

LICENSEE HANDBOOK

RECEPTION CENTER 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: 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 Previously issued handbooks should be discarded as they may contain outdated information.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 (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 RECEPTION CENTER LICENSE



Allows the storage, sale, service, and consumption of all types of alcoholic beverages on the premises of the reception center.

Reception Center Licenses run 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 reception center, a non-refundable application fee of \$300 plus \$750 initial licensing fee is required. All license renewals are due by September 30th every year and the renewal fee is \$750.

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

THE RECEPTION CENTER DEFINED:



The primary purpose of the reception center license is leasing its facility to a third party for a contracted (not open to the public) banquet or event that also allows the storage, sale, service, and consumption of all types of alcohol on its premises. The reception center must be at least 5000 square feet and have culinary facilities that are adequate to prepare full meals on the premises (or under the control) of the Reception Center.

CONTRACT REQUIRED

A reception center licensee may only serve alcoholic beverages pursuant to a contract between the reception center licensee and a third party. They may provide alcoholic beverages:

- At a variety of private functions
- Held on a specific date and time
- At a pre-arranged negotiated price
- May include a hosted bar or a cash bar
- All contracted events must be private except for one circumstance:
 - One annual event that includes alcohol may be open to the general public if it is sponsored by a qualified non-profit organization. However, only one organization per year and only one public event per year. Just one!



DISPENSING

- A reception center may not have a permanent bar where alcohol is dispensed or served,
- All dispensing must be from a back room, not visible to patrons



- Except a mobile bar may be used if it is no larger than 6 feet long and 30 inches wide and capable of being moved by one individual staff member.
- No one may be seated at a mobile bar.

MINORS ON THE PREMISES

A minor, including minor employees, may not be on the premises of a reception event unless food is available at all times when alcohol is served or consumed.



ANY CHANGE OF OWNERSHIP

Remember, licensees must immediately notify their DABS compliance specialist of any changes in ownership, but it is highly recommended that you discuss it with your compliance specialist before any change.



Any change in ownership of 50% or less may be handled internally by your compliance specialist. However, if there is a change of more than 51% or more in ownership, a new license or a transfer of license is required.

The commission may suspend or revoke a license if notice has not been given.

REPORTING BANQUETS IN ADVANCE

A reception center licensee must file reports to the DABS containing advance notice of all of their events which include alcohol sales. Reports may be hand-delivered, submitted by mail, or submitted electronically to their compliance specialist. If the licensee adds an event after they have already turned in the report, they must promptly contact their compliance specialist to supplement the report.

EACH REPORT SHALL INCLUDE:

1. The date and time of the event
2. The name of the event
3. The name of the host for the event
4. Whether it is a hosted bar or a cash bar



REPORT FORMS ARE AVAILABLE ON OUR DABS WEBSITE

HOW REPORTS ARE USED

Reception center reports will be available to authorized DABS officers, DABS Commissioners, and other law enforcement officers only.

1. Reception center reports are considered confidential
 - They are not searchable under GRAMMA laws
 - They are not disseminated to anyone except those authorized
 - They are not used for any other purpose than monitoring compliance.
2. Reports will only be retained until the end of each reporting quarter.
3. Licensees may use the form located on the DABS website or they can make their own report as long as it has the required elements listed on them.



OTHER RECORDKEEPING REQUIREMENTS

SALES AND EXPENSE REPORTS – Reception centers may only have 30% of their total annual receipts from the sale of an alcoholic product, which includes:

- Mix for an alcoholic product
- A corkage fee or charge in connection with the furnishing of an alcoholic product
- Expensive wines in excess of \$175 per bottle or \$30 a glass are not included in calculating the food-to-alcohol ratio



CAREFUL!
Reception Center
Licensees who sell more
than 30% alcohol may
have their license
REVOKED.

Licensees who sell more than 30% alcohol for any quarterly period may be put on probationary status, during which time they will be closely monitored by their compliance specialist for food sales during the next quarterly period. Failure of the licensee to provide satisfactory proof of the required percentages may have their license revoked by the DABS Commission. Licensees who are substantially higher than 30%, 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 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 specialist 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.

RECEPTION CENTER LICENSES HELD ON THE SAME PREMISES

If a business holds more than one type of license, a reception center CAN be held on the same licensed premises of a restaurant, banquet, 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 RECEPTION
CENTER**

DISPLAY OTHER SIGNS

A reception center licensee must display:

- **A 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* 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.**



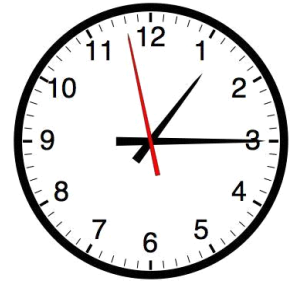
LOCAL CITY LICENSE

SOMEWHERE REC LLC
1234 SOMEWHERE STREET
SOMEWHERE CITY, UT 84000

SALES AND CONSUMPTION HOURS

Alcoholic beverages of all types may be sold at any event on any day, 7 days a week from 10 a.m. until 1 a.m. Consumption of alcohol is prohibited between the hours of 2 a.m. and 10:00 a.m.

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.



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 DABS website.



A licensee may sign up for
"ACH" ordering
ONLINE!
Contact DABS 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

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; 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 to our website at abs.utah.gov for a list of distributors.

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

After the event:

- 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.

NO BROWN-BAGGING

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



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.

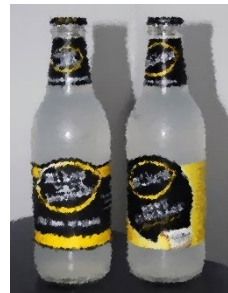


An individual portion may be served to a patron in more than one glass (as a flight) as long as the total amount of wine in all of the glasses does not exceed the individual portion size of 5 ounces.



Wine may be poured by the glass from any size bottle or 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.



Flavored Malt Beverages & Heavy Beer

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

Beer

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

Beer may be sold and served in any size container, not exceeding 2 liters, to parties of two or more.

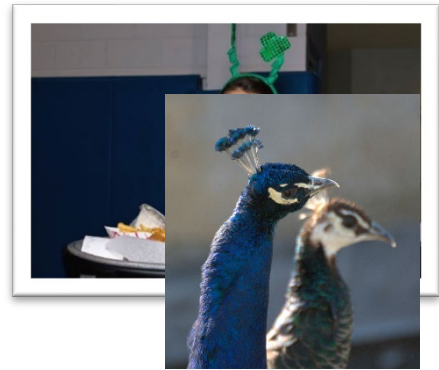
Beer flights may be sold to a patron as long as the total amount of beer does not exceed 16 ounces.



LIMITATION ON TOTAL NUMBER OF DRINKS

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

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



NO MORE THAN TWO

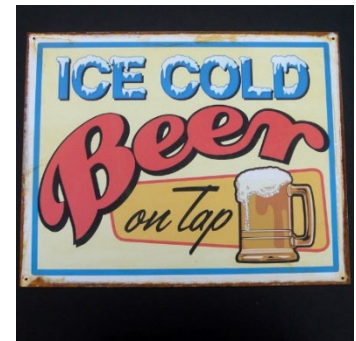


PRICE LISTS

A reception center must have a printed alcoholic beverage price list, or a menu containing current prices of all alcoholic beverages.

ADVERTISING

Signs advertising the availability of alcoholic beverages may be displayed.



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 beer (i.e. happy hours, two for ones, all you can drink for a set price, free beer, or selling at less than cost).

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

TEMPORARY CLOSURE OF MORE THAN 10 DAYS

You **MUST** notify your compliance specialist 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.



MINOR EMPLOYEES

- Minors may be employed by a reception center licensee, but may not buss, sell, serve, furnish or dispense alcoholic beverages and may not work at an event if the event does not serve food.

EMPLOYEES

- A person's willingness to serve alcoholic beverages may not be made a condition of employment
- Any employee who sells, serves, dispenses, or handles alcohol 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.



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:

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.



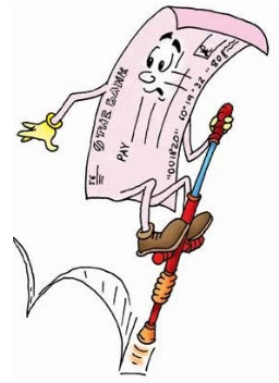
DABS MANAGER TRAINING:

- 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 manage

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

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.

