LICENSEE HANDBOOK
FULL-SERVICE RESTAURANT

UTAH DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

P.O. Box 30408
Salt Lake City, UT 84130-0408
Telephone: 801-977-6800 Fax: 801-977-6889
Website: www.abc.utah.gov

TO ALL LICENSEES

As a licensee of the Utah Department of Alcoholic Beverage Control, 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 September 2020. Previously issued handbooks should be discarded as they may contain outdated information.

Our website (www.abc.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 (dabccompliance@utah.gov) the compliance division of this department.

FULL-SERVICE RESTAURANT LIQUOR LICENSE

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

Restaurant 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 full restaurant license, a nonrefundable application fee of $330 plus a $2,200 initial licensing fee is required. All license renewals are due by September 30th every year and the renewal fee is $1,650.

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

OPERATIONAL REQUIREMENTS:

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

DISPLAY SIGNS - A restaurant licensee must display:

1. The "Warning" sign – The template may be downloaded from our website at dabc.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.**

State Of Utah
Department Of Alcoholic Beverage Control
ON PREMISE BEER LICENSE

License Number:
DC00001

Effective Date
March 1, 2018 to February 28, 2019

SOMEWHERE REC CENTER
SOMEWHERE REC LLC

NON TRANSFERABLE

TO OPERATE AS AN ON PREMISE BEER LICENSEE FOR THE STORAGE, SALE AND CONSUMPTION OF BEER PURSUANT TO UTAH CODE 32B-6-701.

SOMEWHERE CITY, UTAH
BEER LICENSE

SOMEWHERE REC LLC
1234 SOMEWHERE STREET
SOMEWHERE, UT 84000

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

SALES AND CONSUMPTION HOURS

Liquor, wine, and heavy beer may be sold on a weekday from 11:30 a.m. until 11:59 pm. On a weekend, a state or federal holiday, or for a private event, alcohol may be served beginning at 10:30 a.m. Beer may be sold beginning at the same time as other alcoholic beverages, but unlike other types of alcohol, beer may be served until 12:59 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.

RECORDKEEPING

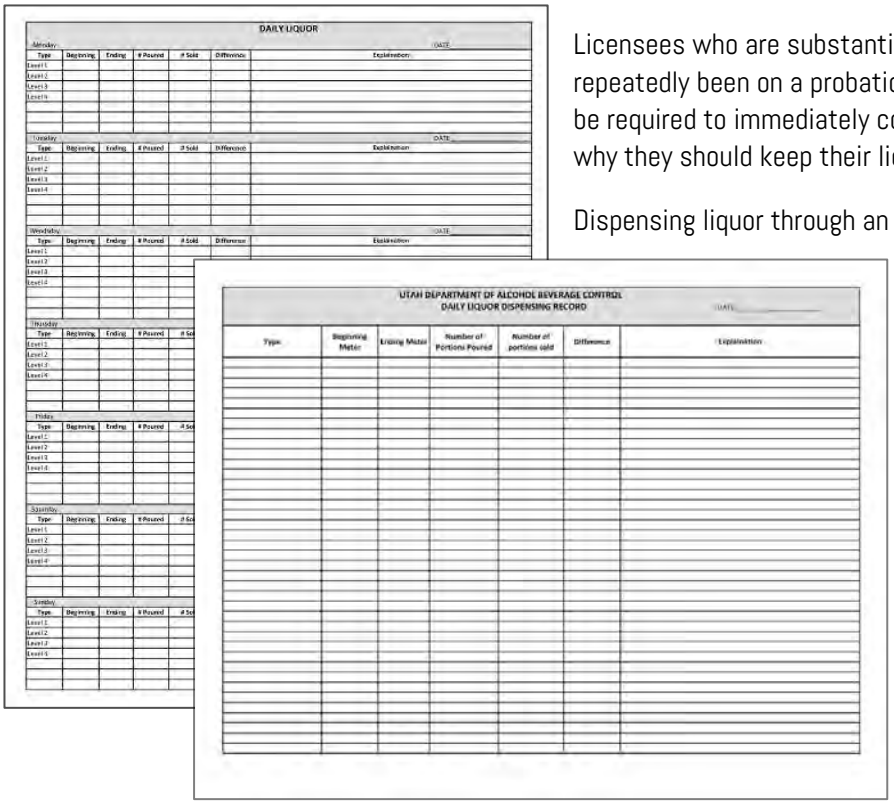
Restaurants are required to keep current, detailed quarterly records for expenses and sales of alcohol and food. All restaurants are required to ***maintain at least 70% of their total business from the sale of food***, which does not include:

(a) mix for an alcoholic product; or
(b) a service charge.

CAREFUL! RESTAURANT LICENSEES WHOSE FOOD SALES DROP LOWER THAN 70% MAY HAVE THEIR LICENSE REVOKED.

Expensive wines in excess of $175 per bottle or $30 a glass are not included in calculating the food to alcohol ratio.

Licensees who drop lower than 70% of food sales for any quarterly period may be put on probationary status, during which time they will be closely monitored by their compliance officer for food sales during the next quarterly period. Failure of the licensee to provide satisfactory proof of the required food percentage may have their license revoked by the DABC Commission.



Licensees who are substantially lower than 70%, 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 liquor through an approved dispensing system is required for any licensee selling spirituous liquor. Dispensing records must also be kept and matched daily to the sales records of all primary liquor beverages sold. Spills, miss-clicks, returned beverages, etc. must all be accounted for on a dispensing record. Your DABC compliance officer can help you with questions you may have or formulating an appropriate form.

Licensees shall maintain records for at least three years. **Remember, falsifying records is illegal.**

TEMPORARY CLOSURE 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.

PURCHASE AND STORAGE 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, DABC license number, and list the products by code number. You can find the code numbers on our website at abc.utah.gov

Please Note; licensees may not pick merchandise directly off the shelves of a state store or package agency to fill their order.

ALLOW AT LEAST 4 HOURS for department personnel to assemble the order for pick-up.

When the order is complete, the licensee will be notified by phone and given the total cost of the order. The licensee may pay for the product in cash, company check or credit card, or cashier's check. You will have to examine and sign for the order before it leaves the store to verify that the product has been received.

A licensee may sign up for "ACH" ordering
ONLINE!
Contact DABC to get signed up.

LIQUOR RETURNS

Spirituous liquor may be returned by the licensee for the original purchase price if:

- The bottle has not been opened;
- The seal remains intact;
- The label remains intact; and
- The licensee produces the original cash register 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 cash register receipt must be returned at the same time.

WINE AND BEER MAY NOT BE RETURNED . . . unless it can be shown that the product was spoiled or otherwise non-consumable.

BEER

Beer must be purchased from beer distributors. Licensees must call and set up an account with the appropriate distributor for their area. Go to our website at dabc.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.

ALCOHOL STORAGE

Alcohol may only be stored in a designated place approved by DABC on the initial application floorplan. *Any changes in the storage area(s) must first be approved by DABC.*

Storage or dispensing systems located at a patrons table are prohibited.

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.

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 floorplan.
- Full restaurants many only share a dining space with a full 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!

NO BROWN BAGGING – WINE EXCEPTION

Patrons may not bring in or store spirituous liquor, heavy beer, or beer on the premises of the restaurant. However, at the licensee's discretion, a patron may bring in bottled wine for consumption on the premises.

- Wine brought in must be immediately delivered to a server or an employee of the bar.
- A wine service may then be performed, and patrons may serve themselves or others at the table.
- A patron may leave with their unfinished bottle of wine as long as it has been recorked by the server.
- Wine purchased by a patron from the restaurant may also be stored in approved wine lockers provided by the restaurant. Only servers may access the wine locker for the patron.

CONSUMPTION ONLY ON THE PREMISES

An open container primarily used for drinking purposes and containing an alcoholic beverage, may not be removed from the restaurant premises.

FOOD SERVICE REQUIREMENTS

Patrons may only purchase alcoholic beverages after they have been seated at a table, counter, or bar in the dining or dispensing area of the restaurant where food is served and the server has verbally verified the patron has the intent to dine.

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

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

- 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.

ALCOHOL DISPENSING AREAS AND THE FLOORPLAN

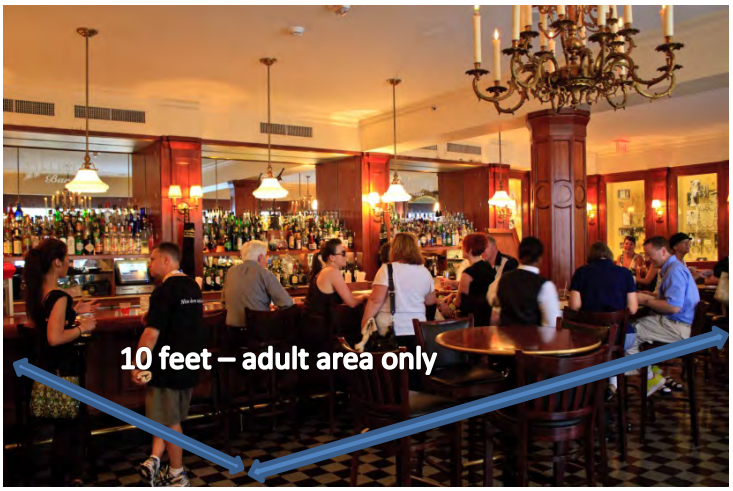
Visible storage and dispensing (or the bar area) is allowed in restaurants under certain conditions and restrictions. Licensees may choose to have a visible bar area or choose to have storage and dispensing areas that are not visible.

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

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 (the bar) must be either:

a. Any area within 10 feet of the outside edge of the bar structure.

b. Any 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 the scanner, but still may be used as a tool to verify age. Those restaurants who 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. Owners/managers should have the knowledge and capability to produce the data upon request of a peace officer or an authorized representative of the DABC.

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

The DABC 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 temporarily 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.

NO MINORS MAY BE SEATED IN THE DISPENSING AREA OF A RESTAURANT

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:

a. 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
b. the minor is accompanied by an individual who is 21 years of age or older.

EMPLOYEES

- 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

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

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.

DABC MANAGER TRAINING

Every manager must complete the DABC Manager Training Program as a condition of obtaining their DABC 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 DABC and the fee is $25 per manager.

MINOR EMPLOYEES

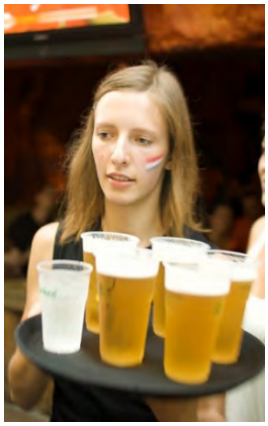
- Minors may be employed by a restaurant, but may not take the order for, dispense, or serve alcoholic beverages.
- Minors who are at least 16 years of age may ring up the sale of alcoholic beverages at a cash register or other point of sale system. But remember, they cannot take the order. Alcohol trained servers over 21 years of age must take the alcohol order.
- Minor employees who are at least 16 may be in the dispensing area if working or to perform maintenance and cleaning services when the restaurant is closed.

- Minors who are at least 16 years old may bus alcohol and alcohol containers from the tables. Younger minors are prohibited from doing so.

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.



- The restaurant must post a list of the types and brands of liquor dispensed through the dispensing system.
- 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 (Magnum) to tables of four or more. For tables of less than four, the size of the bottle cannot be larger than 750 ml.

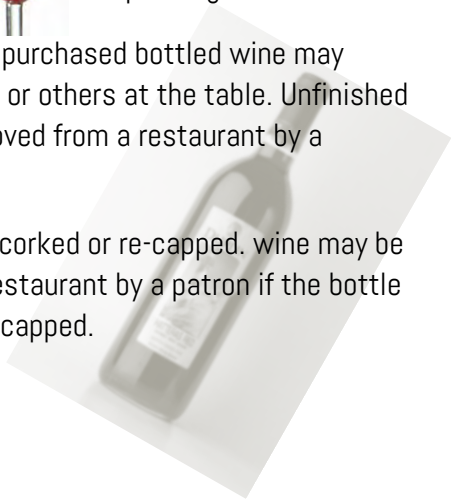
Wine may be sold and served by the glass or individual portion in quantities not exceeding 5 ounces.

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 at the table. Unfinished wine may be removed from a restaurant by a patron.

if the bottle is re-corked or re-capped. wine may be removed from a restaurant by a patron if the bottle is re-corked or re-capped.



FLAVORED MALT BEVERAGES AND HEAVY BEER SALES

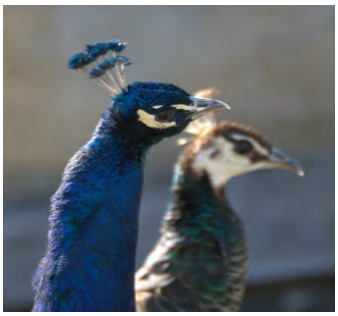
- May be sold and served in original containers not exceeding one liter.

BEER SALES

- Beer may be sold and served in any size container, not exceeding 2 liters, and on draft. However, a pitcher (larger than one liter and up to two liters) may only be sold to parties of two or more.
- Beer may be sold to an individual patron, only in a container that does not exceed one liter.
- Beer flights may be sold to a patron as long as the total amount of beer does not exceed 16 ounces.
- Beer may be sold to go in sealed containers only if the patrons *have already dined in the restaurant.*

LIMITATION ON TOTAL NUMBER OF DRINKS

Each restaurant patron may only have one spirituous liquor drink before them at a time. Other than spirituous liquor drinks, each restaurant 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

An alcoholic beverage menu with prices (including shot 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.

ADVERTISING

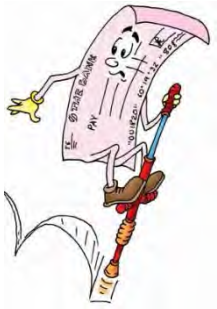
- Signs advertising the availability of alcoholic beverages may be displayed both inside and outside the restaurant.
- Servers may ask a patron if they would like an alcoholic beverage.
- Restaurant advertising in newspapers, magazines, phone book yellow pages, other print media, and on radio, television, 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 abc.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 DABC 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.



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.