

LICENSEE HANDBOOK BEER-ONLY RESTAURANT



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. This handbook is current as of June 2022. Please review this information and keep the handbook available for reference. Previously issued handbooks should be discarded.

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 package 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.

BEER-ONLY RESTAURANT LICENSE



Allows the storage, sale, service, and consumption of beer on the premises of the restaurant.

Beer-only restaurant licenses run from March 1st to February 28th. 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 beer-only restaurant license, a nonrefundable application fee of \$330 plus an \$825 initial licensing fee is required. All license renewals are due by January 31st every year and the renewal fee is \$605

Be prepared to renew licenses beginning January 1st through January 31st annually.

OPERATIONAL REQUIREMENTS:

DISPLAY SIGNS - A restaurant licensee must display:

The Warning Sign – The template may be downloaded from our website at DABS.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 the licensed 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**



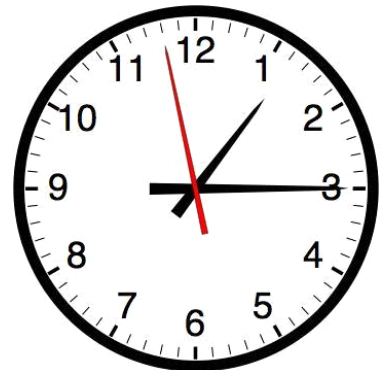
**SOMEWHERE CITY, UTAH
BEER LICENSE**

SOMEWHERE REC LLC
1234 SOMEWHERE STREET
SOMEWHERE, UT 84000

Post the DABS License and the city licenses in a prominent place as well.

SALES AND CONSUMPTION HOURS

- Beer may be sold on weekdays from 11:30 a.m. until 12:59 a.m.
- On a weekend, state, or federal holiday, or for a private event, beer may be served beginning at 10:30 a.m.



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.

RECORDKEEPING

Restaurants are required to keep current, detailed quarterly records for expenses and sales of alcohol and food. All restaurants are required to ***maintain at least 70% of their total business from the sale of food***, which does not include a service charge.

- Licensees who drop lower than 70% of food sales for any quarterly period may be put on a probationary status. During that time, they will be closely monitored by their compliance officer for food sales during the next quarterly period. If the licensee's records show food sales substantially lower than 70%, or if the licensee has been on probation in the past, the licensee may have to provide proof to the Commission why the license should not be suspended or revoked. **Remember, falsifying records is illegal.**



CAREFUL! Restaurant licensees whose food sales drop lower than 70% may have their license REVOKED.

- Failure of the licensee to provide satisfactory proof of the required food percentage may have their license revoked by the Commission.
- Licensees shall maintain records for at least three years.

PURCHASE AND STORAGE OF BEER

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

Licensees may not purchase beer from any other retail outlet such as grocery or convenience stores, etc. for resale at the licensed establishment.



Beer may only be stored in a designated place approved by DABS on the initial application floorplan.

- Any changes in the storage area **must first be approved** by DABS.
- Storage or dispensing systems located at a patron's table are prohibited.
- Alcohol stored and used for cooking must be labeled "COOKING FLAVORING" and is considered a food preparation.

Purchasing beer from outside of the state of Utah is unlawful.

MULTIPLE LICENSES ON THE SAME PREMISES

A restaurant licensee CAN share space in the same room with another licensed premises if they are a:

- Hospitality amenity
- Beer recreational
- Banquet

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.

All requirements for each license type must be satisfied. It also requires 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 Beer Recreational**

SHARED DINING

Restaurant licensees may share a dining area under certain conditions. However, the licensees still must meet the operational requirements for each license type. This means:

- The dining area must be on an approved floor plan.
- Beer-only restaurants may only share a dining space with a beer-only restaurant.
- The premises of each restaurant must “stand-alone” and be completely independent of each other. They may not share bathrooms, kitchens, or any other space. This law expressly states that ONLY the dining area may be shared.
- Each restaurant must be able to keep independent records, check identification, and be able to watch and control the patron’s consumption independently from the other restaurants.



Caution: You must be able to control the dining area to prevent any violations!

FOODSERVICE REQUIREMENTS

Patrons may only purchase beer after they have been seated at a table, counter, or bar in the dining or dispensing area of the restaurant where food is served. The server must also verbally verify the patron has the intent to dine.

However, if a patron is temporarily seated at a counter or dispensing area in the bar and is waiting to be seated in the dining area:

- The patron may only be served one (1) single serving of an alcoholic beverage.
- If the patron has not finished their alcoholic beverage when a table becomes available, a server must carry the alcoholic beverage for the patron to their awaiting table in the dining area.
- The licensee must confirm that the patron intends to purchase and consume food at the same location where the patron is to be permanently seated.
- The server must make a beverage tab for each table or group that orders or consumes an alcoholic beverage on the premises.
- Alcoholic beverages must be sold, served, and delivered to a patron by a properly trained alcohol server.

NOTE: There is no alcohol service allowed in the waiting area.

BEER DISPENSING AREAS AND THE FLOORPLAN

Visible storage and dispensing in the bar area is allowed in restaurants under certain conditions and restrictions. Licensees may choose to have a visible bar area or choose to have storage and dispensing areas that are not visible.

Licensees who do not currently have a visible bar may request one, but any changes must first be approved by DABS.



Patrons must be seated at a table, counter or bar to consume alcohol, and servers must confirm that the patron intends to dine at the restaurant.



DISPENSING AREAS & FLOORPLAN (Continued)

The dispensing area of a restaurant is where alcoholic beverages are prepared. If the dispensing is visible, it includes both the bar structure and the seating area around the bar for those who are 21 and older. There are three types of possible alcohol dispensing areas in a restaurant or a combination of any of the following:

- Back Room – Out of Sight
- Bar with 10' Buffer Zone
- Bar with 5' Buffer Zone and a Pony Wall



The floorplan for a visible dispensing area or the bar area must be either:

- a. An area within 10 feet of the outside edge of the bar structure.
- b. An area within 5 feet from the outside edge of the bar structure if a permanent physical barrier has been installed, such as a pony wall or rail. The barrier must measure at least 42 inches tall

ID SCANNERS ARE REQUIRED FOR THE BAR AREA

An ID scanner (electronic age verification device) is required if there is seating available in the bar. Servers must electronically verify age with the scanner when anyone who appears to be 35 years of age or younger orders an alcoholic beverage.

The main dining area outside the bar does not require the use of a scanner. Those restaurants that choose to only have backroom dispensing are not required to have an ID scanner.

Restaurant licensees must be able to keep, read, print, or download 7 days' worth of data in the ID scanners and no more. Employees should have the knowledge and capability to produce the data upon request of a peace officer or an authorized representative of the DABS.

More information on scanners may be viewed on our website or can be found in the TOPICS LIBRARY under Licensee Support.



The DABS does not provide a list of approved scanners, but they are available from multiple manufacturers and vendors. However, any ID scanner selected must meet legal requirements.

MINOR PATRONS

Minors may not sit, remain, or be served food or beverages within the dispensing area of a restaurant.

Remember, the DISPENSING AREA is any area within 10 feet of a bar structure, or 5 feet if the bar is separated by a rail or pony wall at least 42" tall.

Minors may momentarily pass through a dispensing area en route to an area of the establishment in which the minor is permitted to be (i.e. restrooms) only if there is no other way.

Grandfathered bars (those who had a bar structure as of May 11, 2009) have an exception until July 1, 2022. A minor may not sit, remain, or consume food or beverages within 10 feet of a grandfathered bar structure, unless:



- seating within 10 feet of the grandfathered bar structure is the only seating available in the licensed premises,
- but never at the bar structure, and
- the minor is accompanied by an individual who is 21 years of age or older.

EMPLOYEES

- 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.



NOTE: 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.

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

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.
- 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**

MINOR EMPLOYEES

- Minors may be employed by a restaurant, but may not take the order for, dispense, or serve alcoholic beverages, or handle the alcoholic beverages except where expressly allowed.



- Minor employees may be in the dispensing area when the restaurant is closed if they are performing maintenance and cleaning services, but may not handle the alcohol.
- 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. However, remember, they cannot take the order, handle, or serve it.
- Alcohol-trained servers over 21 years of age must take the alcohol order.
- Minors who are at least 16 years old may bus alcohol and alcohol containers from the tables, including tables from the adult dispensing area during working hours. Younger minors are prohibited from doing so.

SALE AND SERVICE OF BEER

- Beer may be sold to an individual patron in a sealed container or on draft that does not exceed one liter.
 - Beer may be sold to two or more patrons in a container that does not exceed two liters.
 - Beer or draft beer, including re-sealed containers such as growlers, may not be sold to go in a restaurant.

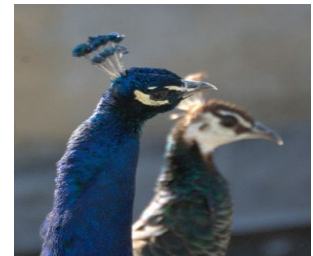


LIMITATION ON TOTAL NUMBER OF DRINKS

Each restaurant patron may only have two portions of beer before them at a time.



The exception is a beer flight where a patron may have more than two containers, but the total amount of beer may not exceed 16 ounces. For example, you may have four containers, each filled with 4 ounces of beer at a time.



NO MORE THAN TWO



PRICE LISTS

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

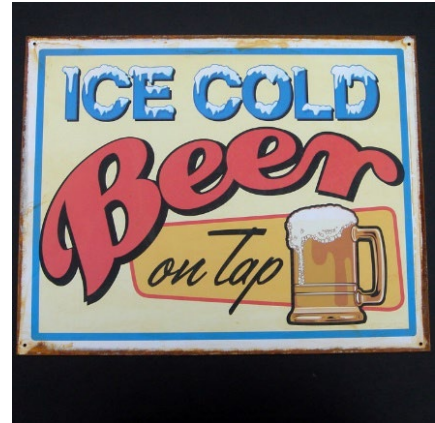
NO BROWN-BAGGING

- Patrons may not bring in or store any alcohol on the premises of the restaurant.
- An open container primarily used for drinking purposes and containing beer may not be removed from the restaurant premises.



ADVERTISING

- Signs advertising the availability of alcoholic beverages may be displayed both inside and outside the restaurant.
- Servers may ask a patron if they would like an alcoholic beverage.
- Restaurant 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 by the restaurant must comply with the legal requirements which may be viewed on our website at abs.utah.gov.



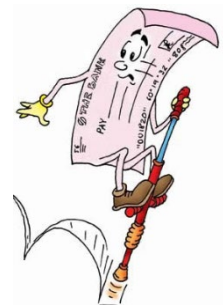
DISCOUNTING PRACTICES PROHIBITED



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

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.



ANY CHANGE OF OWNERSHIP



Any change of ownership must be reported immediately to the licensee's DABS compliance officer. It would be better 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 process and be approved by the commission.

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.

