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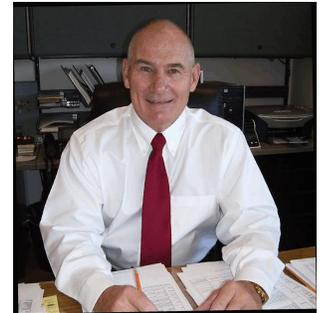
Changes at The DABC

By Sharon Mackay

Commission Names a New Director

The Alcoholic Beverage Control Commission has appointed Dennis Kellen as the new Director of the Department of Alcoholic Beverage Control.

A native of Illinois, Dennis was born in Evanston and raised in Northbrook. After graduation from high school, he served for two years in the Army, including a tour of duty with the First Air Cavalry in Viet Nam. During his time in the Army, he was awarded the Bronze Star, Air Medal, and Combat Infantry Badge. He later attended colleges in Kansas, Colorado and Utah.



Dennis settled in Salt Lake City where he was a manager of National Cash Register, and a partner in both World Wide Distributing Company and Franklin Business Products. In 1975 he accepted the position of Director of Operations with the Utah Department of Alcoholic Beverage Control. He held that position until being appointed Department Director effective on July 1, 2007.

Dennis has been a member of the National Alcoholic Beverage Control Association's (NABCA) Products & Procedures Committee and the National Alcoholic Beverage Industry Electronic Commerce (ABI EC) Committee. He has also served as Chairman of the Board of Directors of Beehive Credit Union and Chairman of the National Electronic Data Interchange Committee.

Dennis is married and has a son and a grandson.

Ken Wynn Retires after 30 Years

As exciting as it is to welcome Dennis Kellen as the new director, we also must say goodbye to Ken Wynn, our former director, who retired on June 30, 2007.

Ken Wynn Retires

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Ken was born and reared in Wyoming. After high school, he moved to Montana where he attended college and, in 1962, accepted a position with the Montana Department of Revenue as a Tax Auditor and Administrator. Ken was promoted to Director of the Liquor Division for the state of Montana in 1973 and served in that position until 1977 when Utah Governor Scott Matheson asked him to move his family to Utah and direct the Utah Liquor Control Commission (ULCC).

Over thirty years, Ken has directed the ULCC (which later became the DABC) through a tremendous growth period in Utah's economy and population. There have been many changes to the liquor laws during his watch such as: changing the requirement that a customer had to purchase a mini-bottle at the front counter of a restaurant, to allowing the customer to buy the mini-bottle and set-up from the server at the table, and then the elimination of the mini-bottle that made it possible for a customer to buy a mixed drink or glass of wine that is prepared at a bar and served to a patron in a glass at their table.

Several other changes have been implemented during his tenure: the creation of the state on-premise beer license, the on-premise banquet license, the limited service restaurant license, and the single event and temporary special event beer permits; changes to the private club and

restaurant laws designed to allow services of alcoholic beverages to the consuming public in a controlled and safe environment; the acceptance of checks and credit cards at the state liquor stores; and statutory changes to allow advertising of alcoholic beverages to comply with U.S. Supreme Court decisions. Keg sales to individuals have ceased and gambling and sexually-oriented business laws have tightened up. And who can forget how we all survived, even thrived, through the 2002 Olympics and showed everyone that Utah is a hospitable and friendly state that is second to none when it comes to welcoming the world. The efforts of the DABC in administering the liquor laws, helping to make them work to meet the needs of the national and international community, bolstered the success of the Olympics.

Ken Wynn has been instrumental in bringing the DABC into the 21st Century. Not only is Utah's liquor warehouse and accounting system a model for all other control states to emulate, but the DABC is touted as one of the best run departments in state government.

So, thanks to Ken Wynn for his years of service to the state and for being a great administrator for so many years. We all wish Ken good luck in his future and hope he will come back to visit us often.♦

We Welcome Three New Commissioners

Governor Huntsman has appointed three individuals to serve as Alcoholic Beverage Commissioners beginning at the July, 2007 meeting. The three new commissioners are:

Sam Granato

After completing a degree in Business Management from Southern Utah State University, Mr. Granato returned to Salt Lake City in 1973 to work for his father in the family business, Frank Granato Importing Company. With the passing of his father in 1993, Mr. Granato took over as president of the company and has successfully expanded the business, adding a full service bakery and operating in three locations with plans for expansion.

Mr. Granato has served the community for the past thirty years in several capacities including President of Utah Footprinters Assoc., Chairman of the Board of Beehive Credit Union, member of both the Utah Microenterprise Loan Fund and the Utah Arthritis Foundation. Mr. Granato currently serves on the Salt Lake Valley Board of Health and the Urban Central Region of Intermountain Health Care.

Mr. Granato was elected Chairman of the Alcoholic Beverage Control Commission at the July Commission Meeting.

Gordon Strachan

Gordon Strachan was born in Berkeley, California. He graduated from the University of Southern California in 1965 and the California-Berkeley School of Law in 1968. He began practicing law on Wall Street and then moved to Washington D.C. where he served on the White House Staff of President Nixon and as General Counsel to the United States Information Agency. Mr. Strachan moved to Utah in

1973. He practiced law in Salt Lake City for a number of years before moving to Park City where he formed his own law firm in 1989. Through the years, Mr. Strachan has represented the Utah Attorney General's office and Park City Municipal Corporation in high profile cases. He has also served on the boards of the Salt Lake City Olympic Organizing Committee, the Utah Athletic Foundation, the Park City Municipal Corporation Board of Adjustments, the Summit County Governance Study Commission, the Summit County/Park City Economic Development committee, KCPW, the Park City Chamber of Commerce, the Utah Alcoholism Foundation, and the Park City Rotary Club. He also served on Governor Leavitt's Transition Team for the Utah Travel Council and Governor Huntsman's Transition Committee. Besides his new post of Alcoholic Beverage Commissioner, Mr. Strachan is Chairman of the Board of the Utah Olympic Parks.

Mr. Strachan is married and has two grown children.

Bobbie B. Coray

Born in a military family, Ms. Coray attended kindergarten and first grade in Ankara, Turkey. She attended public schools in Washington, D.C., Denver, Ogden, and Salt Lake, graduating from East High School. She has a pioneer heritage of involvement in Utah. Her great, great grandfather was one of the founders of Snow College in Ephraim. Ms. Coray began her public service in Utah years ago as PTA President at Hillcrest Elementary

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Three New Commissioners

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School in Logan and later as president of the Logan PTA Council where she developed a Focus on Families program and founded a children's summer varied arts program called Bumpershoot. She graduated in 1969 from University of Utah with a degree in education, and then went on to study architecture at the University of Utah and Idaho State University. For seven years, Ms. Coray owned a residential design firm in Cache County. From 1985 to 1994 she was Director of Economic Development for Cache County where she was responsible for initiating and implementing a strategic plan for economic growth in Cache County and interfacing the governor's program for state-wide development. Ms. Coray has served as Chairman of METRO Utah, Inc. She has also served on the Advisory

Board for Utah Business Magazine, the Salt Lake International Airport Regional Advisory Board, Utah Olympic Advisory Committee, the Blue Ribbon Committee on Health Care, the Logan Regional Hospital Community Board, USU Credit Union Board, USU Dept. of Communications Advisory Board, the USU College of Business Board, and the Utah Family Service Board. Ms. Coray has received awards and recognition from countless organizations within Utah.

Ms. Coray was a partner in the Salt Lake based consulting firm Executive Alliance, working with both corporate and government clients. In 1998, she was named CEO of the Cache Chamber of Commerce where she raised \$1.5 million for the Cache Initiative, a business based planning project for Cache Valley. She retired in 2006. Ms. Coray lives in Garden City with her husband, Chris, and works as a reporter for the Rich County Times.♦

Special Election Day Notice

There will be statewide special election on **TUESDAY, NOVEMBER 6, 2007**

The laws governing alcohol sales on special election days are as follows:

State Stores:	Closed all day
Package Agencies:	Closed until after the polls close
Restaurants (full service):	No <u>liquor, wine or heavy beer</u> sales until after the polls close
Restaurants (limited service):	No <u>wine or heavy beer sales</u> until after the polls close
Private Clubs:	No <u>liquor, wine or heavy beer</u> sales until after the polls close
Single Event Permit Holders:	No <u>alcoholic beverage</u> sales until after the polls close
Airport Lounges:	Alcoholic beverage sales are allowed (no election day restrictions)
On-Premise Banquet Licensees:	No <u>liquor, wine or heavy beer</u> sales until after the polls close
Beer sales:	No state law; check local ordinance
<ul style="list-style-type: none"> - all on-premise beer establishments - all restaurants - private clubs - grocery & convenience stores - temporary beer permit holders 	

If you have any questions, call us at (801) 977-6800 or call your local city or county attorney.

Private Club Price Lists – A Minute Reminder

Each private club licensee shall have available for its patrons a printed price list containing current prices of all mixed drinks, wine, beer, and heavy beer.

This list shall include any amounts charged by the licensee for the service of packaged liquor, wine or heavy beer and shall be made a part

by Keith Zuzpan

of the house rules of the club. The price list shall be kept on the club premises and available at all times for examination by the members, guests, and visitors to the club.

Changes to price lists constitute a change to house rules and must be approved as part of the regularly scheduled meetings. These

changes to house rules (or by-laws) are not effective unless they [changes/price lists] are submitted to the department within 10 days of adoption or approval.

The changes then become effective 15 days after receipt by the DABC unless rejected by the department within the 15 day period.♦

License Renewals

by Neil Cohen

Full service restaurants, limited service restaurants, airport lounges, and on-premise catering licensees will receive a renewal application packet in early September. The renewal documents and fees are due on Monday, October 1, 2007.

Forms A, B, and C will be pre-printed with data that you submitted for last year's renewal or in the initial application. You will only need to make changes if the data has changed or is incomplete.

Full Service Restaurants

Renewal fees are based on the annual cost of liquor, wine, and heavy beer purchased from the DABC state store system (gross cost of liquor). Renewing licensees in previous years have submitted this figure to the DABC on the "Form E - Financial Spreadsheet" under "cost of sales - liquor". This is the figure the DABC will use to determine renewal fees for this year.

For a restaurant that is renewing for the first time, the DABC will calculate the renewal fee based on the projected cost of liquor from any financial statements that have been provided to the DABC or from data in the state store system.

Limited Service Restaurants

Limited restaurant licensees will receive a renewal packet with forms that need to be filled out and submitted with the renewal fee of \$300.

Airport Lounges

Currently licensed airport lounges will receive a renewal packet with forms that need to be filled out and submitted with the renewal fee of \$5000.

On-Premise Banquet Licensees

The renewal fee for an on-premise banquet license is \$500.

Additional Items

In addition to the renewal application forms, you will also be asked to submit:

- A copy of your local (city, town, or county) business/alcohol license
- A certificate of general liability and liquor liability insurance
- A completed alcohol server training & ID badge form (provided in the packet as Form D). Now would be a good time to contact trainers if you need to schedule a class. A list of approved programs is on-line at: <http://www.dsamh.utah.gov/stateapprovedproviders.htm>
- The financial information form provided in the packet as Form E

The deadline

Remember, you must send in or hand in your completed renewal application by **October 1st**. This deadline is set by the legislature and we can not extend it. If you miss this deadline, you may not *renew*. You will have to *re-apply* for your license. This means you will have to pay for an additional application fee and initial license fee. Please do not wait until the last minute.

You may either hand deliver (**by 5:00pm on October 1st**) the completed renewal or **we will accept a postmark** up to and including **October 1st** as timely.

Tax delinquencies

Licensees must be in good standing with The Utah Tax Commission, 801-297-6229 (sales tax/payroll withholding), Labor Commission, Division of Industrial Accidents, 801-530-6831 (workers compensation coverage), and the Department of Workforce Services, 801-526-9561 (unemployment insurance tax requirements) in order to qualify for renewal. If you are not in good standing, you may want to contact them now to find out what you need to do to clear up the delinquency. ♦

Robert Howe - New Compliance Specialist

by Earl Dorius

Dallas Froisland recently retired after 40 years with the Department. He served 25 of those years as our Purchasing Director. We will miss him and wish all the best. His position has been filled by Tom Zdunich who was one of our compliance specialists. Tom has a strong background in retailing, and we are sure he will do an outstanding job as the new Purchasing Director.

Replacing Tom is Robert Howe. Robert has a career history in law enforcement. He comes to us

from the state's Motor Vehicle Enforcement Division where he worked as a criminal investigator, licensing specialist, and training instructor. He handled auto theft, forgery, and fraud cases and worked closely with the federal Identity Theft Task Force.

Prior to that, he was a state trooper with the Utah Highway Patrol where he was assigned to the Special Emergency Response Team and worked on the motorcycle squad performing in parades, providing

escorts for dignitaries, and specialized enforcement.

Robert served in the Army as an airborne paratrooper, working as a communications specialist. He served in many different countries including Kuwait and Kosovo. Robert enjoys attending classic car and hot rod shows, riding motorcycles, camping, hiking and fishing.

We are excited to have Robert as a member of our Licensing & Compliance staff. ♦

States Are Getting Tougher on Sales to Minors

by John Bryant

In recent issues of the Licensing Newsletter, we have devoted several articles to the issue of underage drinking. We noted the impact that underage drinking has on the developing teen brain. We discussed our Department's media spots that are part of our underage drinking prevention campaign. We recently enacted the E.A.S.Y. (Eliminate Alcohol Sales to Youth) program that requires mandatory training for sales clerks in grocery and convenience stores, provides state funding to local law enforcement to conduct compliance checks, and establishes statewide administrative penalties when these businesses sell to minors.

Here's some news from other states on these issues:

The **North Carolina** State Legislature has passed underage drinking legislation that will revoke the driver's license of any person convicted of giving alcohol to, or aiding the purchase of alcohol by, an underage person. Representative Ty Harrell, who sponsored the legislation stated, "Most often, teens receive their first messages about drinking alcohol in their homes.

Parents are truly the best educators and as a community we all must work to keep our teens safe. One

death from underage drinking and driving is too many, and North Carolina families have suffered tremendously from these preventable tragedies. As a result, we are stiffening the penalty for providing alcohol to those under 21." The new law will revoke the driver's license for a period of one year of anyone convicted of procuring alcoholic beverages to or for minors.

Studies show most youth who drink obtain alcohol primarily through non-commercial sources such as parents, family, friends and other adults over 21. It is hoped that this new law will help in decreasing this problem.

In **Connecticut**, there will be no beers poured, no dancing, no screaming guitars, no gigs at Toad's Place for three months. The famous New Haven nightclub, where stars from Count Basie to the Rolling Stones and Johnny Cash to U2 have all performed, shut its doors for three months by order of the state Liquor Control Division.

Liquor control agents and police officers raided Toad's Place as the club was holding a "College Night". The club was charged with selling alcohol to minors and agreed to close its doors for 90 days and pay a \$90,000 fine. Toad's general manager, Ed Dingus stated, "What's done is done. We've got to play by the rules." ♦

The "Cool Down" Hour

By Robert Howe

In an effort to reduce the risk of over-consumption and to protect the public safety, Utah law requires taverns and private clubs to remain open for one additional hour after the sale and service of alcoholic beverages have ceased during which time a patron may finish consuming a single drink. "Single drink" includes:

- (A) any single drink containing spirituous liquor;
- (B) a single serving of wine not exceeding five ounces;
- (C) a single serving of heavy beer; or
- (D) a single serving of beer not exceeding 26 ounces.

As a licensee, you are aware of the concerns of over-consumption. Monitoring the amount of alcohol served to a person over a period of time is essential. This final hour is for the patron and it allows each person a "cool down" period before leaving the establishment.

In an article in the Winter 2006-2007 Licensing Newsletter, we wrote that when "last-call" is announced, some patrons may view this as a green light to race and consume more alcohol before they leave, defeating the intent of the law. For this reason, we questioned whether it was good practice to announce "last call".

After we ran that article, another issue has surfaced regarding the "cool down" period. Some taverns and clubs have ordered patrons to leave the premises early to avoid

having to stay open the extra hour. This violates the law. Patrons must be allowed the extra hour after the sale and service of alcohol ends unless there is an emergency. Patrons cannot be forced to leave early.

Of course, you are not required to remain open after the last patron has already left the premises. You must plan your closing time to allow for the "cool down" hour by stopping service with enough time to have all patrons finish their last drink by 2 a.m. If you want to close earlier, you must stop alcohol sales and service earlier.

Summary of Things To Remember:

- No continued sale or service of alcohol during the extra "cool down" hour.
- Decide what time you want to close (i.e. If you want everyone out by 1 a.m. you must cease alcohol sales at midnight).
- You cannot force the patrons to leave early. You must remain open for the extra hour.
- Decide whether to announce "last call".
- Make sure that during the extra hour, each patron only has a single drink in front of them to finish consuming.
- No alcohol consumption on the premises between 2 a.m. and 10 a.m. ♦

Violations and Penalties

by Chris Johnson

Below is a list of the most recent violations and penalties assessed for all licensees. Please review the violations listed below with your staff to prevent similar violations from occurring in your own establishment. As you can see by the number of alcoholic violations listed, law enforcement agencies have been very active. PLEASE BE CAREFUL!!

CL = Private Club Liquor

BE = On-Premise Beer

TV = Taverns

* = Prior Violation History

RE = Full Service Restaurant

RL = Limited Service Restaurant

TB = Temporary Beer Permittees

SE = Single Event Permittees

BW = Beer Wholesaler

AL= Airport Lounge

License Type	Name of Establishment	Description of Violation(s)	Penalty Assessed
BE	Rugby Pub, Salt Lake and Gerald Sarafolean (employee)	1. Giving away free drinks 2. No ID badge	1. Fine of \$500.00 plus costs 2. Written warning
CL	Silver Dollar Sports Page, Price	1. Sale to intoxicated persons	1. Dismissed
CL	Celebrities Bar & Grill, Cedar City	1. Failure to maintain city business license	1. License revoked
CL	Club Vortex, Salt Lake	1. Delinquent with State Tax Commission 2. Delinquent with DWS 3. Delinquent with Labor Commission	All counts: License revoked
RE	Jared Leming (former employee of Applebee's Orem)	1. Sale of A/B not in connection with an order of food	1. Fine of \$25.00
BW	Big Four Distributing, Provo	1. Selling A/B to an unlicensed retailer	1. Fine of \$500.00 plus costs
RE	Café Silvestre, Midvale and Mary Anne Ruiz (employee)	1. Allowing patrons to leave with open containers 2. Having more than 1 spirituous drink at a time 3. No ID badge	1. 6 day license suspension 2. \$250.00 fine plus costs 3. Written warning
BE	Copper Creek Pub & Grub, West Valley and Nathan Richmond (employee)	1. Sale to minors	1. 5 day license suspension plus costs
CL	Exchange, Salt Lake	1. Allowing consumption after 2am 2. Unlocked storage 3. Selling A/B after legal selling hours	1. Fine of \$150.00 2. Fine of \$150.00 3. Fine of \$150.00 plus costs Will also surrender the private club license
RL	Gabor Brothers Main Street Grill & Pizzeria, Layton	1. Selling and allowing consumption at a bar 2. Unlocked storage	1. Fine of \$150.00 2. Fine of \$150.00 plus costs
CL	Skybar @ Westcoast Hotel, Salt Lake	1. Sale to minors 2. Minors on the premises of a class "D" club 3. Non-member entry & sale	1. Dismissed 2. 5 day license suspension 3. Fine of \$250.00 plus costs
BE	South County Lanes, Payson	1. Sale to intoxicated persons 2. Allowing patrons to leave with open containers	1. 12 day license suspension 2. 6 day license suspension plus costs
BE	Thai Paradise Restaurant, West Valley and Jidapa Chanawongwisut and Bob Laobuadee (employees)	1. Sale to minors 2. No ID badge 3. Untrained server	1. 6 day license suspension 2. Written warning 3. Fine of \$150.00 plus costs
BE	Win on Chinese American Restaurant, Vernal	1. Allowing patrons to leave with open containers 2. Warning sign not displayed 3. No ID badge	1. 6 day license suspension plus costs 2. Written warning 3. Written warning
CL	Big Dogs Club, Price and Victoria Quintana (employee)	1. Sale to intoxicated persons	1. 20 day license suspension plus costs
RE	Iggy's Sports Grill, St George and Bryce J Billingsley (employee)	1. Sale to minors	1. 5 day license suspension plus costs
RE	La Frontera, Bountiful and Jeffery S Anderson (employee)	1. Sale to minors 2. No ID badge	1. 6 day license suspension plus costs 2. Written warning
RE	Noelia Nunez (former employee of La Frontera, Bountiful)	1. Sale to minors	1. Fine of \$100.00

License Type	Name of Establishment	Description of Violation(s)	Penalty Assessed
RE	Olympus Café @ Red Lion Hotel, Salt Lake	<ol style="list-style-type: none"> 1. Open bottles not affixed to metering device 2. Improper or no flavoring labels 3. Failure to maintain dispensing records 4. License not displayed 	<ol style="list-style-type: none"> 1. 6 day license suspension 2. 6 day license suspension 3. Fine of \$250.00 plus costs 4. Written warning
BC	Red Lion Salt Lake Hotel, Salt Lake	<ol style="list-style-type: none"> 1. Separate unlocked storage areas for RE and BC licenses 2. Failure to maintain dispensing records 	<ol style="list-style-type: none"> 1. Fine of \$200.00 2. Fine of \$250.00 plus costs
CL	Play Pen, Ogden and Mia Crawford, Kellie Davidson and Michael A Dy (employees)	<ol style="list-style-type: none"> 1. Sale to intoxicated persons 2. Freepouring 	All Counts: Surrender of the private club license plus costs
CL	Rockies @ Holiday Inn, Price and Penny Popejoy (employee)	<ol style="list-style-type: none"> 1. Allowing patrons to leave with open containers 2. Non-member entry & sale 	<ol style="list-style-type: none"> 1. 6 day license suspension 2. Fine of \$250.00 plus costs
CL	Harry O's, Park City	<ol style="list-style-type: none"> 1. Failure to remain open one hour after ceasing sales 2. Non-member entry & sale 	<ol style="list-style-type: none"> 1. Dismissed 2. Fine of \$500.00 plus costs
CL	World Famous Woody's Tavern, Moab and Ashley Cloward and Brian Laudico (employees)	<ol style="list-style-type: none"> 1. Sale to intoxicated persons 2. Allowing patrons to leave with open containers 3. Non-member entry & sale 	<ol style="list-style-type: none"> 1. 35 day license suspension 2. Dismissed 3. Fine of \$1,000.00 plus costs

Missing Employees

The DABC is attempting to locate the following individuals that either currently or previously worked for the licensees listed below. We have adjudicated violations with the licensees, but the employees either could not be located or did not attend the proceedings when the violations were adjudicated. If any of these employees are currently working for your business, please have them immediately contact Ed Lombard at the Utah Attorney General's Office at 801 366-0157.



Stan G. Allen - The Standard
 Cynthia M Anderton - Applebee's (West Valley)
 Michael R Arcaris - Squatter's Pub
 Braeden M. Brinton - The Standard
 Sara Bryson - Mimi's Café (Orem)
 Deana Bundy - One & Only
 Catherine Clark - Goldbar Saloon
 David Durrant - Tucci's (Salt Lake)
 Kristina M. Erskine - Asuka Japanese Sushi
 Robert J. Gardner - Juhl Haus Deli & Market
 David Homer - One & Only
 Charles Lamb - Jeremy Golf & Country Club
 George H Lasater - Eddie McStiff's
 Lacey B. Miller - World Famous Woody's Tavern
 Bryce Pearson - Old Spaghetti Factory (Salt Lake)
 Courtney J Rios - Art's Place
 James D. Santini - P.F. Chang's (Orem)
 Kate Christianson - Chili's (St. George)
 Sean Hill - Chili's (St. George)
 Jared B Hileman - Shaggy's Livin Room
 Danielle Sims - Sportsman's Lounge

"Bubba" - Sportsmans' Lounge
 Sarah E Ellis - Alpine Internet Café
 Vincent Laguardia - Alpine Internet Café
 Garret Stein - Applebee's (Cedar City)
 Troy Mattinson - Applebee's (St George)
 Monica M Salazar - Cheater's Lounge
 Joel McClung - Allie's American Grill (Salt Lake)
 Susan Pontius - Applebee's (Orem)
 Jake Warren - Eddie McStiff's
 Alicia Bowman - Palms @ Holiday Inn
 Isaac Seborn - Red Lobster (Orem)
 Laurie A Johnson - Don Jose Mexican Restaurant
 Jason M Green - Sunset West Bowling Center
 Nathan Richmond - Copper Creek Pub & Grub
 Bryce J Billingsley - Iggy's Sports Grill (St George)
 Jeffery S Anderson - La Frontera (Bountiful)
 Mia Crawford - Play Pen
 Kellie Davidson - Play Pen
 Michael A Dy - Play Pen
 Brian Laudico - World Famous Woody's Tavern

The Alcoholic Beverage Control Commission meets once a month toward the end of each month. Meeting dates and times are subject to change.

The meetings are open to the public and are held in the board room at the DABC office building: 1625 S 900 W, Salt Lake City. Call 801-977-6800 for the current schedule.

Banquet Licenses - a Review

By Abe Kader

The banquet license has been available since 2003 for hotels, resort facilities, and convention and sports centers to provide alcoholic beverages for private banquet functions. The license allows the facility to furnish alcohol in any format that best meets the needs of the event organizers such as a cash or hosted bar, or a sit-down dinner function. It also allows hotels and resorts to provide alcoholic beverage room service to their guests. Here's a quick overview:

1. The Banquet Contract. Alcoholic beverages are provided under a contract between the banquet licensee and the person organizing the event (banquet host). The contract is for a private banquet function to be held on a specific date and time, and for a pre-arranged, guaranteed number of attendees at a negotiated price. The contract must:

- include the specific location of the event on the premises of the facility;
- specify that the event must be separate from other areas of the facility that are open to the general public;
- require signage at or near the entrance of the banquet function to indicate that the location has been reserved for a specific group.

2. Reporting Requirement. Banquet licensees must report known scheduled banquet events and their location to the department at the beginning of each quarter (January 1, April 1, July 1, and October 1) of each year.

3. Food Ratio. At least 50% of a banquet licensee's total annual banquet gross receipts must be from the sale of food, not including mix for alcoholic beverages, and alcohol service charges.

4. Alcohol Banquet Service.

- The method of dispensing is generally the same as for restaurants with full-service liquor licenses:
- Primary spirituous liquor in a drink may not exceed one ounce and must be dispensed through a calibrated, metered dispensing system.
- Secondary liquors used as flavorings may be free-poured, but the overall amount of spirituous liquor in a drink (including flavorings) may not exceed 2.75 ounces.
- Each person may only have one spirituous drink at a time, and may not have more than two alcoholic beverages of any kind at a time.
- Wine may be served by the glass not exceeding five ounces. Wine flights are allowed as long as the flight does not exceed five ounces. Wine may also be served by the bottle in containers up to 1.5 liters. (This differs from restaurants which may only serve up to 750 ml bottles to tables of less than four persons.)

- Heavy beer may be served in original containers not

exceeding one liter.

- 3.2% beer may be served in original containers or on draft in containers not exceeding two liters to two or more persons. An individual may only be served in up to a one liter portion.

- Alcohol sales and service hours are 10 a.m. to 1 a.m. seven days a week except on election days (sale/service allowed after the polls close). (This differs from restaurants which may serve beer commencing at 10 a.m., but must wait until noon to serve liquor, wine and heavy beer).

- Alcohol must be locked in storage when sales are not permitted.

- Employees must be at least 21 years of age to sell, serve, dispense, or furnish alcohol. Those serving or supervising the sale of alcohol must complete the alcohol server training seminar, and wear an identification badge.

- An employee of the banquet licensee must be present at all times when alcohol is being sold, served, and consumed.

- Those attending the banquet and the banquet host may not bring alcohol in or remove alcohol from the banquet.

- At the conclusion of the banquet, all unused or unsold alcohol must be removed by the banquet licensee or its employees and either be returned to locked storage for sale at a future banquet event, or destroyed if unsaleable. This inventory may not be used for other purposes (i.e. by a restaurant, club, or beer outlet located at the same hotel, resort, conference center, or sports facility).

- A copy of the banquet license and warning sign must be prominently displayed at each banquet.

5. Other Options.

- **Single Event Permits.** Some groups may have obtained a single event permit from the DABC to sell alcohol at a public or private event (i.e. a charitable fundraiser) held on the premises of a hotel, resort, conference center, or sports center that holds a banquet license. In this situation, the group must provide its own alcohol, and the facility's banquet license and license inventory may not be used. However, if the facility has a Type 4 package agency, the group could purchase the alcohol from the agency and have it delivered to the function room by the package agent's staff.

- **Privately Hosted Events or Social Functions.** A banquet license should accommodate the needs of most groups that are conducting private functions. Occasionally, a group may have already purchased alcohol for their private function. If the hotel, resort, conference center, or sports center wants to accommodate this situation, it may do so. However, the facility's banquet license and license inventory may not be used. For a definition of "privately hosted event or social function" see Utah Code Section 32A-1-105(39) which may be viewed on-line here: <http://www.le.state.ut.us/~code/TITLE32A/htm/32A01006.htm>

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The Banquet License Review*...Continued from the previous page***6. Room Service.**

➤ Alcohol may only be delivered under the banquet license to guest rooms in hotels and resorts in sealed containers. The commission allows the limited use of 50 milliliter "mini-bottles" of distilled spirits and 187 milliliter bottles of wine for room service. See Commission Rule R81-4D-13 which may be viewed on-line here:
<http://www.rules.utah.gov/publicat/code/r081/r081-04d.htm#T13>

➤ Alcohol must be personally delivered by an adult banquet license employee to an adult staying in the guest room.

➤ Alcohol may not be left outside a guest room for retrieval

by a guest.

➤ Alcohol sales hours are 10 a.m. to 1 a.m. seven days a week, except on election days (sale/service allowed after the polls close). Note that prior to the creation of the banquet license, room service was provided in hotels and resorts under the Type 4 package agency. See Commission Rule R81-3-1. Those hotels and resorts that have retained their Type 4 package agencies will find it preferable to provide room service under their banquet license because the sales hours are more favorable. Type 4 package agency hours are 10 a.m. to 1 a.m., Monday through Friday; 10:00 a.m. until 12:00 midnight on Saturday; and no sales on Sundays or legal holidays (if the holiday falls on a Sunday, the following Monday will be observed as the holiday).◆

Measuring Alcohol Content

Conversion Formulas for Volume, Weight, and Proof

Alcohol is measured in three different ways: volume, weight and proof. Liquor and some imported beers are measured by proof, wine by volume, and most American beers by weight. To compare the alcohol content of liquor, wine, and beer, use these conversion formulas:

FROM	TO	CONVERSION FORMULA
Proof	Volume	Proof / 2
Proof	Weight	Proof / 2 x .8
Volume	Proof	Volume x 2
Volume	Weight	Volume x .8
Weight	Volume	Weight / .8
Weight	Proof	Weight / .8 x 2

Example: A Canadian beer marked 8 proof is rated 4% by volume (8 proof divided by 2 = 4%). Multiply that by .8 to get 3.2% alcohol content measured by weight (8 proof = 4% by volume = 3.2% by weight).

Source: Iowa Summary of Liquor Laws

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Record Keeping (no, not those old '78s!)

By Stephne Pilling

The Alcoholic Beverage Control Act requires each licensee to maintain sales and expense records.

Whether you are a private club licensee, full restaurant liquor licensee or a limited restaurant licensee certain records are required by the department.

Restaurant records at a minimum must be maintained on a quarterly basis and clubs records on a monthly basis. All licensees must separate food sales from alcohol sales [malt or brewed beverages (beer) and liquor (heavy beer and wine is include in liquor sales)] and set ups.

Expenditures (expenses are the costs you incur to carry on your business) must be kept separately for food, malt or brewed beverages (beer) and liquor (heavy beer and wine is included in liquor sales) and must be supported by delivery tickets, invoices, receipted bills, canceled checks, petty cash vouchers or other sustaining data or memoranda. Additional requirements may be established based upon

your business model.

Private clubs need to keep and maintain additional records such as income from the sales of temporary and full memberships, membership records and governing board meeting minutes. Clubs must also report expenses from payroll, entertainment, rent, utilities, supplies and all other expenditures.

Keeping up on your records is extremely important and comes in very handy when you are visited by the compliance division. Instead of staying up for days trying to "get them together", you would already have them...and everyone is happy and your financial life is so much simpler!!

Running a successful business entails keeping accurate and timely financial information. A clear financial picture allows you to monitor the success or failure of your business.♦

Free training....

Free liquor law training is available to all licensees and their employees. This training helps licensees to understand the alcoholic beverage laws, prevent violations, and to provide better and consistent service to patrons. It gives licensees and employees the opportunity for a one-on-one session with the DABC to deal with specific questions and concerns. We will tailor our training to fit your needs and schedule.

If you are interested in having one of our Compliance Specialists present a training session to your staff, please call at (801) 977-6800.

The DABC website is www.abc.utah.gov.

Other links:

☛ Current and past issues of this newsletter:

http://www.abc.utah.gov/license_permit/newsletter_main.htm

☛ server training information: http://www.abc.utah.gov/license_compliance/serv_train.html

☛ how to look up a server's training record: www.dsamh.utah.gov/webapps_alcoholserver.htm

☛ complete price list: http://www.abc.utah.gov/Price_List/product_price_legend.html

What's New?

Click "what's new?" on the home page of our website to find out about the latest proposed or adopted rules and other happenings regarding the alcohol beverage laws.

http://www.abc.utah.gov/whats_new.html

LOCAL LICENSING - SPECIAL SECTION FOR CITIES, TOWNS & COUNTIES

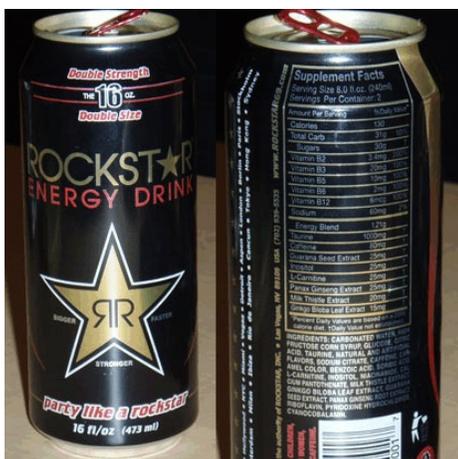
By Earl Dorius

For many years our department has been invited to participate in the bi-annual meetings of the Utah Business Licensing Association to discuss alcohol control issues. These sessions have generated lively discussions. This has prompted us to add a regular feature to our Licensing Newsletter that will focus on alcohol issues of local interest. Starting with this issue, local licensing bureaus throughout the state will start receiving the newsletter which is produced three times a year). We welcome local governments to our readership. Let us know of any topics you would like to see addressed in future issues. Oh, and of course we encourage any "guest articles" that any of you might want to submit. So, on with the show (I mean, first article)!

Utah County's Presentation on Energy Drinks

Pat Bird and Richard Nance from Utah County's Division of Substance Abuse gave a compelling presentation to the Utah Alcoholic Beverage Control Commission at its June, 2007 meeting. They displayed several cans of energy drinks that are currently sold in grocery and convenience stores, and noted that many of them now contain alcohol.

The problem is that most consumers are unable to tell the alcoholic from the non-alcoholic drinks. For instance, "Rock Star" does not contain alcohol, but "Rock Star 21" does. Both products are made by the same company, and though the label on "Rock Star 21" contains the required language that it contains alcohol, the cans look very similar.



Mr. Bird said a survey conducted by his office shows most consumers can't tell the difference between the two. The labels on some of the other energy drinks were difficult to read. Some merely contained the phrase "4% alc/vol" in very small, non-bold print, without much of a

contrasting background. Mr. Bird said that even grocery and convenience store clerks are having difficulty identifying the drinks that contain alcohol. The survey also shows that many people don't realize that the term "malt beverage" means there is alcohol in the product.

DABC Regulatory Director, Earl Dorius said the current law requires that any malt beverage sold in the state must receive a certificate of approval, which includes label approval from the DABC. Utah Code Section 32A-11-106(8) requires that alcoholic beverages be clearly labeled in a manner reasonably calculated to put the public on notice that the beverage is an alcoholic beverage.

However, in the past, Utah, like most other states, has approved labels if they have been approved by the U.S. Treasury's Tax and Trade Bureau (TTB) even though states may pass labeling laws that are more restrictive.

[Federal law requires brand name, class (beer, porter, ale, stout, etc.), the bottler or importer, and the net contents. Listing alcohol content is not mandated, but it may be stated as a percent of alcohol by volume. Words such as "alcohol," "percent," and "volume" may be abbreviated with

"alc.," "%," and "vol." All must be readily legible on a contrasting background, in script or type, or printing not smaller than 2 millimeters unless the container is smaller than one-half pint, then 1 millimeter. Also, the health warning for alcoholic beverages must be stated.]

Mr. Dorius also noted that 32A-10-102(5) requires that **"if malt beverage coolers or malt liquor is sold by a beer retailer for off-premise consumption, the beer retailer shall display a sign at the location on the premises where malt beverages or malt liquor is sold stating: 'Many malt beverages contain alcohol. Please read the label.'"**

Mr. Dorius observed that he sees very few of these signs in grocery and convenience stores. He said, the department does not supply these signs because these stores are not under the jurisdiction of the DABC. They fall under the jurisdiction and regulation of each local government.

He said he contacted Jim Olsen with the Food Retailers Association and suggested that Mr. Olsen notify his association's members that failure to post the sign is an infraction (a criminal offense). Mr. Olsen indicated that in the past, his association has produced the signs to distribute to association members, but of late, there has been very little demand for them.

Sgt. Kyle Bushnell of the Alcohol Enforcement Unit of the Department of Public Safety said he is certain minors are buying energy drinks that contain alcohol. In fact, he said, many law enforcement agents are confused about these products. Mr. Dorius suggested that perhaps law enforcement officers could receive training on the issue as part of the Peace Officer Standards & Training (POST) curriculum.

Doug Murakami, DABC's Educational Training Director suggested that the educational/media campaign of the recently enacted E.A.S.Y. (Eliminate Alcohol Sales to Youth) Program could be revised to include information about energy drinks. Also, the State Division of Substance Abuse could add the energy drink issue to their E.A.S.Y. off-premise retailer training curriculum by rule to better train store sales clerks on the issue.

The commission thanked Mr. Bird and Mr. Nance for bringing this important issue to light and made a commitment that the Commission will work closely with them to find a solution to this problem.

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Local Licensing Special Section

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Recommendations To Local Governments by The DABC

Based on the foregoing, DABC urges local licensing bureaus to help inform off-premise beer retailers of the legal requirement that they post signs warning consumers that these malt beverage products contain alcohol.

Utah County has produced some excellent signs that expand the language of the statute by including reference to energy drinks. One example appears on the next page.

We encourage each local jurisdiction to do the same and distribute them to off-premise beer retailers in their area. You may want

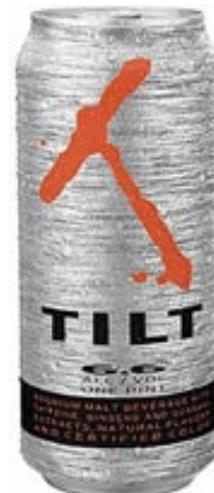
to contact the Utah County Division of Substance Abuse for other examples of these signs, and suggestions on producing them.

You may want to consider enacting ordinances that require the placement of these alcoholic beverages separate from those that are non-alcoholic to help avoid consumer confusion.

Finally, DABC is committed to require better labeling on any energy drinks that contain alcohol to put retail clerks and consumers on notice that these are indeed alcoholic beverages. We have contacted the State Division of Substance Abuse to

include the energy drink issue in the E.A.S.Y. training curriculum for store sales clerks and their supervisors.

We have also notified the Highway Safety Office of the Department of Public Safety that reimburses local governments for conducting undercover random compliance checks using underage buyers at grocery and convenience stores. We have asked them to advise local law enforcement agencies to start enforcing the requirement that stores post warning signs warning consumers that malt beverage products contain alcohol.♦





**Many Malt
Beverages and
Some Energy
Drinks Contain
Alcohol.**

**Please read
the label
carefully.**



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