcoholic Beverage Services Commission (commission) may issue licenses at places and in numbers that it considers proper. The renewal fee is \$350. 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 January 1st through January 31st annually.

A "RECREATIONAL AMENITY" MEANS:



- A billiard parlor
- A pool parlor
- A bowling facility
- A golf course
- Miniature golf
- A golf driving range
- A tennis club
- A sports facility that hosts professional sporting events and has a seating capacity equal to or greater than 6,500
- A concert venue that has a seating capacity equal to or greater than 6,500
- One of the following if owned by a government agency:
 - a convention center
 - a fair facility
 - an equestrian park
 - a theater
 - concert venue
- An amusement park with one or more permanent amusement rides located on at least 50 acres
- A ski resort
- A venue for live entertainment if the venue:
 - is not regularly open for more than five hours on any day
 - is operated so that food is available whenever beer is sold, offered for sale, or furnished at the venue
 - is operated so that no more than 15% of its total annual receipts are from the sale of beer
- Concessions operated within the boundary of a state or National Park
- A venue for karaoke
- An enterprise developed around a commission approved activity*



A recreational amenity license does not allow the use of a dangerous weapon
 ... unless the license was issued before May 12, 2020.



*** THESE “COMMISSION-APPROVED” ACTIVITIES ARE ALSO ALLOWED:**



Video Arcade



Trail Bike Park - involving off-road trails



Historic and Scenic Railways



Recreational Climbing Facility



Pickleball, Badminton, or Bocce Ball

OR ANY ACTIVITY:

- Similar to these commission-approved activities
- Similar to those specifically listed above
- That the commission deems recreational

RECREATIONAL AMENITY VS. A TAVERN

The commission shall consider whether or not the on-premise beer retailer licensee should be considered a recreational amenity and not a tavern by determining whether:

- The applicant will maintain adequate on-premise culinary facilities to prepare full meals, the revenue from the sale of beer will exceed the revenue from the sale of food, and whether full meals including appetizers, main courses, and desserts will be served
- The entertainment provided on the will be suitable for minors
- The square footage and seating capacity of the premises
- What portion of the square footage and seating capacity will be used for a dining area in comparison to the portion that will be used as a lounge or bar area



SHARING SPACE

WITH RESTAURANTS, BANQUETS, HOSPITALITY AMENITIES, and RECEPTION CENTERS

If a business holds more than one type of license, a beer recreational license CAN be held on the same licensed premises of a restaurant, banquet, hospitality amenity, or reception center if the licenses are NOT operating at the same time. They may share culinary facilities. All requirements for each license type must be satisfied.

The licensee is required to post a sign that measures at least 8 ½ by 11 inches in a conspicuous location at the entrance that states what type of license is currently operating in that space.

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

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

DISPLAY OTHER SIGNS

A beer recreational licensee must display:

1. A warning sign

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 must be easily readable and posted in a prominent place (obviously, not behind the pickle jar or in the office) on the licensed premises. [GO HERE](#) to download a warning sign template from the DABS website.

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

2. The DABS and city licenses in a prominent place.

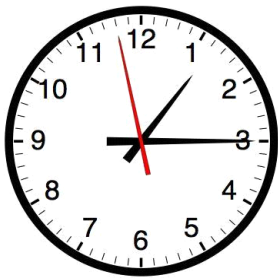
LOCAL CITY LICENSE

SOMEWHERE REC LLC
1234 SOMEWHERE STREET
SOMEWHERE CITY, UT 84000



SALES AND CONSUMPTION HOURS

Beer may be sold from 10:00 a.m. until 1:00 a.m. No consumption of beer is allowed on the premises between 2:00 a.m. and before 10:00 a.m. An open container of beer may not be removed from the premises. Liquor, wine, and heavy beer must **never** be on the premises of a beer recreational license.



Beer may be sold and served in containers on draft or in open original containers of any size not exceeding two liters. Beer may be sold to an individual patron **only** in a container that does not exceed one liter. Beer may be sold by the pitcher (larger than one liter and up to two liters) to two or more patrons.

BEER TO GO Beer sold in sealed containers may be removed from the beer retailer's premises but may not exceed two liters.

BEER STORAGE Beer doesn't need to be locked up after consumption hours, however, it is highly recommended.

RECORDKEEPING – MAINTAINING 70% RECREATIONAL AMENITY OR FOOD SALES

Each licensee must keep current, detailed records showing that at least 70% of the total gross revenues from the business are directly related to the licensee's recreational amenity. This would not include beer or food sales. **In other words, beer sales cannot exceed 30% of the total revenue.**

- If the licensee has a contract with a government-owned or operated entity to operate the license (such as a city-owned golf course or county-owned arena), the licensee may also include the gross revenue from the business directly related to the operation of the recreational amenity.
- If the licensee fails to meet the 70% requirements, then the licensee must show at least 70% of the total gross revenues are from the sale of food.



- If the licensee is located on or directly adjoining a ski resort, but does not own the resort, the licensee must maintain 70% food sales and must also have documented consent from the resort to operate.
- If the licensee's recreational amenity is a venue for live entertainment, no more than 15% of recreational amenity's total annual receipts can be from the sale of beer.

CAREFUL! Beer recreational licensees whose beer sales exceed more than 30% may no longer qualify to hold this type of license. All records must be kept for a minimum of three years.

PURCHASING BEER

Beer may only be purchased from either licensed beer distributors or licensed Utah small brewers. Licensees must call and set up an account with the appropriate distributor for their area. Go to the DABS website at abs.utah.gov for a list of distributors.

Licensees may not purchase beer from any other retail outlet (such as a grocery or convenience store) for resale at the licensed establishment.



EMPLOYEES

Any employee who sells, serves, dispenses, or handles beer 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 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 Department of Health and Human Services 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 prior to commencing employment.

[GO HERE](#) to find links for state-approved training programs.



DABS MANAGER TRAINING:

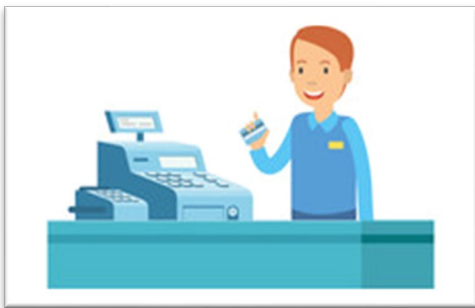
As a condition of an applicant obtaining a DABS license, all applicant managers must complete the DABS manager training. Any new manager must take the training within 30 days of hire.

- 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 is completed online. [GO HERE](#) to find links to the training on the DABS website.
- The manager training fee is \$25 per manager.



PLEASE BE CAREFUL! Off-duty owners or employees who have been drinking must not step back in and perform any on-duty type functions.

MINOR EMPLOYEES:



- Minors may be employed, but may not handle, take the order for, dispense, or serve alcoholic beverages.
- Minors who are at least 16 years of age may ring up the sale of alcoholic beverages at a cash register or other point-of-sale system. But remember, they cannot take the order, check the IDs, or serve or handle alcoholic beverages.

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.



NO BROWN-BAGGING ALCOHOL ALLOWED



Patrons may not bring their own alcoholic beverages onto the premises of an on-premise beer recreational licensee. For example, bringing coolers of beer or any alcoholic beverage to a golf course or concert venue is not legal. Beer must be purchased from the licensee.

DISCOUNTING PRACTICES PROHIBITED

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

Practices that encourage over-consumption of alcohol such as happy hours, two-for-one, all-you-can-drink for a set price, free alcohol, or selling at less than cost are strictly prohibited. Furthermore, six-packs can't be sold for less than six individual cans of beer, as this would also be considered discounting.

A licensee or employee may not purchase an alcoholic beverage for a patron, nor may they "comp" alcoholic beverages for patrons for any reason.



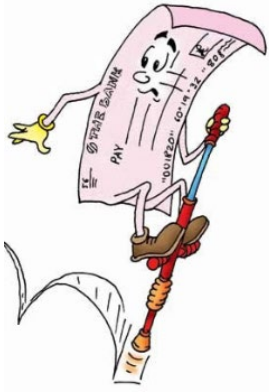
ADVERTISING



An alcoholic beverage menu with prices is required. The alcohol may be listed on the food menu or on a separate alcoholic beverage menu, located on the patron's table, or readily available.

Signs advertising the availability of alcoholic beverages may be displayed both inside and outside the recreational amenity.

Advertising in newspapers, magazines, phone book yellow pages, other print media, and on radio, television, and billboards may reference the availability of alcoholic beverages. Alcohol advertising must comply with legal requirements. Alcoholic beverages may be displayed in areas visible to patrons.



BAD CHECKS

The DABS may immediately suspend the alcohol license if it receives a bad check as payment for 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.

