

State of Utah
Department of Alcoholic Beverage Services

Internal Audit Review
of
Licensing & Compliance Specialists
Licensee Audit Process

Report No: 23-01

October 27, 2022

For Official Use Only

October 27, 2022

Commissioner Juliette Tennert, Chairman
Department of Alcoholic Beverage Services
1625 West 900 South
Salt Lake City, Utah 84104

Subject: Compliance Specialist Licensee Audit Process – Internal Audit Report 23-01

Chairman Tennert:

An audit of the DABS Compliance Specialist's Licensee audit process is complete as part of the approved Audit Plan for fiscal year 2023.

The purpose of the audit was to assess the effectiveness of Licensee compliance auditing conducted by DABS Compliance Specialists, and to prepare for implementation of compliance software.

Conduct of this audit was in accordance with International Standards for the Professional Practices of Internal Auditing, issued by The Institute of Internal Auditors (63I-5-401(3)(a)).

This is the final report of this audit including findings, observations and recommendations.

If you have any questions, please contact Traci Santillanes at (801) 977-6878, or (385) 270-3413 (cell).

Sincerely,

Traci Santillanes, CFE, CAMS
Director, Internal Audit

cc: Tiffany Clason, Executive Director
Cade Meier, Deputy Director
Tom Jacobson, Commissioner
Jacqueline Orton, Commissioner
Stan Parrish, Commissioner
Tara Thue, Commissioner
Natalie Randall, Commissioner
Jennifer Tarazon, Commissioner

Executive Summary

Audit Objective

The objectives of this review were as follows:

1. to assist in identifying statute, rule and policy details that would be necessary information for Compliance Specialists to conduct Licensee compliance audits,
2. to assist in providing assurance so statutes and rules are embedded into policies and procedures,
3. to assist in identifying steps involved in auditing Licensees for compliance, and to make recommendations for a more systematic approach,
4. to determine how Licensing & Compliance Specialists are trained.

The information contained in this report helps provide assurance that compliance details will be included in the implementation of new software used by Licensing & Compliance Specialists when auditing Licensees.

Audit Scope:

Utah Statute 32B and R82 current rules were reviewed in their entirety. DABS Policies were reviewed and DABS Staff were interviewed. Observation was performed at Licensee locations while Licensing & Compliance Specialists conducted live audits. Pre-audit and post-audit documentation was examined. Information reviewed and examined for this audit was limited to identifying what Licensing & Compliance Specialists should know in order to conduct a Licensee compliance audit. The information reviewed does not include requirements for new applications for license, nor Commission considerations for approval of new licenses; only for auditing for compliance as it relates to renewal of existing licenses. However, there may be some overlap of this information.

Results in Brief

Due to the limited number of employees and large number of licenses that grow with State population numbers, Licensing & Compliance Specialists need better tools and standardized processes for conducting audits. Licensing & Compliance Specialists are currently using antiquated tools to conduct audits. Additionally, there is no structured framework for completing audits. A more uniform approach would assist with standardization. Resources related to human capital are limited compared to the number of total licenses across the State.

Audit Results

The information Licensing & Compliance Specialists should review when conducting a compliance audit has been extracted from Statute, Rule and Policies & Procedures (P&P). Statute and Rule considerations are shown in Appendix C; P&P in the audit findings. As shown in Appendix C, Chapters 1 through 4 of 32B, apply to most every Licensee. Chapter 18 of 32B also applies to most every License type. Certain License types and sublicenses may have requirements within their specific operation that overlap with other Chapters. For example, a restaurant or bar Licensee within a resort, hotel or arena may have requirements in multiple Chapters. Licensing & Compliance Specialists should have a way to easily query these requirements when planning an audit to ensure a comprehensive review. Appendix B is a list of Licensing & Compliance Specialists, along with Job Descriptions.

A 28% sample was selected for observation and interview. For fiscal year 2022, it was reported that there were 142 audits not completed; this equates to approximately 7% not complete; 93% complete. DABS had 3,904 licenses (this number includes PA's) issued at the time of this report; the total number of licenses less PA's was 3,759. Licenses requiring annual auditing counted at 2,007. A total of 51% of DABS Licensees requiring annual auditing. There are certain consignment inventory Package Agencies that require auditing twice annually, but their licensing differs from those addressed in this report.

Also at the time of this report, there were 14 employees assigned to Job Code 22381, Title: ABS Services Specialist, Working Title: Licensing & Compliance Specialist. Three of those employees conduct certain compliance audit activities at State Stores or Package Agencies, but do not audit Licensees. The remaining 11 employees, plus two Supervisors are accountable for Licensee auditing, for a total of 13 employees Licensee auditing employees, as reported by HR.

Two Licensee audits that were observed had not been audited or had physical site visits since 2017 and 2018, respectively. The Licensee who had not been fully audited since 2018 had an electronic audit performed in 2020; no premise inspection was performed. Nothing in the P&P for the Compliance Division allows for or prohibits electronic audits. One Licensee had two licenses; full restaurant and banquet. The original banquet license was issued in 2007, but the Licensee moved to a new location in 2016, and the new location did not meet the qualifications for the banquet license. However, the Licensee continued to renew the banquet license along with the full restaurant license until this discovery was made September, 2022.

Logistics and tools are important factors toward the accountability of Licensing & Compliance Specialists and their ability to perform efficiently and effectively. Regular, systematic compliance audits are a key component to maintaining each of the following:

- a regulatory role
- compliance with statutes and rules
- avoidance of penalties to Licensee's
- the going concern of Licensee businesses
- economic health
- DABS committed service to Licensee's
- upholding Management's Strategic Plan
- avoidance of reputational damage to DABS and the State of Utah

Audit Procedures

1. Review of Statutes
 - a. 32B
2. Review of Rules
 - a. R82
3. Review of DABS Policies & Procedures
 - a. Policy 01-01: Compliance Division Payment Documentation
 - b. Policy 01-01: Licensee Renewals
 - c. Policy 01-06: Customer Payments
 - d. Policy 01-13: ACH Transactions
 - e. Policy 03-01: Package Agency Training/Underage Buyer Program
 - f. Policy 03-04: Consignment Package Agency Audits
 - g. Policy 06-01: Compliance Audit
 - h. Policy 06-02: Licensing
 - i. Policy 06-03: Renewal
4. Interviewed DABS staff
5. Observation of DABS staff conducting audits
6. Examination of Compliance Specialist documentation and DABS documentation

FINDINGS

1. Compliance Specialists lack up-to-date tools and technology that would assist in conducting more efficient compliance audits. Currently, Specialists are carrying hard copies of paperwork and using individual spreadsheets for tracking, documentation and notes. They do have laptops and cell phones, but standardized auditing tools are deficient.

Recommendation:

Internal Audit strongly recommends the following:

- Tablets with wi-fi and cellular capability (for use where no wi-fi is available) for each Compliance Specialist,
- Access to software with checklists for each license type, required notes section, required documentation section, scheduling, templates, forms, etc.,
- The ability to easily access and query organized statute, rule, and P&P while working in the field, even in remote areas with no wifi,
- A licensee portal for uploading of information, or electronic access to licensee renewal applications showing supporting documentation so information can be previewed prior to site visits

Software will greatly improve the systematic audit practice and methods of communication and document delivery between Licensing & Compliance Specialists, Supervisors, Directors and Management, and Licensees. Sharing of documentation in common software should prohibit having to ask Licensees more than once for the same information, but should allow Compliance Specialists to be able to review and examine documentation pre-audit and post-audit. Document storage is expensive and cumbersome, and there should be a system to prevent document storage of out of date documents, or historical documents; except for violations and extraordinary conditions. Only current documents would need to be reviewed or kept until the next audit. Management should review GRAMA requirements for what documents would need to be retained within the software, and for what length of time. This would include documentation, photographs, schematics, and all other.

2. Current Licensing & Compliance Procedures Number 06-01 lists eight procedures for conducting an audit, and eight items for bringing to the audit. Some of the instruction is ambiguous and lacks specific instruction. For example, 06-01(f) “*review financial and other business records, operating procedures, dispensing records, and procedures.*” The procedure does not define what records or procedures are required to be reviewed in

order to determine licensee compliance. Examples of some of the records explicitly named in Statue are (*this list is not all inclusive; Refer to Appendix C*):

- filing federal and state taxes, including contributions to unemployment and insurance funds (32B-1-203)
- maintaining their percentage of food sales over alcohol sales (32B-6-203, 32B-6-603, 32B-6-703, 32B-6-902, 32B-8-102, 32B-8B-301, 32B-8C-202)
- ensuring employees have the proper training (32B-1-702)
- a responsible alcohol service plan (if required; 32B-5-201)

Compliance Staff currently have a general list in the form of an Excel Spreadsheet, showing items to review at each visit; it is sorted by license type. Some of the required items are not on the current checklist, for example confirming tax payments. To more effectively manage time and resources, it is important during the audit process to use standardized tools, such as a checklist (as part of a software module), that provide comprehensive, systematic review. Also, forced completion of a task within a software module would not allow any required information to be bypassed. It would be unnecessary to list all requirements in procedures, but the procedures could refer the reader to the software module and other tools that are more specific.

Recommendation:

Update the P&P 06-01 procedures to refer to 32B-5-302 and R82-5-109, or provide a checklist (as part of the software module) to include records necessary for review, to avoid any ambiguity. Records reviewed should include a source document (example: a payroll report or sales tax report; provides total) and a verification document (example: an official tax filing balancing to the amount shown on the report; provides evidence). These examples are not to be indicative of conducting a payroll or other financial audit, only to provide assurance that a Licensee is in compliance with statutory requirements, and that records being reviewed by Compliance Specialists are not fraudulent or falsified. Software would also improve time management by reducing the chance that Compliance Specialists would be distracted by reviewing records that are not required. Refer to Appendix A for a generalized example of a checklist. IA is not recommending duplication of this material and is only referring to it as a guide.

3. Staff reported a lack of structured training related to new hires, and also training or notification of changes to Legislation and how it affects the compliance review process. It was reported that in some cases, Staff felt overwhelmed or confused, and learning occurred through error. Staff did report current, ongoing training related to the Compliance Specialist position; usually at monthly Division meetings.

Recommendation: Training for new Compliance Specialist employees. Recommend structured training approach. Defer to Management to create training program, but as an example, week 01: office orientation, reading statute, rules, P&P, assistance with Q&A, week 02: software training, week 03: job shadowing, etc. Also recommend annual structured training for any changes in Legislation that affect Licensee compliance audits.

4. Auditing is a systematic approach to gathering and reviewing information. Currently there is a lack of formality of process among Licensing & Compliance Specialists and the way in which audits are conducted.

Recommendation: The following steps are routine to every audit. These steps should be part of the software module, and should include deadlines and reminders for time tracking purposes. If additional information from the Licensee is found to be necessary when an auditor arrives at a Licensee location, a fixed deadline (e.g., 1 week, 2 weeks, etc.) should be imposed to the Licensee for returning the information, to create uniformity for the time it takes to conduct an audit from start to finish. Audits of similar license types should take approximately the same amount of time by using a more systematic approach. All records and other paperwork should be reviewed prior to the audit site visit or after the audit site visit, rather than on licensed premises during a site visit. Compliance Specialists often perform site visits when Licensee's businesses are operational and busy. Reviewing pre and post audit allows for more focus, a more thorough examination of records and increases the ability to prove compliance.

Audit Steps:

- Step 1 – *Identifying Licensee*: determining license type, notifying the Licensee: scheduling, calendar;
- Step 2 – *Planning*: knowing what will be required for review/examination, identifying location or multiple locations, weather, traffic, identifying who Specialist will be meeting with, other considerations;
- Step 3 – *Gathering reviewing and examining information*: management changes, management qualifications, records (separate records for each license if applicable), other licenses including sub-licenses, previous audits, exceptional circumstances, change of location, etc.;
- Step 4 – *Fieldwork*: site visit(s), observation, photos, measurements, signage, etc.;
- Step 5 – *Reporting*: final audit information should be a part of the software module. Reporting or finalization should be uniform and only exceptions, extraordinary conditions, deficiencies and violations should be noted. If Specialist was unable to complete audit, justification and robust documentation should be included in marking the audit complete within a software module.

5. DABS Policy 06-01 states “audits will be conducted as frequently as required by Statute.”

The following statutes *specifically state* at least one required audit annually:

- 32B-6-205.2(14)(b) full service restaurant
- 32B-6-305.2(14)(b) limited service restaurant
- 32B-6-406 bar
- 32B-6-902 beer only restaurant
- 32B-6-1005 hospitality amenity license
- 32B-8D-205 spa license

32B-5-202 Retail License Act states the department *may* audit a retail licensee’s responsible alcohol service plan. 32B-5-302 states records *will be made and maintained, and audits will occur at times the Department considers advisable*.

32B-5-301(6) Retail License Act General Operational Requirements *allows for complete inspection of premises and records without hindrance* (does not specify frequency).

Staff reported that the following license types require annual auditing, but Statute does not specifically mention annual auditing except for those aforementioned.

- Airport Lounge (AL)
- Banquet / Catering (BC) (not subject to 32B-5-302 Recordkeeping)
- On Premise Beer Recreational (BE)
- Bar Establishments (CL)
- Hospitality Amenity (HA)
- Hotel (HL)
 - *Licensed as a Bar (LB)
 - *Licensed as a Reataurant (LR)
- Restaurant Beer Only (RB)
- Reception Center (RC)
- Full Service Restaurant (RE)
- Limited Service Restaurant (RL)
- Resort (RS)
- Tavern (TV) (on-premise beer retailer)

These licenses are retail licenses as defined in Statute 32B-1-102(111), but the list does not specifically mention Master Full-service Restaurant License nor Master Limited-Service Restaurant License nor Arena. This could create a misunderstanding, especially to new employees during the training process.

Recommendation: Frequency of auditing requirements, by license type, should be stated in policy/procedures to avoid ambiguity and create accountability. A system of internal controls (SICS) is equivalent to policies and procedures. Internal controls are designed to provide reasonable assurance regarding the achievement of objectives in the following areas:

- a. effectiveness and efficiency of operations
- b. reliability of financial reporting (in this case, compliance reporting)
- c. compliance with applicable laws and regulation

6. Section 32B-6-703(2)(e)(i)(A) refers the reader to Subsection (2)(e)(iv) regarding contracts with political subdivisions. There is no Subsection (2)(e)(iv). This should refer to the reader to Subsection (2)(e)(iii).

Recommendation: This finding was sent to the Director of Compliance prior to the completion of this audit report. The Director responded 08/03/2022 that this issue would be flagged for legislative Alcohol policy leads, as it requires a Legislative fix. Response to this finding can be provided with the 120 day follow up.

7. Rule R82-8-103 refers the reader to 32B-5-310, 32B-8-204, 32B-8-302, 32B-8-304, 32B-8-402; none of the aforementioned statutes are active. The rule should refer the reader to 32B-5-301:311 and 32B-8-401, 32B-8d-202:205 (for spa operations).

Recommendation: Amend Rule R82-8 as necessary.

8. Policy 06-01 procedures state that Specialists will note any deficiencies in the Department's compliance database. Compliance Specialists are required to indicate "incomplete" in the existing compliance database when a licensee audit is not completed, and to document why it was not completed. It was reported that this process has not been done in every case.

Recommendation: Every license that is required to be audited should have controls that require the audit to be marked as complete, incomplete, pending, etc. If an audit is unable to be completed, justifications or documentation should be noted and/or uploaded to database so queries can be performed, and so that analysis of compliance data is correct. Implementation of new software should include these controls and not allow any required audit to be left incomplete or open ended.

9. 32B-5-301(8) requires employees of retail licensees to wear name badges. Employee of Retail Licensee had no identification during audit observation; Licensee was not informed of this during the site visit.

Recommendation: Compliance audit procedures should include verification of this statute. Current general checklist includes “Server Training/ID’s. Licensee should be informed at the site visit that name badges are a statutory requirement.

10. A report was provided that listed Compliance Specialist employees. There were 14 employees; all 14 employees showed under Job ID 22381, Job Title: Alcoholic Beverage Services Specialist, Working Title: Licensing/Compliance Specialist. Of those 14 employees, 13 showed under Employee Schedule Code “B,” one employee under Employee Schedule Code “TL.” Three of the 14 employees perform compliance audits at Package Agencies, and also conduct breakage and cash count activities at State Stores; they do not perform Licensee audits. They are classified under the same Job ID. DHRM provided job descriptions for:

- Job Title: Alcoholic Beverage Services Specialist, Job ID 22381, Effective Date 06/25/2022, Category: Compliance and Regulation. The Alcoholic Beverage Services Specialist job description assigns duties outside the scope of Compliance audit staff in the “Purpose & Distinguishing Characteristics” section. Including but not limited to “develop policies and procedures,” “license liquor and beer outlets,” “establishes, implements, and maintains procedures and requirements for each license type.”
- Job Title: Licensing/Compliance Specialist, Job ID 22381, Effective Date 12/01/2018. Licensing & Compliance Specialist job description includes “Write newsletter articles” in the “Purpose & Distinguishing Characteristics” section. This duty is outside the scope of Compliance audit staff.

Recommendation:

Management should review and consider revising job descriptions for Licensing & Compliance Specialists, and Alcoholic Beverage Services Specialists, as necessary, or consider combining the descriptions. Duties that are outside the scope of the compliance employee should be reframed or removed. For example, “development of policies and procedures” is the responsibility of Management. Also as an example, “licensing liquor and beer outlets” is the responsibility of the Commission. Further, Compliance employees should inspect, audit and report on statute, rule and P&P; terms such as development, implementation and enforcement are outside the scope of Compliance personnel performance. Also recommend changing policies to read “Licensing & Compliance Specialist,” and remove any reference to Compliance Officer or Compliance Auditor. This includes DABS P&P Manual Chapter 3, Chapter 4, Chapter 6.

11. One full restaurant Licensee and one limited restaurant Licensee were found to be missing signage near a bar entrance area warning patrons that anyone under 21 are not allowed. Procedures 06-01 lists warning signs as one of the items Compliance Specialists should bring to an audit. Compliance Specialist did not have sample signage or offer it to the Licensee.

Recommendation:

Licensing & Compliance Specialists should have sample signage with measurements, fonts and verbiage outlined in Statute to offer to Licensees. Examples, 32B-5-301(3), 32B-6-1005(9), 32B-7-202(6)(a)(ii) (not all inclusive; refer to Appendix C).

12. One Licensee observed held more than one type of license. No signage was posted to distinguish between restaurant and bar, or banquet area; 32B-5-207(4). The banquet area was in the basement of the premises. No evidence was provided to show 32B-5-207(3)(a)(iii) in compliance. Licensee did not qualify for the banquet license type 32B-6-603, 32B-1-102(8). The original license was issued in 2007. Licensee moved to a new location in 2016. The new location does not qualify for a banquet license. It was reported that the Licensee had been audited on a regular basis, but discovery of this issue was not made until September, 2022.

Recommendation:

This issue was escalated prior to final audit report. The license is not being recommended for renewal. Routine Licensee review and audit completion, with software forced controls, should assist in determining compliance.

13. One Licensee observed had not been audited since 2017; another Licensee audit observed had not been audited since 2018. One Licensee was a full service restaurant; the other was a limited service restaurant. According to 32B-6-305.2(14)(b) and 32B-6-205.2(14)(b), both license types should be audited annually.

Recommendation:

Software implemented specifically for Compliance will increase the ability for justification and accountability. Also recommend adding more Licensing & Compliance Specialists positions as population numbers grow and Licensees increase.

14. Staff members were observed conducting audits. Staff reported having an average of 219 accounts to audit annually. At the time of this audit, 3,904 licenses were in effect; 2,007 of those requiring annual audit. There are currently 14 employees assigned as "Licensing & Compliance Specialist." However, reporting showed that

3 of those individuals perform different duties, leaving 11 employees who perform Licensee compliance audits. There are 260 work days per year less 12 paid holidays, allowing 248 work days; excluding annual leave, sick leave, bereavement leave, etc. Compliance Specialists are currently allowed to telework one day per week. Staff reported using this day to conduct administrative tasks and write up audit visits, but are not allowed to use this day to conduct audits. Other days of the week are comprised of weekly office meetings and fieldwork. Compliance Specialists conduct fieldwork an average of three days per week. They are currently assigned compliance zones for a three year period. Generally, zones are two areas, local and rural. Fieldwork requires extensive time management skills. Scheduling can be complicated and re-scheduling, sometimes more than once, can affect the ability to complete an audit. Weather, logistics, travel and traffic, no shows, Licensee's who may forget an appointment, etc. can all affect the accountability of a Compliance Specialist. On average, audits are scheduled approximately two weeks in advance. Staff reported that approximately 8% of audits are in need of re-scheduling.

Recommendation: Long term employees annual leave and sick leave increases over time, allowing for less than 248 work days to complete audits. Also, when one Compliance Specialist is on extended leave or away from their assigned work location, another Specialist must assume the added responsibility. This can cause inadequate work/life balance, the ability to perform focused and effective reviews, and interruption in efficiency of processes. As the population of Utah grows, and the license quotas increase, Internal Audit would strongly recommend adding additional positions to this job classification to retain the ability to regulate with assurance.

OBSERVATIONS

1. Translation services may be required for some compliance audits.

Recommendation: Software should include a yes/no checkbox if translation services are required, and a drop down selection for language. This should be identified during the planning stage of the audit.

2. 32B-1-206 and R82-1-104 do not mention advertising on electronic media. R82-1-104 does state “on any other media.”

Recommendation: As the authoritative rule making body, the Commission may want to consider adding verbiage specifying electronic media, for example website(s).

3. 32B-14: No procedures or policy in place for tracking Distributor Agreements.

Recommendation: Create a policy, procedure or system of internal controls for tracking Distributor Agreements, changes, terminations, etc. Should an agreement be terminated, the terminated party would then be operating outside of the scope of regulation and the Agency may not be aware. Additionally, should the party terminating the agreement, terminate the agreement or engage in conduct prohibited by 32B-14-302, both parties to the agreement would be operating outside the scope of this statute. Finally, should any agreements be terminated without following the timelines and details outlined in 32B-14, again, both parties would be operating outside the scope of this statute, and therefore the issue of agreement would need to lead to the required arbitration and judicial remedies. These requirements may be outside the purview of Compliance Specialists conducting audits to renew licenses, but in order to support the policy of the Legislature as stated in this chapter, the Agency should have a structured program in place for tracking Distributor Agreements.

32B-11-201 requires manufacturing licensees to have an agreement with beer wholesalers.

32B-11-503 requires brewery manufacturing licensees to have an agreement with beer wholesalers.

32B-13-201 requires beer wholesaling licensees to have an agreement with the above

32B-13-301 requires licensee not to distribute outside of the agreement (with exceptions)

32B-14-102(2):

(a) "Distributorship agreement" means a written agreement between a supplier and a wholesaler pursuant to which the wholesaler has the right to purchase, resell, and distribute in a designated geographical area any brand of beer manufactured, imported, or distributed by the supplier.

(b) For purposes of this chapter, a separate agreement between a supplier and a wholesaler is considered to be part of a distributorship agreement if it relates to:

- (i) the relationship between the supplier and the wholesaler; or
- (ii) the duties of either the supplier or the wholesaler under a distributorship agreement.

4. 32B-17 – Liquor Transport Licenses: Please refer to Internal Audit Report 21-04, dated June 15, 2021.

Compliance has no policies and procedures in place for determining compliance for Liquor Transport Licensees. This is an observation and Internal Audit will defer to Management to make a determination as to whether an annual review or audit should be conducted on these licensees.

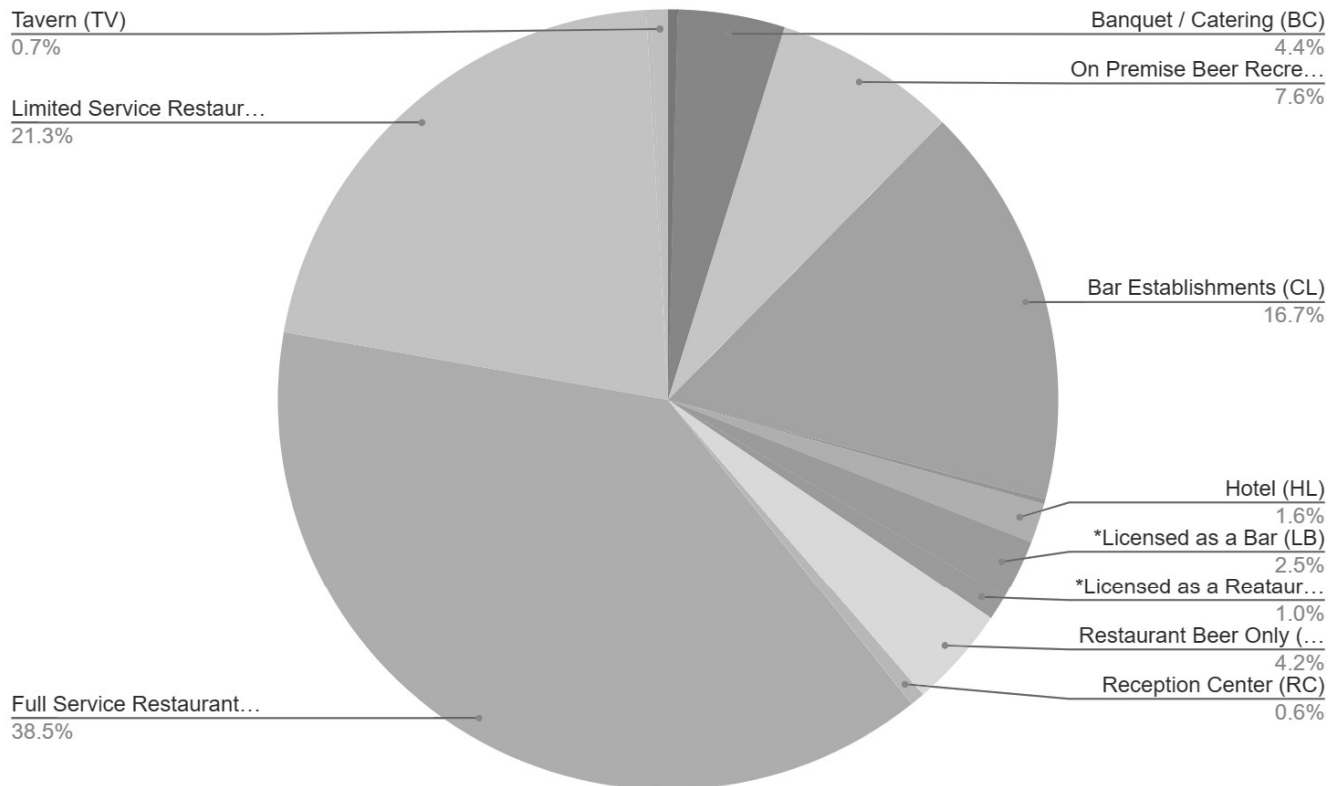
Recommendation: Should Management decide to include this in the scope of Compliance auditing, Internal Audit would recommend including information in DABS Policy 06-01 that includes considerations during the audit process.

5. Logistics for field employees can be particularly difficult in certain cases. As an example, an individual may live in a north or south county in the State, and drive to Salt Lake City to retrieve a fleet vehicle. They then may be required to drive back the north or south direction to conduct audits. This can have an affect on time management and Department resources.

Recommendation: Management may want to revisit the measurements and targets set by GOPB's Remote Work Project. Allowances could be made for Specialists to perform fieldwork on a limited basis, for Licensees who are bypassed by Specialists on their way to and from the Administrative office.

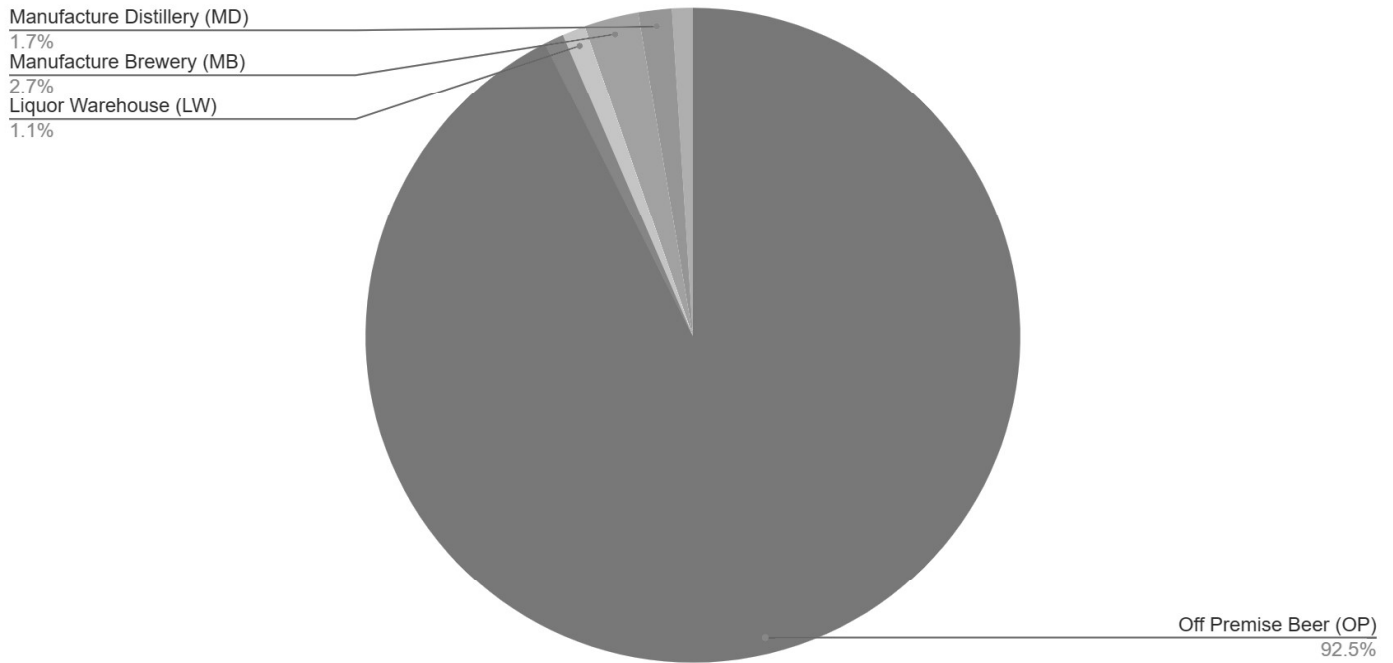
<https://gopb.utah.gov/a-new-workplace-modernizing-where-how-and-when-utah-works/>

COMPLIANCE AUDITS REQUIRED ANNUALLY



Airport Lounge (AL)	8
Banquet / Catering (BC)	89
On Premise Beer Recreational (BE)	152
Bar Establishments (CL)	335
Hospitality Amenity (HA)	4
Hotel (HL)	33
*Licensed as a Bar (LB)	50
*Licensed as a Restaurant (LR)	21
Restaurant Beer Only (RB)	84
Reception Center (RC)	12
Full Service Restaurant (RE)	773
Limited Service Restaurant (RL)	428
Resort (RS)	4
Tavern (TV)	14

OTHER LICENSE TYPES – NOT REQUIRED ANNUALLY



Off Premise Beer (OP)	1,621
Beer Wholesaler (BW)	17 (less than 1%)
Liquor Warehouse (LW)	20
Manufacture Brewery (MB)	47
Manufacture Distillery (MD)	29
Manufacture Winery (MW)	18 (less than 1%)

APPENDIX A



RECORDS REQUIRED FOR AUDIT RESTAURANT/HOTEL/MOTEL

Arizona Dept. of Liquor Licenses and Control
800 W. Washington St. 5th Floor Phoenix, AZ 85007
(602) 542-5141

Type or Print with Black Ink

In the event of an audit, you will be asked to provide to the Department any documents necessary to determine Compliance with A.R.S. §4-205.02(G). Such documents requested may include however, are not limited to:

1. Name of restaurant (Please print): _____
2. All invoices and receipts for the purchase of food and spirituous liquor for the licensed premises.
3. A list of **all** food and liquor vendors
4. The restaurant menu used during the audit period
5. A price list for alcoholic beverages during the audit period
6. Mark-up figures on food and alcoholic products during the audit period
7. A recent, **accurate** inventory of food and liquor (taken within two weeks of the Audit Interview Appointment)
8. Monthly Inventory Figures - beginning and ending figures for food and liquor
9. Chart of accounts (copy)
10. Financial Statements-Income Statements-Balance Sheets
11. **General Ledger**
 - A. Sales Journals/Monthly Sales Schedules
 - 1) Daily sales Reports (to include the name of each waitress/waiter, bartender, etc. with sales for that day)
 - 2) Daily Cash Register Tapes - Journal Tapes and Z-tapes
 - 3) Dated Guest Checks
 - 4) Coupons/Specials/Discounts
 - 5) Any other evidence to support income from food and liquor sales
 - B. Cash Receipts/Disbursement Journals
 - 1) Daily Bank Deposit Slips
 - 2) Bank Statements and canceled checks

12. **Tax Records**

- A. Transaction Privilege Sales, Use and Severance Tax Return (copies)
- B. Income Tax Return - city, state and federal (copies)
- C. Any supporting books, records, schedules or documents used in preparation of tax returns

13. **Payroll Records**

- A. Copies of all reports required by the State and Federal Government
- B. Employee Log (A.R.S. §4-119)
- C. Employee time cards (actual document used to sign in and out each work day)
- D. Payroll records for all employees showing hours worked each week and hourly wages

14. **Off-site Catering Records** (must be complete and separate from restaurant records)

- A. All documents which support the income derived from the sale of food off the license premises.
- B. All documents which support purchases made for food to be sold off the licensed premises.
- C. All coupons/specials/discounts

The sophistication of record keeping varies from establishment to establishment. Regardless of each licensee's accounting methods, the amount of gross revenue derived from the sale of food and liquor must be substantially documented.

**REVOCATION OF YOUR LIQUOR LICENSE MAY OCCUR IF YOU FAIL TO COMPLY WITH
A.R.S. §4-210(A)7 AND A.R.S. §4-205.02(G).**

A.R.S. §4-210(A)7

The licensee fails to keep for two years and make available to the department upon reasonable request all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of spirituous liquors and, in the case of a restaurant or hotel-motel licensee, all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of food.

A.R.S. §4-205.02(G)

For the purpose of this section:

- 1. "Restaurant" means an establishment which derives **at least forty percent (40%)** of its gross revenue from the sale of food
- 2. "Gross revenue" means the revenue derived from all sales of food and spirituous liquor on the licensed premises regardless of whether the sales of spirituous liquor are made under a restaurant license issued pursuant to this section or under any other license that has been issued for the premises pursuant to this article.

I, (Print Full Name) _____, hereby swear under penalty of perjury and in compliance with A.R.S. § 4-210(A)(2) and (3) that I have read and understand the foregoing and verify that the information and statements that I have made herein are true and correct to the best of my knowledge.

Applicant Signature: _____

MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH RECORDS REQUIRED BY THE STATE

APPENDIX B

Agency Number (number)	Org (Unit)	First Name	Last Name	Job ID	Job Title	Working Title	Employee Schedule Code	Supervisor First Name
650	3200	Alexis	Iversen	22381	Alcoholic Beverage Services Specialist	Licensing/compliance Specialist	B	Jeffrey
650	3200	Anita	Knowley	22381	Alcoholic Beverage Services Specialist	Licensing/compliance Specialist	B	Cori
650	3200	Bonnie	Bills	22381	Alcoholic Beverage Services Specialist	Licensing/compliance Specialist	B	Cori
650	3200	Craig	Warr	22381	Alcoholic Beverage Services Specialist	Licensing/compliance Specialist	B	Cori
650	3200	Daniel	Oberg	22381	Alcoholic Beverage Services Specialist	Licensing/compliance Specialist	B	Cori
650	3200	Jessica	Atencio	22381	Alcoholic Beverage Services Specialist	Licensing/compliance Specialist	B	Jeffrey
650	3200	Kathryn	Kolowich	22381	Alcoholic Beverage Services Specialist	Licensing/compliance Specialist	B	Stephne
650	3200	Margaret	Hardie	22381	Alcoholic Beverage Services Specialist	Licensing/compliance Specialist	B	Cori
650	3200	Michael	Bishop	22381	Alcoholic Beverage Services Specialist	Licensing/compliance Specialist	B	Cori
650	3200	Nicole	Hall	22381	Alcoholic Beverage Services Specialist	Licensing/compliance Specialist	B	Jeffrey
650	3200	Nicole	Nguyen	22381	Alcoholic Beverage Services Specialist	Licensing/compliance Specialist	B	Cori
650	3200	Shannon	Donahue	22381	Alcoholic Beverage Services Specialist	Licensing/compliance Specialist	B	Stephne
650	3200	Steven	Lucero	22381	Alcoholic Beverage Services Specialist	Licensing/compliance Specialist	TL	Jeffrey
650	3200	Troy	Potter	22381	Alcoholic Beverage Services Specialist	Licensing/compliance Specialist	B	Jeremy

Job Overview

Job ID 22381

Job Title Alcoholic Beverage Services Specialist

Agency 650

Effective Date 06/25/2022

Pay Range \$19.89 - \$29.89

Job Basic Information

Title Alcoholic Beverage Services Specialist

Effective Date 06/25/2022

Job Categories Compliance And Regulation

Job Code 13-1041.00

Agency 650 - Alcoholic Beverage Services

FLSA Status Non-Exempt

Classified Yes

Is Benchmark Job No

Benchmark Job 14244 - Administrative Services Manager

Pay Range Minimum Hourly Rate 19.89

Pay Range Maximum Hourly Rate 29.89

Purpose & Distinguishing Characteristics

Incumbents interpret and implement state alcoholic beverage statutes and rules, develop policies and procedures, license liquor and beer outlets and other permit-tees, and ensures compliance with state laws and department rules and regulations; monitor the business and operational affairs of private clubs, restaurants; audits existing licensees; establishes, implements, and maintains procedures and requirements for each license type; makes oral and written presentations to the Alcoholic Beverage Services Commission, conducts training for local law enforcement and community groups.

Working Level Working

EEO ID & Probationary Period Professionals (12 months)

Working Conditions Everyday Risks

Supervisory Level None

Highly Sensitive Personally Identifiable Private Information

Physical Requirements Sedentary

Justification

2022 SB176S02 changed the name of the Department of Alcoholic Beverage Control to the Department of Alcoholic Beverage Services.

Status Active

Tasks

Permanent Task	Task Description
	Ensures compliance with applicable federal and/or state laws, regulations, and/or agency rules, standards and guidelines, etc. Issues licenses, permits, registrations, certificates, etc. Conducts audits (i.e. determines the nature, scope and direction of the audit; reviews and analyzes available information, identifies potential issues, schedules audit, prepares audit work papers, etc.). Schedules and conducts inspections and/or investigations. Monitors and evaluates operations, programs, processes and/or practices for quality and effectiveness; makes recommendations for improvement. Maintains and/or creates files or record keeping systems. Sorts, labels, files and retrieves documents, or other materials. Reviews data, records and files for detail and accuracy. Acts as an expert witness. Gives testimony and /or recommendations in court cases and/or hearings.

Knowledge, Skills, Abilities (KSAs)

Permanent	Description
	Knowledge: 2.C.8.b - Law and Government Knowledge of laws, legal codes, court procedures, precedents, government regulations, executive orders, agency rules, and the democratic political process. Knowledge: 2.C.7.a - English Language Knowledge of the structure and content of the English language including the meaning and spelling of words, rules of composition, and grammar. Knowledge: 2.C.1.e - Customer and Personal Service Knowledge of principles and processes for providing customer and personal services. This includes customer needs assessment, meeting quality standards for services, and evaluation of customer satisfaction. Knowledge: 2.C.8.a - Public Safety and Security Knowledge of relevant equipment, policies, procedures, and strategies to promote effective local, state, or national security operations for the protection of people, data, property, and institutions. Knowledge: 2.C.3.a - Computers and Electronics Knowledge of circuit boards, processors, chips, electronic equipment, and computer hardware and software, including applications and programming. Knowledge: 2.C.1.a - Administration and Management Knowledge of business and management principles involved in strategic planning, resource allocation, human resources modeling, leadership technique, production methods, and coordination of people and resources. Knowledge: 2.C.1.b - Clerical Knowledge of administrative and clerical procedures and systems such as word processing, managing files and records, stenography and transcription, designing forms, and other office procedures and terminology. Knowledge: 2.C.6 - Education and Training Knowledge of principles and methods for curriculum and training design, teaching and instruction for individuals and groups, and the measurement of training effects. Skill: 2.A.1.b - Active Listening Giving full attention to what other people are saying, taking time to understand the points being made, asking questions as appropriate, and not interrupting at inappropriate times. Skill: 2.A.1.a - Reading Comprehension Understanding written sentences and paragraphs in work related documents. Skill: 2.A.1.d - Speaking Talking to others to convey information effectively. Skill: 2.A.2.a - Critical Thinking Using logic and reasoning to identify the strengths and weaknesses of alternative solutions, conclusions or approaches to problems.

Permanent	Description
	Skill: 2.B.4.e - Judgment and Decision Making Considering the relative costs and benefits of potential actions to choose the most appropriate one. Skill: 2.B.1.a - Social Perceptiveness Being aware of others' reactions and understanding why they react as they do. Skill: 2.A.1.c - Writing Communicating effectively in writing as appropriate for the needs of the audience. Skill: 2.A.2.b - Active Learning Understanding the implications of new information for both current and future problem-solving and decision-making. Skill: 2.B.2.i - Complex Problem Solving Identifying complex problems and reviewing related information to develop and evaluate options and implement solutions. Skill: 2.A.2.d - Monitoring Monitoring/Assessing performance of yourself, other individuals, or organizations to make improvements or take corrective action. Skill: 2.B.1.f - Service Orientation Actively looking for ways to help people. Skill: 2.B.5.a - Time Management Managing one's own time and the time of others. Skill: 2.B.1.b - Coordination Adjusting actions in relation to others' actions. Skill: 2.B.1.d - Negotiation Bringing others together and trying to reconcile differences. Skill: 2.B.1.c - Persuasion Persuading others to change their minds or behavior. Ability: 1.A.1.a.1 - Oral Comprehension The ability to listen to and understand information and ideas presented through spoken words and sentences. Ability: 1.A.1.a.3 - Oral Expression The ability to communicate information and ideas in speaking so others will understand. Ability: 1.A.1.a.2 - Written Comprehension The ability to read and understand information and ideas presented in writing. Ability: 1.A.4.b.5 - Speech Clarity The ability to speak clearly so others can understand you. Ability: 1.A.1.b.5 - Inductive Reasoning The ability to combine pieces of information to form general rules or conclusions (includes finding a relationship among seemingly unrelated events). Ability: 1.A.4.a.1 - Near Vision The ability to see details at close range (within a few feet of the observer). Ability: 1.A.4.b.4 - Speech Recognition The ability to identify and understand the speech of another person. Ability: 1.A.1.a.4 - Written Expression The ability to communicate information and ideas in writing so others will understand. Ability: 1.A.1.b.4 - Deductive Reasoning The ability to apply general rules to specific problems to produce answers that make sense. Ability: 1.A.1.b.3 - Problem Sensitivity The ability to tell when something is wrong or is likely to go wrong. It does not involve solving the problem, only recognizing there is a problem. Ability: 1.A.4.a.2 - Far Vision The ability to see details at a distance. Ability: 1.A.1.b.6 - Information Ordering The ability to arrange things or actions in a certain order or pattern according to a specific rule or set of rules (e.g., patterns of numbers, letters, words, pictures, mathematical operations). Ability: 1.A.1.b.7 - Category Flexibility The ability to generate or use different sets of rules for combining or grouping things in different ways. Ability: 1.A.1.b.1 - Fluency of Ideas The ability to come up with a number of ideas about a topic (the number of ideas is important, not their quality, correctness, or creativity).

Other Requirements

Requirement Description	Comment
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Requirement Description	Comment
Risks found in the typical office setting, which is adequately lighted, heated and ventilated, e.g., safe use of office equipment, avoiding trips and falls, observing fire regulations, etc. Typically, the employee may sit comfortably to perform the work; however, there may be some walking; standing; bending; carrying light items; driving an automobile, etc. Special physical demands are not required to perform the work.	

Positions

Comments

Position Overview

Working Title Licensing/compliance Specialist

Position Agency 650 - Alcoholic Beverage Services

Position Status Active

Effective Date 12/01/2018

Position ID 65011893

Employee Overview

Name Michael Bishop

EIN 206479

Job Overview

Title Alcoholic Beverage
Services Specialist

Benchmark No

FLSA Status Non-Exempt

Job ID 22381

Salary Range \$19.89 - \$29.89

Agency 650

EEO & Probation Professionals (12)

Classified Yes

Supervisory Level None

Working Level Working

Position Basic Information

Working Title Licensing/compliance Specialist

Is Executive No

Effective Date 12/01/2018

Job Alcoholic Beverage Services Specialist

Position Agency 650 - Alcoholic Beverage Services

Schedule B - Competitive Career Service

Shift Normal

On Call / Standby No

Reponse Time Required No

Travel Required Yes

Work Location DABS Main Office (front) 1625 S 900 W

Purpose & Distinguishing Characteristics

Process and oversee applications and renewals for establishments seeking alcohol licenses from the Department of Alcoholic Beverage Control. Interpret and apply statutes, rules and policies. Monitor and inspect licensees. Audit licensee's financial records, dispensing records, alcohol service plan, alcohol server training records, etc. Perform premise checks. Conduct public hearings. Conduct licensee training sessions. Prepare and present reports to the Liquor Commission. Prepare, update and distribute educational materials to applicants, licensees, attorneys, law enforcement, community citizens, etc. Write newsletter articles. Maintain electronic and written records on assigned accounts.

Working Conditions Everyday Risks

Supervisory Level None

Highly Sensitive Personally Identifiable Private Information

Physical Requirements Sedentary

Protected Status No

Status Active

Eligible for 7 Hour Accrual No

Sworn Officer No

Justification

New position authorized by 2018 FY legislative Session.

Tags

Tasks

Percentage	Description	Type	Specification	Essential/Marginal
20	Process and oversee applications and license renewals.			Essential
15	Provides training to licensees.			
15	Schedules and conducts inspections.			Essential
10	Conducts audits.			Essential
10	Ensures compliance with applicable federal Job and/or state laws, regulations, and/or agency rules, standards and guidelines, etc.			Essential
10	Maintains and/or creates files or record keeping systems.			Essential
10	Reviews data, records and files for detail and accuracy.	Job		Essential
10	Schedules and/or participates in public hearings concerning agency issues, rules, regulations and/or compliance standards.			Essential
0	Acts as an expert witness. Gives testimony and/or recommendations in court cases and/or hearings.	Job		

Percentage	Description	Type	Specification	Essential/Marginal
0	Conducts audits (i.e. determines the nature, scope and direction of the audit; reviews and analyzes available information, identifies potential issues, schedules audit, prepares audit work papers, etc.).	Job		
0	Issues licenses, permits, registrations, certificates, etc.	Job		
0	Maintains and/or creates files or record keeping systems. Sorts, labels, files and retrieves documents, or other materials.	Job		
0	Monitors and evaluates operations, programs, processes and/or practices for quality and effectiveness; makes recommendations for improvement.	Job		
0	Schedules and conducts inspections and/or investigations.	Job		

Knowledge, Skills, Abilities (KSAs)

Description	Type	Specification	Experience	Supervisory
Knowledge: 2.C.8.b - Law and Government	Job			
Knowledge: 2.C.7.a - English Language	Job			
Knowledge: 2.C.1.e - Customer and Personal Service	Job			
Knowledge: 2.C.8.a - Public Safety and Security	Job			
Knowledge: 2.C.3.a - Computers and Electronics	Job			
Knowledge: 2.C.1.a - Administration and Management	Job			
Knowledge: 2.C.1.b - Clerical	Job			
Knowledge: 2.C.6 - Education and Training	Job			
Skill: 2.A.1.b - Active Listening	Job			
Skill: 2.A.1.a - Reading Comprehension	Job			
Skill: 2.A.1.d - Speaking	Job			
Skill: 2.A.2.a - Critical Thinking	Job			
Skill: 2.B.4.e - Judgment and Decision Making	Job			
Skill: 2.B.1.a - Social Perceptiveness	Job			
Skill: 2.A.1.c - Writing	Job			
Skill: 2.A.2.b - Active Learning	Job			
Skill: 2.B.2.i - Complex Problem Solving	Job			
Skill: 2.A.2.d - Monitoring	Job			
Skill: 2.B.1.f - Service Orientation	Job			
Skill: 2.B.5.a - Time Management	Job			
Skill: 2.B.1.b - Coordination	Job			
Skill: 2.B.1.d - Negotiation	Job			
Skill: 2.B.1.c - Persuasion	Job			
Ability: 1.A.1.a.1 - Oral Comprehension	Job			

Description	Type	Specification	Experience	Supervisory
Ability: 1.A.1.a.3 - Oral Expression	Job			
Ability: 1.A.1.a.2 - Written Comprehension	Job			
Ability: 1.A.4.b.5 - Speech Clarity	Job			
Ability: 1.A.1.b.5 - Inductive Reasoning	Job			
Ability: 1.A.4.a.1 - Near Vision	Job			
Ability: 1.A.4.b.4 - Speech Recognition	Job			
Ability: 1.A.1.a.4 - Written Expression	Job			
Ability: 1.A.1.b.4 - Deductive Reasoning	Job			
Ability: 1.A.1.b.3 - Problem Sensitivity	Job			
Ability: 1.A.4.a.2 - Far Vision	Job			
Ability: 1.A.1.b.6 - Information Ordering	Job			
Ability: 1.A.1.b.7 - Category Flexibility	Job			
Ability: 1.A.1.b.1 - Fluency of Ideas	Job			

Other Requirements

Requirement Title	Comment	Type
Risks found in the typical office setting, which is adequately lighted, heated and ventilated, e.g. safe use of office equipment, avoiding trips and falls, observing fire regulations, etc.1		Job
Typically, the employee may sit comfortably to perform the work; however, there may be some walking, standing, bending, carrying light items, driving an automobile, etc. Special physical demands are not required to perform the work.		Job

FINET

Supervisor Position Licensing And Compliance Super

Supervisor Name Cori Price

Payroll Supervisor Position Licensing And Compliance Super

Payroll Supervisor Name Cori Price

Performance Evaluation Required Yes

Distribution Code 0000

Fund 5480

Appropriation VFA

Org/Unit 3200

Activity

Function

Program

Phase

Finet Codes Validated Date

Comments

APPENDIX C

**Most of the information on Pages 2 through 15, and Page 60
apply to every Licensee**

GENERAL PROVISIONS - Miscellaneous

32B-1-202(2)

Is licensee an Outlet? If yes, then: (outlet means state store, PA, Retail Licensee)

- a. Y or N: Is the Outlet within 600 feet of a community location as measured from the nearest patron entrance of the proposed outlet by following the shortest route of ordinary pedestrian travel to the property boundary of the community location; or
- b. Y or N: within 200 feet of the proposed outlet, measured in a straight line from the nearest patron entrance of the proposed outlet to the nearest property boundary of the community location

Is licensee a restaurant? If yes, then:

- a. Refer to R82-6-201: Restaurants – Grandfathered Bar Structures
 - i.) Y or N: For remodels, Did licensee apply for and receive approval from the Department?
- b. Y or N: Is the restaurant within 300 feet of a community location, as measured from the nearest patron entrance of the proposed restaurant by following the shortest route of ordinary pedestrian travel to the property boundary of the community location; or
- c. Y or N: within 200 feet of the proposed restaurant, measured in a straight line from the nearest patron entrance of the proposed restaurant to the nearest property boundary of the community location

32B-1-202(3)

Y or N: Has outlet or restaurant held a license since on or before May 9, 2017 and operated on a previously approved variance to proximity requirement?

Y or N: Has outlet or restaurant operated continuously at their location since January 1, 2007?

32B-1-202(4)

Y or N: Has outlet or restaurant held a license on May 12, 2020 and operated in accordance with proximity requirements at that time in which the Commission issued the license, or are operating under a previously approved variance?

32B-1-202(5)

Y or N: Has a community location been established near the licensee that violates the proximity requirements AFTER the licensee received their license?

32B-1-202.1(2)

Y or N: Is licensee a hotel? If yes, then: (Refer also to the **HOTEL LICENSE ACT**)

- a. Y or N: Is it located in a city?
- b. Y or N: Is it within 600 feet of two community locations, as measured from the nearest patron entrance of the proposed hotel by following the shortest route of ordinary pedestrian travel to the property boundary of each community location;
- c. Y or N: Is it not within 300 feet of a community location, as measured from the nearest patron entrance of the proposed hotel by following the shortest route of ordinary pedestrian travel to the property boundary of the community location; and

- d. Y or N: Is it not within 200 feet of a community location, as measured in a straight line from the nearest patron entrance of the proposed hotel to the nearest property boundary of the community location
- e. Y or N: Is sublicense premises of bar establishment on 2nd floor or higher in the hotel?
- f. Y or N: Is sublicense premises of bar establishment not accessible at street level?
- g. Y or N: Is it only accessible to individuals who pass through another area of the hotel?

32B-1-202.1(3)

Y or N: Will **HOTEL** operate as a package agency (all above requirements must be met)? If yes, then:

- a. Refer to R82-2-302: Advertising, Promotion and Listing of Products
- b. Refer to the **HOTEL LICENSE ACT**

32B-1-202.1(4)

Y or N: Is licensee an arena? If yes, then: (Refer also to the **ARENA LICENSE ACT**)

- a. Y or N: On the day before the day on which the Commission issued the license, did each proposed sublicensee operate as an outlet or restaurant? AND
- b. Y or N: On the day before the day on which the Commission issued the license, did each proposed sublicensee operate on the proposed sublicense premises under a variance to one or more proximity requirements in accordance with Section 32B-1-202? OR
- c. Y or N: On the day before the day on which the Commission issued the license, had each proposed sublicensee been in operation on the proposed sublicense premises for at least 10 years?

(No sublicense will be issued after the Commission has issued the arena license)

32B-1-203

Y or N: Is licensee in compliance with the applicable federal and state laws pertaining to payment of taxes and contributions to unemployment and insurance funds to which the licensee or person may be subject? (check payroll and business records)

32B-1-204

Y or N: Does licensee express any issues with local authority (city or county) regulation regarding the sale, offer for sale, furnishing, or consumption of an alcoholic product? If yes, check for conflict of interest with Title 32B

32B-1-205

Y or N: Do any licensee records appear to be intentionally forged, falsified, altered, cancelled, destroyed, concealed, or removed or absent?

32B-1-207

Y or N: Have gross receipts for food sales and alcoholic product sales been calculated separately for the purpose of determining a ratio? If yes then:

- a. Y or N: Have any sales of bottles of wine exceeding \$175 been included in the calculation?

- b. Y or N: Have any sales of individual portions (see 32B-5-304(2)(a)) of wine exceeding \$30 per portion been included in the calculation?
- c. Y or N: Have any sales of individual portions (see 32B-5-304(1)) of spirituous liquor exceeding \$30 per portion been included in the calculation?

32B-1-208

Y or N: Does licensee have a percentage lease agreement (does not apply to **AIRPORT** lounges)? If yes then:

- a. Y or N: Has licensee provided a copy of the percentage lease agreement to the department?
- b. Y or N: Have any changes been made to the original percentage lease agreement and has a new copy been submitted to the department?
 - (i) Refer to R82-1-208: Percentage Lease Agreements:
 - A. Maximum percentage of revenue from alcohol sales allowed is 20%
 - B. Lessor cannot control or acquire an ownership interest in the business of Lessee
 - C. Industry Representative is prohibited from profit sharing and ownership of Retail Licensee operations.
- c. Y or N: Is the percentage lease agreement 6% of alcohol sales or lower? (if yes, then the department may not conduct any further investigation into the percentage lease agreement)

GENERAL PROVISIONS – Qualifications and Background

32B-1-305

Y or N: Has any individual who represents a licensee as any one of the below titles, provided a signed waiver for fingerprints and a background check?

- a. a partner;
- b. a managing agent;
- c. a manager;
- d. an officer;
- e. a director;
- f. a stockholder who holds at least 20% of the total issued and outstanding stock of a corporation;
- g. a member who owns at least 20% of a limited liability company; or
- h. an individual employed to act in a supervisory or managerial capacity

Y or N: Have any individuals become involved with the entity as any one of the above titles, since the last renewal of the license? If yes, then this individual must comply with 32B-1-305 Subsection 1, unless exempted by the Commission (see 32B-1-305 Subsection 3).

GENERAL PROVISIONS – Proof of Age Act

32B-1-404

Y or N: Does licensee request proof of age when providing alcoholic products, admittance to restricted areas or determining employment that requires handling of alcohol products, and that may not be held by a minor?

32B-1-405

Y or N: Has the licensee requested any statement of age forms for anyone whose age may be in question? If yes then:

- a. Has the form been filed alphabetically?
- b. Has the form been maintained for three years from the date of signing?

32B-1-407

Y or N: Does the licensee and all authorized persons for the applicable licensee, require proof of age for admittance to a bar or tavern, procurement of alcoholic products in a dining club, procurement of alcoholic products in a restaurant dispensing area, by:

- a. Y or N: Requiring presentation of proof of age?
- b. Y or N: Verifying the validity of proof of age electronically?
- c. Y or N: Information collected electronically is retained for seven days after the date on which the licensee obtains the information?

GENERAL PROVISIONS – Attire, Conduct and Entertainment Act

32B-1-504

Y or N: Is licensee a sexually oriented business? If yes, then:

- a. Y or N: Are attire and conduct requirements met?

32B-1-505

Y or N: If licensee is a sexually oriented business, do they have live entertainment? If yes, then:

- a. Y or N: Is licensee a tavern or bar?
- b. Y or N: Are tavern or bar attire and conduct requirements met?
- c. Y or N: Does entertainer perform only on stage?
- d. Y or N: Is opaque clothing required if not a tavern or a bar?
- e. Y or N: Are patrons allowed on the stage?
- f. Refer to R82-6-404: Sexually Oriented Entertainers and Stage Approvals

GENERAL PROVISIONS – Malted Beverage Act

32B-1-603

Y or N: Is licensee a brewer? If yes, then:

- a. Y or N: Does licensee have a brewery manufacturing license or a certificate of approval?
- b. Y or N: Does licensee produce flavored malt beverages?
- c. Y or N: Does DABS have an updated list of flavored malt beverages that licensee intends to distribute or sell?
- d. Y or N: Has the licensee provided DABS with statement of process or a formula?
- e. Y or N: Has the licensee submitted evidence of any of their products they do not consider liquor?

32B-1-604

- f. Y or N: Do the licensee's labels and packaging meet federal requirements? (27 C.F.R. Parts 7, 13, and 16)
- g. Y or N: Do the licensee's labels and packaging clearly give notice to the public that the product is an alcoholic beverage?
- h. Y or N: Has the Commission approved all labels and packaging for malted beverage products sold by the licensee?

32B-1-605

- i. Y or N: Have any licensee labels or packaging been revised since having been previously approved by the Commission? If yes, then:
- j. Y or N: Have the revised labels or packaging been approved by the Commission?

32B-1-606

- k. Y or N: Does the licensee sell or distribute any products with labels or packaging that are similar to labels or packaging of non-alcoholic products? (refer to 32B-1-606, Section 4; <https://le.utah.gov/xcode/Title32B/Chapter1/32B-1-S606.html>) If yes, then:
- l. Y or N: Is there a statement on the front of the label at least 3 millimeters high, and is an obvious and clearly visible contrast to the label AND packaging, that says "contains alcohol" or "alcoholic beverage?"
- m. Y or N: Is the malted beverage product alcohol content stated on the label AND packaging in a serving facts statement for the label, a statement of alcohol content by volume or weight for the packaging, and in a format allowed by the Federal TTB for the label, and in a format required by Rule made by the Commission for the packaging?

Refer to 32B-11-5

Refer to R82-1-105

GENERAL PROVISIONS – Alcohol Training and Education Act

32B-1-702

- a. Y or N: Have all of the licensee's retail managers and retail staff completed alcohol training and education? (all includes on-premise and off-premise)?
 - b. Y or N: Does licensee have a record on file to certify that all retail managers and all retail staff have completed alcohol training and education?
 - c. Y or N: Does licensee have previous violations related to the information provided in alcohol training and education? If yes, then:
 - d. Y or N: Have retail managers and retail staff re-taken alcohol training and education?
- Refer to R82-1-107

DISCIPLINARY ACTIONS AND ENFORCEMENT ACT – Disciplinary Proceedings

32B-3-202

- a. Y or N: Is licensee in compliance with all necessary licensing requirements?
 - (i) maintaining an approved, licensed premise
 - (ii) maintaining insurance
 - (iii) maintaining a bond
 - (iv) following the requirements in Section 32B-1-304, regarding qualifications
 - (v) maintaining required store hours
 - (vi) failing to utilize the license issued
 - (vii) transferring a license in violation of Chapter 18, Change of Alcohol License or Location ActIf no, then:
- b. Y or N: Is non-department enforcement agency, enforcement officer, or DABS Compliance Officer working on or has completed investigative report containing facts that could support a finding? If yes, then:
- c. Y or N: Has report been submitted to the Commission for consideration?

DISCIPLINARY ACTIONS AND ENFORCEMENT ACT – Nuisance Retail Licensee Act

32B-3-303

- a. Y or N: Has retail licensee, or supervisory or managerial level staff of the retail licensee, been convicted of a single felony within the past two years?
- b. Y or N: Has retail licensee or staff of the retail licensee had a single conviction under the Utah Controlled Substances Act (Utah Title 58, Chapter 37), within the last two years and made on the basis of an act that occurred on the licensed premise?
- c. Y or N: Have three or more convictions of patrons of the retail licensee, under the Utah Controlled Substances Act (Utah Title 58, Chapter 37), been made on the basis of acts that occurred on the licensed premise, and there is evidence that the licensee knew or should have known about the illegal activity?
- d. Y or N: Has there been a single conviction within the last two years of the retail licensee or staff of the retail licensee on the licensed premises that is made on the basis of:
 - (i) pornography and harmful content
 - (ii) prostitution
 - (iii) gambling
 - (iv) gaming devices
 - (v) contests or gaming
 - (vi) disturbance of the peace
 - (vii) disorderly conduct
- e. Y or N: Has licensee had three or more adjudicated violations of title 32B within the last two years by a retail licensee or by staff of the retail licensee that result in a criminal citation or an administrative referral to the department relating to:
 - (i) the sale, offer for sale, or furnishing of an alcoholic product to a minor;
 - (ii) the sale, offer for sale, or furnishing of an alcoholic product to a person actually, apparently, or obviously intoxicated;
 - (iii) the sale, offer for sale, or furnishing of an alcoholic product after the lawful hours for the sale or furnishing; or
 - (iv) acts or conduct on the licensed premises contrary to the public welfare and morals involving lewd acts or lewd entertainment prohibited by this title
- f. Y or N: Is licensee a Partnership, Corporation or LLC? If yes, then:
The violations in above Section C apply to all of the below as representing the Licensee:
 - 1. Partner
 - 2. Managing Agent
 - 3. Manager
 - 4. Officer
 - 5. Director
 - 6. Stockholder who owns at least 20% of issued and outstanding stock
 - 7. Member who owns at least 20% of Limited Liability Company

CRIMINAL OFFENSES AND PROCEDURE ACT
Sale, Purchase, Possession, and Consumption

32B-4-418

Y or N: Is licensee licensed to sell beer but not licensed to sell liquor? If yes, then:

- a. Y or N: Does licensee have any unlawful liquor stored on premises?

32B-4-422

Y or N: Does licensee sell spirituous liquor? If yes, then:

- a. Y or N: Does licensee have a calibrated metered dispensing system approved by DABS? (metered to count number of pours, and 1/16 of an ounce or two milliliters margin of error for a one ounce pour)
- b. Y or N: Does licensee furnish primary spirituous liquor in a quantity that does not exceed 1.5 ounces per beverage dispensed through the metered dispensing system?
- c. Y or N: Does licensee furnish more than a total of 2.5 ounces of spirituous liquor per beverage?
- d. Y or N: Does licensee allow patrons to have more than 2.5 ounces of spirituous liquor at a time?
- e. Refer to R82-5-104: Liquor Dispensing Systems
- f. Y or N: If the licensee is one of the following, does the licensee allow persons on the premises more than one spirituous beverage at a time?
 - (i) full service restaurant
 - (ii) full service restaurant sublicensee
 - (iii) on premise banquet licensee
 - (iv) on premise banquet sublicensee
 - (v) single event permittee
- g. Y or N: Does licensee allow patrons to have more than two spirituous liquor beverages at a time?

32B-4-424

Y or N: Does licensee use any powdered alcohol products?

CRIMINAL OFFENSES AND PROCEDURE ACT – Operations

32B-4-501

Y or N: Does licensee have a current, valid license to operate?

32B-4-502

Y or N: Is the licensee in possession of a United States Bureau of Internal Revenue stamp describing the fermented malt liquor they may have? If yes, then:

a. Does licensee have any stored liquor that is not described in the stamp?

32B-4-503

Y or N: Has the licensee, or another person known to the licensee, stolen, falsified, altered, willfully destroyed, mutilated, defaced, removed, or concealed in whole or in part, any record required to be filed or deposited with the Commission or the Department?

32B-4-505

Y or N: Has the licensee, or another person known to the licensee, or the licensee's staff, failed to admit a DABS Commissioner or employee to the premises, or obstructed a search, proceeding or investigation in any way?

32B-4-508

Y or N: Has the licensee offered a DABS Commissioner or employee a bribe, a gift, or a share of their operations profits?

CRIMINAL OFFENSES AND PROCEDURE ACT – Trade Practices Act

32B-4-704

Y or N: Does the licensee hold a retail license? If yes, then:

- a. Does an alcoholic product industry member hold an interest, or own any part of the licensee's license?
- b. Has an alcoholic product industry member induced in any way, the retail licensee to purchase alcoholic product from the industry member, to the exclusion of other products?
- c. Has an alcoholic product industry member directly, indirectly or through an affiliate acquired an interest in real or personal property owned, occupied, or used by the retail licensee in the conduct of the licensed business?
- d. Has an alcoholic product industry member induced in any way, the retail licensee to purchase alcoholic product from the industry member by furnishing, giving, renting, lending or selling to the retail licensee, equipment, fixtures, signs, supplies, money, services, or other things of value? (see 32B-4-705 for conditions and exclusions)
- e. Has an alcoholic product industry member directly, indirectly or through an affiliate induced the retail licensee to purchase alcoholic product from the industry member by paying or crediting the retail licensee for an advertising, display or distribution service?
- f. Has an alcoholic product industry member directly, indirectly or through an affiliate induced the retail licensee to purchase alcoholic product from the industry member by guaranteeing a loan or the repayment of a financial obligation of the retail licensee?
- g. Has an alcoholic product industry member directly, indirectly or through an affiliate induced the retail licensee to purchase beer from the industry member by extending credit (for a period in excess of 15 days from the date of delivery to the date of full legal discharge from all indebtedness) by the retail licensee paying cash or its equivalent?
- h. Has an alcoholic product industry member directly, indirectly or through an affiliate induced the retail licensee by requiring the retail licensee to take and dispose of a certain quota of a beer product?
- i. Has an alcoholic product industry member directly, indirectly or through an affiliate induced the retail licensee to purchase one product in order to purchase another product?

32B-4-705

Y or N: Has an alcoholic product industry member paid or compensated the retail licensee or permittee, or retail staff or permittee staff, for attending an educational seminar or tour?

- a. Refer to R82-10-402: Special Use Permit – Industry Participation in Educational Seminars Involving Liquor, Wine and Heavy Beer

32B-4-706

Y or N: Has any alcoholic product industry member induced the licensee to purchase the industry member's products by commercial bribery, or by offering or giving a bonus, premium, compensation or other things of value, to any officer, employee, or representative of the licensee (including wholesaler or retailer)?

32B-4-707

Y or N: Does licensee offer any alcoholic products for sale on consignment?

32B-4-708

Y or N: Has licensee engaged in any advertisement or promotional scheme, including rebates, refunds or prizes that require the purchase or sale of an alcoholic product, or consumption of an alcoholic product, in order to participate?

32B-4-708

Y or N: Has licensee sponsored or underwritten an athletic, theatrical, scholastic, artistic, or scientific event that overly promotes alcoholic product consumption, offers an alcoholic product without charge, or takes place on the premises of a school, college, university or other educational institution?

RETAIL LICENSE ACT

32B-5-201 & 32B-5-202

Y or N: Is this a retail licensee renewal? If yes, then:

- a. Y or N: Was renewal application information submitted on or before the day specified in the relevant chapter or part for the type of license?
- b. Y or N: Was a completed application received?
- c. Y or N: If the licensee is an entity, did an authorized representative for the entity sign the application?
- d. Y or N: Was a proper renewal fee received?
- e. Y or N: Was a responsible alcohol service plan required? If yes was it received?
- f. Y or N: Does licensee and sublicensee still retain local authority license(s)?
- g. Y or N: Have any proximity requirements been compromised since license was issued or last license renewal was approved?
- h. Y or N: Have any floor plans, boundry maps, storage or selling areas, or consumption areas changed on the licensed or sublicensed premises?
- i. Y or N: Has licensee and sublicensees maintained required insurance coverage and limits?
- j. Y or N: Does licensee and sublicensee retain a signed consent form stating that any authorized representative of the DABS Commission or department, or any law enforcement officer will have the unrestricted right to enter the licensed or sublicensed premises?
- k. Y or N: Does the licensee and sublicensees have evidence that each individual the person has hired to work as a retail manager has completed alcohol training and education? (see also 32B-1-702)
- l. Y or N: Have any licensees or sublicensees been disqualified since license was issued or last renewal was approved? (see also 32B-1-304)

32B-5-203

Y or N: Is this a retail licensee renewal? If yes, then:

- a. Y or N: Have any physical characteristics of the licensed premises or sublicensed premises changed since license was issued or last license renewal was approved?
- b. Y or N: Have any of the licensee's operational factors changed since license was issued or last license renewal was approved?
- c. Y or N: Has licensee's or sublicensee's ability to manage and operate changed since license was issued or last license renewal was approved? (including staff who will act in a supervisory or managerial capacity)
- d. Y or N: Has licensee or sublicensee changed any of the following since license was issued or last license renewal was approved?
 - (i) type of menu items offered and emphasized
 - (ii) whether licensee or accompanying sublicensees will emphasize service to adults or to minors
 - (iii) proposed hours of operation
 - (iv) seating capacity of the premises or sublicensed premises
 - (v) estimated gross sales of food items

- e. Y or N: Has licensee or sublicensee changed any other factors the DABS Commission consider necessary to retain a license?
- f. Y or N: Does the licensee have a kitchen or culinary facilities that are adequate?
 - (i) for the type of license being applied for
 - (ii) for the purpose of the proposed license or sublicense
 - (iii) for the locality within which the licensed or sublicensed premises is located
- g. Refer to R82-5-108: Menus and Price Lists
- h. Refer to R82-8-102: Resorts: Applicability of Rules

32B-5-204

Y or N: Has the license procured, posted and maintained a cash bond or surety bond as required to continue to operate?

32B-5-206

Y or N: Is licensee a seasonal retail license? If yes, then:

- a. Y or N: If license is a Seasonal A license, did licensee begin operation on May 1 and cease operation on October 31?
- b. Y or N: If license is a Seasonal B license, did licensee begin operation on November 1 and cease operation on April 30?

32B-5-207

Y or N: Are there one or more licenses for the same premises? If yes, then:

- a. Y or N: Are two or more of the following types of licenses held on the premises?
 - (i) Restaurant license
 - (ii) On premise beer retailer license that is not a tavern
 - (iii) On premise banquet license or a reception center license
 - (iv) Hospitality amenity license
- b. Y or N: Do any of the license operate at the same time on the same day?
- c. Y or N: Is the only shared premises between the issued or held restaurant licenses the area for alcoholic beverage consumption?
- d. Y or N: If the kitchen or culinary facilities are shared on the licensed premises, are two or more sublicenses of a principal licensee:
 - (i) One of which is an on premise banquet sublicense?
 - (ii) One of which is a restaurant license that is a sublicense, on premise beer retailer sublicense that is not a tavern, or a bar sublicense?
- e. Y or N: If the kitchen or culinary facilities are shared on the licensed premises:
 - (i) Does the same person apply for or hold each license?
 - (ii) Are the licensed premises each owned or leased by the same person and located in the same building?
 - (iii) Are the only shared premises between the issued or held licenses the kitchen or culinary facilities area, including any pathway necessary to transport items to and from the area?
- f. Y or N? If one or more licensees hold more than one type of license for the same premises, has a sign been conspicuously posted at the entrance to each room that:
 - (i) Measures 8 ½ inches by 11 inches?

- (ii) States whether the premises is currently operating as a restaurant, beer retailer, banquet/reception area, or hospitality amenity?
- g. Y or N: If two or more restaurant licensees share an area of each restaurant licensee's licensed premises designated for alcoholic beverage consumption, does each licensee:
 - (i) maintain control over the licensee's patrons?
 - (ii) use a visual marker to clearly identify which licensee served each patron?
- h. Y or N: If applicable, is each shared permanent wall between the premises licensed as a bar or tavern, and the premises licensed as a restaurant at least eight feet high?
- i. Y or N: If applicable, does each restaurant have a separate entryway that does not require a patron to pass through the bar or tavern area?
- j. Y or N: If applicable, is bar or tavern dispensing structure visible to a patron passing through the restaurant?
- k. Y or N: Is licensee a **RESORT** license sublicensee? If yes, then:
 - (i) Is there more than one sublicensee? If yes, then:
 - (ii) Are there one or more permanent physical structures that separate sublicensed premises?
 - (iii) Are patrons prohibited from transporting alcoholic beverages between two sublicensed premises located in the same room?
- l. Refer to R82-2-302: Advertising, Promotion, and Listing of Products
- m. Refer to R82-5-105: Multiple-Licensed Facility Storage and Service
- n. Refer to **RESORT LICENSE ACT 32B-8**

32B-5-301

Y or N: Is licensee a retail licensee? If so, then:

- a. Y or N: Does licensee have retail license prominently displayed?
- b. Y or N: Does licensee have the required warning statements displayed with the proper verbiage and fonts?
- c. Y or N: Does licensee have any form of gambling on the premises (see also 32B-3-303)?
- d. Y or N: Does licensee knowingly violate Utah Title 58, Chapter 37 or 37a (Utah Controller Substance Act and Utah Drug Paraphernalia Act), or allow a person(s) to violate these Acts (see also 32B-3-303)?
- e. Y or N: Does licensee comply with requirements to admit without hindrance of any kind, a Commissioner, authorized department employee or law enforcement officer onto the premises to inspect completely the premises and/or records (see also 32B-4-505)?
- f. Y or N: Does licensee comply with the time requirements prohibiting individuals from consuming an alcoholic product on the licensed premises?
- g. Y or N: Does licensee's staff wear an identification badge?

32B-5-302

Y or N: Is licensee a retail licensee? If so, then: (see also 32B-1-205)

- a. Y or N: Does licensee maintain current, detailed records, in a form approved by the department, showing quarterly expenditures made separately for:
 - (i) malt or brewed beverages

- (ii) liquor
 - (iii) set-ups
 - (iv) food
 - (v) any other item required by the department
- b. Y or N: Does licensee maintain current, detailed records in a form approved by the department, showing sales separately for:
 - (i) malt or brewed beverages
 - (ii) set-ups
 - (iii) food
 - (iv) any other item required by the department
- c. Y or N: Does licensee retain supporting documentation for expenditures by:
 - (i) a delivery ticket
 - (ii) an invoice
 - (iii) a receipted bill
 - (iv) a cancelled check
 - (v) a petty cash voucher
 - (vi) other sustaining datum or memorandum

32B-5-303

Y or N: Is licensee a retail licensee? If yes, then:

- a. Y or N: Does licensee purchase liquor not from a state store or package agency?
- b. Y or N: Does licensee transport their own liquore from a state store or package agency to the licensed premises, or do they pay a liquor transport vendor? (see 32B-17, Liquor Transport License Act)
- c. Y or N: Does licensee purchase beer from anyone or any business other than a beer wholesaler licensee, or a small brewer that manufactures the beer?
- d. Y or N: Does licensee comply with the geographical area requirements for purchasing beer from a beer wholesaler licensee?
- e. Y or N: Does licensee store alcoholic products in a place other than as designated in the retail licensee's application, or in an area not approved by the department?
- f. Y or N: Does licensee comply with liquor storage area locking requirements, and only unlock the area during times when liquor sales are authorized by law, or when restocking or inventorying the area, or when the area is being cleaned?

32B-5-304

Y or N: Is licensee a retail licensee? If yes, then:

- a. Y or N: Does licensee only provide primary spirituous liquor in a quantity that does not exceed 1.5 ounces per beverage and is dispensed through a calibrated metered dispensing system? (see also 32B-4-422)
- b. Refer to R82-5-104: Liquor Dispensing Systems
- c. Y or N: Does licensee designate a location and label as "flavorings," secondary flavoring ingredients, dessert flavorings, or flame assisters for food, drinks or desserts? Refer to R82-6-202: Restaurant – Alcoholic Flavorings
- d. Y or N: Does licensee ever provide alcoholic beverage products to patrons, that exceed 2.5 ounces of spirituous liquor at a time? (see also 32B-4-422)

- e. Y or N: Does licensee ever exceed 5 ounces per glass for an individual portion of wine?
- f. Y or N: Does licensee provide an individual portion of wine to a patron in more than one glass, that exceeds a total amount of 5 ounces of wine?
- g. Y or N: Does licensee provide any bottles of wine that exceed 1.5 liters, to a table of 4 or more persons?
- h. Y or N: Does licensee provide any bottles of wine that exceed 750 milliliters, to a table of less than 4 persons?
- i. Y or N: Does licensee sell or furnish heavy beer in any containers that exceed one liter?
- j. Y or N: Does licensee sell or furnish flavored malt liquor beverages in any containers that exceed one liter?
- k. Y or N: Does licensee sell or furnish beer for on-premise consumption in any containers that exceed two liters?
- l. Y or N: Does licensee sell or furnish beer for on-premise consumption to an individual, in any containers that exceed one liter?
- m. Y or N: Does licensee sell or furnish beer for off-premise consumption in any unsealed containers?
- n. Y or N: Does licensee sell or furnish beer for off-premise consumption in any containers that exceed two liters?
- o. Y or N: Does licensee sell or furnish a flight of beer to any individual patrons in any containers that exceed 16 ounces?

32B-5-305

Y or N: Is licensee a retail licensee? If yes, then:

- a. Y or N: Does licensee only sell liquor at a price fixed by the Commission?
- b. Y or N: Does licensee sell or furnish any alcoholic products:
 - (i) at a discount?
 - (ii) at less than the cost of the alcoholic product to the retail licensee?
 - (iii) at a special or reduced price that encourages over consumption or intoxication?
 - (iv) at special or reduced prices for any certain hours such as "happy hour?"
 - (v) for sale more than one alcoholic product for the price of a single product?
 - (vi) at an indefinite or unlimited number of alcoholic products during a set period for a fixed price?
 - (vii) as part of a promotion involving or offering free alcoholic products?
- c. Refer to R82-5-108: Menus and Price Lists

32B-5-306

Y or N: Is licensee a retail licensee? If yes, then:

- a. Does licensee sell or furnish any alcoholic products:
 - (i) to minors?
 - (ii) to persons actually, apparently, or obviously intoxicated?
 - (iii) to a known interdicted person?
 - (iv) to a known habitual drunkard?

- b. Y or N: Does licensee only allow designated and trained retail staff to serve patrons? (patrons who carry a bottle of wine onto the retail premises pursuant to 32B-5-307, and patrons who purchase a bottle of wine from retail staff, are allowed to serve themselves and other patrons at the table).
- c. Y or N: Does licensee or any designated trained staff purchase any alcoholic products for patrons?

32B-5-307

Y or N: Is licensee a retail licensee? If yes, then:

- a. Y or N: Does licensee allow patrons to bring alcoholic products for on premises consumption?
- b. Y or N: Does licensee offer for sale alcoholic products through a door or a window to vehicular traffic?
- c. Y or N: Does the licensee allow patrons to carry away from the premises any open container alcoholic products? (does not apply to shared seating areas)
- d. Y or N: Does the licensee allow patrons to carry away from the premises any sealed containers of alcoholic liquor products (does not apply to wine or beer that have been sealed by the licensee; the beer must be purchased from the licensee)

32B-5-308

Y or N: Is licensee a retail licensee? If yes, then:

- a. Y or N: Does licensee allow retail staff to consume alcoholic products or become intoxicated while on duty?
- b. Y or N: Does licensee employ any minors? (exception: minors at least 16 years of age may be employed to enter sales at the cash register on premises, and for applicable licensees, to bus tables)

32B-5-309

Y or N: Is the licensee a retail licensee? If yes, then:

- a. Y or N: Has the licensee closed or ceased operation for more than 240 hours without notification to the department, or prior approval of the department? (except on-premise beer retailers who are not a tavern, an AIRPORT lounge, or a hospitality amenity)

32B-5-311

Y or N: Is the licensee a retail licensee? If yes, then:

- a. Y or N: Does licensee provide or sell breathalyzers on the licensed premises? If yes, then:
 - (i) does licensee refrain from storing financial card or other financial data?
 - (ii) does the licensee refrain from using any downloaded information for anything other than calibration?
 - (iii) does the licensee have the breathalyzer calibrated by a third party the sooner of 30 days or 300 uses?
 - (iv) is the licensee or owner of the breathalyzer in compliance with the required annual reporting of calibration to the department?

(v) is the breathalyzer able to be shut down remotely?

(vi) are the required notices posted conspicuously in a location by the breathalyzer?

SPECIFIC RETAIL LICENSE ACT

Full Service Restaurant License:

32B-6-202

Y or N: Is licensee a full service restaurant licensee? If yes, then:

- a. Y or N: Is alcoholic product dispensing area physically separated from the dining area and any waiting area by a structure or barrier that prevents patrons from seeing the dispensing area?
- b. Y or N: Is there at least a 10 foot distance from the dining area and any waiting area to the nearest edge of the dispensing structure? (except any dining area and any waiting area that is less than 10 feet from an area where alcoholic product is dispensed, but from which a patron seated at a table or counter cannot view the dispensing system).
- c. Y or N: Is dispensing structure physically separated from the dining area and any waiting area by a permanent physical structure that complies with State Construction and Fire Codes and measures at least 42" high, and at least 60" from the inside edge of the barrier to the nearest edge of the dispensing structure?
- d. Y or N: Is licensee's bar structure grandfathered based on the licensee's floor plan filed with the Department on July 1, 2017?
- e. Refer to R82-6-201: Restaurants – Grandfathered Bar Structures
- f. Refer to R82-6-202: Restaurants – Alcoholic Flavorings

32B-6-203

Y or N: Is licensee a hotel? If yes, then:

- a. Y or N: Does hotel have a minimum of 150 rooms?
- b. Y or N: Are there 3 or less full service restaurants on the premises, managed or operated, and owned or leased, by the full service restaurant licensee?
- c. Y or N: Does licensee meet the proximity requirements outlined in 32B-1-202 since original license was issued?
- d. Y or N: Does licensee maintain at least 70% of gross revenues from the sale of food which does not include mix for an alcoholic product or a service charge?

32B-6-205.2

Y or N: Does licensee and wait staff for full service restaurant licensee:

- a. Y or N: Make a beverage tab for each table or group that orders or consumes alcoholic beverage products on the premises?
- b. Y or N: Provide a beverage tab that states the type and amount of each alcoholic product ordered or consumed?
- c. Y or N: Comply with the time requirements for service of alcoholic products outlined in 32B-6-205.2(4)(a)(b)?
- d. Y or N: Only serve alcoholic products after a patron is seated at a table, a counter or a dispensing structure?
- e. Y or N: Confirm that patron intends to order and consume food at the same location where patron is provided the alcoholic beverage product?

- f. Y or N: Offer more than one drink to patrons who are seated in an authorized waiting area, while waiting for a dining table or seat at a counter?
- g. Y or N: Transport any unfinished portion of one alcoholic beverage product for the patron, from the waiting area, when their dining table or seat at a counter is ready?
- h. Y or N: Allow more than 2 alcoholic products to be set before at a patron at any one time?
- i. Y or N: Allow more than 1 spirituous liquor beverage to be set before a patron at any one time?
- j. Y or N: Allow minors who are patrons, and are not 16 or older and employed by the licensee, to sit, remain or consume food or beverage in a dispensing area? (see 32B-6-205.4 exemptions for small full service restaurants regarding minors)
- k. Y or N: Have more than one dispensing area?
- l. Y or N: Only dispense alcoholic beverage products in an area that is an approved dispensing area and from an approved dispensing structure?
- m. Y or N: Only dispense alcoholic beverage products from an area that is separated from areas of food consumption by patrons, by a solid, translucent, permanent structural barrier so dispensing activities are not visible to patrons?
- n. Y or N: Dispense any alcoholic products from a moveable cart or other means of moving alcoholic beverage products around the licensed premises?
- o. Y or N: Maintain records required by 32B-5-302, and R82-5-109, for at least 3 years?
- p. Y or N: Lease to any patrons a locked storage space for wine? If yes, then:
 - (i) Do only licensee staff remove the wine from the locker for the patron?

32B-6-205.2(14)(b):

Y or N: Does Department audit the records of the full service restaurant licensee at least once annually?

32B-6-206

Y or N: Is the licensee a master full service restaurant licensee? If yes, then:

- a. Y or N: Does licensee own at least 5 full service restaurants?
- b. Y or N: Has licensee had any change in Management or ownership, or transferred Management from one of the sub locations to another?
- c. Y or N: Does licensee maintain records at each licensed premises for Department audit purposes?
- d. Y or N: Does licensee transfer alcoholic products between licensed premises?

Limited Service Restaurant License:

32B-6-302

Y or N: Is licensee a limited service restaurant licensee? If yes, then: (requirements are the same as 32B-6-202)

- a. Y or N: Does licensee sell any spirituous liquor or malt beverages on the premises?
- b. Y or N: Is licensee a hotel? If yes, then:
 - (i) Requirements are the same as 32B-6-203
- c. Refer to R82-5-104: Liquor Dispensing Systems

- d. Refer to R82-6-202: Restaurants – Alcoholic Flavorings

32B-6-305.2

Y or N: Is licensee a limited service restaurant licensee?

- a. Requirements are the same as 32B-6-205.2 and 32B-6-205.2(14)(b)
- b. See 32B-6-305.4 for exemptions for small limited service restaurants regarding minors

32B-6-306

Y or N: Is licensee a master limited service restaurant licensee? If yes, then:

- a. Requirements are the same as 32B-6-206

Bar Establishment License:

32B-6-403

Y or N: Is the licensee a bar establishment? If yes, then:

- a. Y or N: Is the bar establishment an independent premises?
- b. Y or N: Is the bar establishment in a **HOTEL**? If yes, then:
 - (i) Y or N: Does the **HOTEL** have at least 150 rooms?
 - (ii) Y or N: Are there more than 3 bar establishments in the same **HOTEL**?
 - (iii) Y or N: If up to 3 bar establishments, are they licensed under the same bar established license?
- c. Y or N: Has the business undergone a change of ownership? If yes, then:
 - (i) Y or N: If there are 2 or more licensed premises on the business establishment, is at least one of them a bar license?
 - (ii) Y or N: Has the licensee requested a change of location?

32B-6-404

Y or N: Is licensee a bar licensee with an equity license? If yes, then:

- a. Y or N: Is there an organization operated solely for social, recreational, patriotic or fraternal purposes?
- b. Y or N: Are there members?
- c. Y or N: Is access to the licensed premises limited to members or guests of members?
- d. Y or N: Is the desire to maintain the premises to store, sale, offer to, furnish to, and intent to consume alcoholic products by members or guests of members?
- e. Y or N: Does the licensee own, maintain or operate a substantial recreational facility in conjunction with a club house?
- f. Y or N: Do at least 50% of the total membership have an equal share of the equity of the entity, or a right to redemption or refund at equal value?
- g. Y or N: Is there more than one class of membership? If yes, then:
 - (i) Y or N: Is there at least one class of membership that entitles each member in that class to an equal share of the equity, or a right to redemption or refund at equal value?
- h. Y or N: Does the organization have capital stock?
- i. Y or N: Does the organization exist solely for the benefit of its members and their beneficiaries?

- j. Y or N: Does the organization have a representative form of government? (3 or more members; a minor may not be not be a member, officer, director or trustee, 32B-6-407)
- k. Y or N: Does the organization have a lodge system in which:
 - (i) there is a supreme governing body?
 - (ii) subordinate to the supreme governing body, there are local lodges?
 - (iii) required monthly meetings are held, and meeting minutes are taken and currently posted? (refer to 32B-6-407)
 - (iv) the local lodges regularly engage in one or more programs with member participation?
 - (v) own or lease a building or space in a building for lodge activities?
- l. Y or N: Does licensee comply with 32B-6-407? (refer to 32B-6-406)
- m. Y or N: Does licensee maintain complete membership records? (refer to 32B-6-407)
- n. Y or N: Does licensee maintain bylaws or house rules that include the required provisions? (refer to 32B-6-407)
- o. Y or N: Has licensee provided bylaws and/or house rules to the Department? (refer to 32B-6-407)
- p. Y or N: Is licensee in compliance with admitting guests to, or allowing guests to use their licensed premises? (refer to 32B-6-407)
- q. Y or N: If licensee allows guests to the premises without a host, are they in compliance with the requirements outlined in 32B-6-407?
- r. Refer to R82-6-401: Bars – Bar Licensing
- s. Refer to R82-6-402: Bars – Membership Fees and Monthly Dues
- t. Refer to R82-6-403: Minors in Lounge or Bar Areas

32B-6-406

Y or N: Is licensee a bar license? If yes, then:

- a. Y or N: Does licensee have place in a conspicuous location at the entrance to the bar a sign that is at least 8 ½” by 11”, and states that the premises is a bar and that no one under 21 shall enter?
- b. Y or N: Is licensee in compliance with maintaining required records for a minimum of 3 years?
- c. Y or N: Has licensee been audited by the Department at least once annually?
- d. Y or N: Do licensee business hours for providing alcoholic beverage products to the public exclude 1a.m. until 9:59a.m.?
- e. Y or N: Is licensee in compliance with business hours outlined in Part 7, On Premise Beer Retailer? (for an onpremise beer retailer license)
- f. Y or N: Does the licensee keep its establishment open for one hour after the licensee ceases the sale or furnishing of alcoholic products, during which time a patron may finish consuming:
 - (i) a single spirituous liquor drink
 - (ii) a single serving of wine not exceeding 5 oz.
 - (iii) a single serving of heavy beer
 - (iv) a single serving of beer not exceeding 26 oz.
 - (v) a single serving of a flavored malt liquor beverage

- g. Y or N: Does licensee prohibit minors under the age of 21, except to the extent provided under 32B-6-406(1)?
- h. Y or N: Does licensee employ any minors?
- i. Y or N: Does licensee have food available at all times during operating hours?
- j. Y or N: Does licensee prohibit patrons from having more than 2 alcoholic beverage products in front of them at any one time?
- k. Y or N: Does the licensee prohibit patrons from having 2 spirituous liquor drinks in front of them when one drink contains only the primary spirituous liquor for the other spirituous liquor drink?
- l. Y or N: Does the licensee rent or lease their premise to any other persons? If yes, then:
 - (i) Y or N: Does the licensee have an agreement in writing that the rentor or lessor agrees to comply with Section 32B?
- m. Y or N: Does premise have any barricades or items that conceal the bar establishment licensee's operation?
- n. Y or N: Does licensee comply with 32B-1-407?

AIRPORT Lounge License:

32B-6-505

Y or N: Is licensee an AIRPORT lounge license? If yes, then:

- a. Y or N: Does licensee comply with 32B-5? (Retail License Act)
- b. Y or N: Is licensee in compliance with signage requirements?
- c. Y or N: Does licensee allow patrons to bring wine on the premises?
- d. Y or N: Does licensee allow patrons to take alcoholic beverage products off the licensed premises?
- e. Y or N: Does licensee staff prepare a written beverage tab that lists the type and quantity of alcoholic products ordered or consumed, for each table or group that orders or consumes alcoholic products on the licensed premises?
- f. Y or N: Does licensee have operating hours except between midnight and 7:59a.m.?
- g. Y or N: Does licensee prohibit patrons from having more than 2 alcoholic beverage products in front of them at any one time?
- h. Y or N: Does licensee prohibit patrons from having 2 spirituous liquor drinks in front of them at any one time if one of the drinks consists only of the primary spirituous liquor for the other spirituous liquor drink?
- i. Y or N: Does licensee lease their premises for private events?

On Premise Banquet License:

32B-6-603

Y or N: Is licensee an on-premise banquet license? If yes, then:

- a. Y or N: Does licensee maintain at least 50% of annual banquet gross receipts from the sale of food, which does not include mix for an alcoholic product, or a fee in connection with providing the alcoholic product?
- b. Y or N: Is licensee in compliance with Chapter 5, Part 2, Retail Licensing Process?

- c. Y or N: Does licensee have additional locations in or on the licensed premises from which the licensee may store, sell, offer for sale, or allow consumption of an alcoholic product that is not in its original application? If yes, then:
 - (i) Y or N: Has the additional location been approved by the Department?

32B-6-605

Y or N: Is licensee an on-premise banquet license? If yes, then:

- a. Y or N: Is on-premise banquet licensee in compliance with subsections 32B-5-301(4)(5)?
- b. Y or N: Does licensee provide the Department with advance notice of a scheduled banquet?
- c. Y or N: Does licensee maintain required records?
- d. Y or N: Does licensee prohibit a patron or person other than licensee or staff, to bring into or remove alcoholic products from the banquet?
- e. Y or N: Does licensee prohibit consumption of alcoholic products at any location other than the banquet?
- f. Y or N: Does licensee remove all alcoholic products from the banquet area at the end of the banquet by:
 - (i) Y or N: destroying any open or unsaleable alcoholic products?
 - (ii) Y or N: returning open or saleable alcoholic products to the approved storage location?
 - (iii) Y or N: returning unopened containers of alcoholic products to the approved storage location?
- g. Y or N: Does licensee employ any minors?
- h. Y or N: Does licensee provide room service?
- i. Y or N: Does licensee prohibit the sell, offering for sale, or furnishing an alcoholic product at a banquet or in connection with room service between 1a.m. and 9:59a.m.?
- j. Y or N: Does licensee prohibit the sell, offering for sale, or furnishing a spirituous liquor as room service?
- k. Y or N: Does licensee prohibit the sell, offering for sale, or furnishing any alcoholic product as room service in any unopened containers that exceed 750 milliliters?
- l. Y or N: Does licensee prohibit patrons having more than 2 alcoholic products at a time?
- m. Y or N: Does licensee prohibit patrons having more than 1 spirituous liquor at a time?
- n. Y or N: Is licensee banquet staff who sell, offer for sale, or furnish alcoholic products in compliance with alcohol training and education seminar?
- o. Y or N: Does licensee ensure that staff remain at the banquet at all times when alcoholic products are sold or furnished?
- p. Y or N: If licensee provides room service, does licensee prohibit leaving alcoholic products outside a guest room or private dwelling for retrieval by guests?
- q. Y or N: If licensee provides room service, is licensee in compliance with only providing alcoholic products to adult guests in guest rooms or private dwellings?
- r. Y or N: Does licensee prohibit minibars at banquets?
- s. Refer to R82-2-309: Type 4 Package Agency Room Service – Mini-Bottle/187 ml Wine Sales

- t. Refer to R82-2-310: Type 4 Package Agency Room Service – Dispensing
- u. Refer to R82-6-601: On Premise Banquet License Room Service – Mini-Bottle/187 ml Wine Sales
- v. Refer to R82-6-602: On Premise Banquet – Reporting Requirements for Banquet Licensees

On-Premise Beer Retailer License:

32B-6-703

Y or N: Is licensee an on premise beer retailer? If yes, then:

- a. Y or N: Does the licensee engage primarily in the retail sale of beer for consumption on the establishment's premises?
- b. Y or N: Does the licensee operate as one of the following?
 - (i) a beer bar
 - (ii) a parlor
 - (iii) a lounge
 - (iv) a cabaret
 - (v) a nightclub
- c. Y or N: Does the licensee sell food in the establishment? If yes, then:
 - (i) Y or N: Does the revenue from the sale of beer exceed the revenue of the sale of food?
 - (ii) Y or N: Does the establishment sell full meals, including appetizers, main courses and desserts?
- d. Y or N: Has the square footage and seating capacity of the premises changed since the original license was issued?
- e. Y or N: Has the portion of the square footage and seating capacity used for a dining area in comparison to the lounge or bar area changed since the original license was issued?
- f. Y or N: Is the establishment located in a **HOTEL** or **RESORT** facility?
- g. Y or N: Is the business operated by a political subdivision? If yes, then:
 - (i) Y or N: Does the licensee have a contract with the political subdivision? (refer to Subsection 32B-6-703(2)(e)(iii))
- h. Y or N: Does the licensee maintain adequate on-premise culinary facilities since the original license was issued?
- i. Y or N: Does licensee have entertainment? If yes, then:
 - (i) Is entertainment suitable for minors?
- j. Y or N: Has the licensee's ability or management experience, and ability to manage and operate, changed since the original license was issued?
- k. Y or N: Does licensee maintain at least 70% of gross revenues from business directly related to the operation of a recreational amenity on or directly adjoining the licensed premises?
- l. Y or N: Does licensee own or operate a recreational amenity on or directly adjoining the licensed premises, and maintain at least 70% of the gross revenues from the sale of food?

- m. Y or N: Is the licensed premises directly adjoined to a ski **RESORT**? If yes, then:
 - (i) Does the licensee maintain at least 70% of the gross revenues from the sale of food?
- n. Y or N: Are there more than one retail beer dispensing locations in the same building or on the same **RESORT** premises for this licensee? If yes, then:
 - (i) Y or N: Are they owned and operated by the same licensee?
 - (ii) Y or N: Does each retail beer dispensing location operate in the same manner? If no, then refer to 32B-6-703(4)(b).
- o. Refer to R82-2-302: Advertising, Promotion and Listing of Products
- p. Refer to R82-5-105: Multiple-Licensed Facility Storage and Service

32B-6-704

Y or N: Has the licensee had a local business license revoked?

Y or N: Is licensee in compliance with storage, sale, offer for sale, furnishing, consumption, warehouse and distribution of beer requirements?

32B-6-706

Y or N: Does on-premise beer retailer licensee make and maintain records required by the department?

Y or N: Does on-premise beer retailer licensee store or sell liquor on its premises?

Y or N: do the on-premise beer retailer licensee's business hours prohibit hours between 1a.m. and 9:59a.m.?

Y or N: Is licensee a **TAVERN** license? If yes, then:

- a. Y or N: Does licensee remain open for one hour after the tavern ceases sale and furnishing of beer, during which time a patron may finish consuming a single serving of beer not exceeding 26 oz.?
- b. Y or N: Does licensee allow minors on the premises?

Y or N: Does licensee purchase, acquire, possess for the purpose of resale, or sell beer, other than from a beer wholesaler licensee or a small brewer that manufactures beer?

- a. Y or N: If licensee purchases beer from a wholesaler licensee, is beer purchased only from a beer wholesaler licensee who is designated by the manufacturer to sell beer in the geographical area in which the on premise beer retailer is located? If no, then:
 - (i) Y or N: Does licensee purchase beer from an alternate wholesaler who is authorized by the department?

32B-6-707

NOTE: A retail licensee who is not an on premise beer retailer, but who sells, offers for sale, or furnishes beer pursuant to a different part under this chapter, may sell, offer for sale, or furnish beer without obtaining a separate on premise beer retailer license; and, Shall comply with operational requirements that apply to an on premise beer retailer, except when a requirement of this part is inconsistent with or less restrictive than an operational requirement under the relevant part of this chapter.

Reception Center License:

Y or N: Is licensee a reception center license? If yes, then

- a. Y or N: Does licensee maintain more than 30% of the total annual gross receipts from the sale of alcoholic products? (gross receipts do not include any charge for renting a room or facility)
- b. Y or N: Has the licensee complied by providing the Department information on an annual basis?
- c. Y or N: Does licensee provide the Department and jurisdictional local law enforcement advance notice of scheduled events in accordance with rules made by the Commission?
- d. Y or N: Does licensee prohibit hosts, patrons or persons other than the reception center licensee or staff to remove alcoholic products from the reception center's licensed premises?
- e. Y or N: Does licensee prohibit patrons from bringing alcoholic products into or onto the reception center?
- f. Y or N: At the conclusion of an event, does the licensee:
 - (i) destroy an opened and unused alcoholic product that is not saleable?
 - (ii) return to the reception center licensee's approved locked storage area any opened and unused alcoholic product that is saleable?
 - (iii) return to the reception center licensee's approved locked storage area any unopened containers of an alcoholic product?
- g. Y or N: Does licensee employ minors? If yes, then:
 - (i) Does licensee prohibit employment of minors at events at which food is not made available?
- h. Y or N: Does licensee allow employment of servers who are unwilling to serve alcoholic products?
- i. Y or N: Do licensee business hours prohibit operations between the hours of 1a.m. and 9:59a.m.?
- j. Y or N: Does licensee only allow minors at events that include making food available at all times during the event when alcoholic products are sold, offered for sale, furnished or consumed?
- k. Y or N: Does licensee prohibit patrons having more than 2 drinks at any one time?
- l. Y or N: Are all reception center staff supervised and directed during events, and is a member of the licensee staff present at all times during events?
- m. Y or N: Is reception center licensee in compliance with Alcohol Training and Education Seminar?
- n. Y or N: Does licensee prohibit patron alcoholic product consumption at a bar structure at their events?
- o. Y or N: Is reception center alcoholic dispensing area:
 - (i) separated from an area for the consumption of food by a patron by a solid, translucent, permanent structural barrier so that storage and dispensing of alcoholic products are not readily visible and not accessible to patrons?
 - (ii) apart from an area used for staging, or as a lobby or waiting area?
(exception, alcoholic product may be dispensed from a mobile serving area that is

- moved only by staff, capable of being moved by only one individual, and is no larger than 6 feet long and 30 inches wide)
- p. Y or N: Does licensee only use alcoholic products that are stored in an approved area, immediately opened just before dispensing, opened in an approved storage or dispensing area?
 - q. Y or N: Does licensee keep instruments or equipment used to dispense alcoholic products in approved storage or dispensing area?
 - r. Y or N: Does licensee only hold events on the licensed premises that are pursuant to a contract with a third party host, or a private event? (except that a reception center licensee is permitted to host an event for an immediate family member)
 - s. Y or N: Does licensee maintain adequate culinary facilities that are adequate to prepare a full meal and located on the licensed premises, or under the same control as the reception center license?
 - t. Y or N: Does licensee prohibit events that are open to the general public when alcoholic products are sold or offered for sale? (unless an event is hosted no more frequently than once a calendar year, and a nonprofit organization is hosting the event; qualified under Section 501(c) Internal Revenue Code)
 - u. Refer to R82-6-801: Reception Center – Reporting Requirement for Reception Center Licensees
 - v. Refer to R82-6-802: Reception Center – Agreement for Alcoholic Beverage Service and Table Service

Beer-Only Restaurant License:

32B-6-902

Y or N: Is licensee a beer only restaurant licensee? If yes, then:

- a. Y or N: Is premises dispensing area separated from dining area and waiting area by a structure or barrier that prevents patrons seated in the dining area and waiting area from viewing the dispensing of beer?
- b. Y or N: Does the dispensing area measure at least 10 feet away from the dining area and waiting area to the nearest edge of the dispensing structure? (dispensing area does not include any area that is less than 10 feet from an area where beer is dispensed, but from which a patron seated at a table or counter cannot view the dispensing of beer)
- c. Y or N: Is the dispensing area physically separated from the dining area and waiting area by a permanent physical structure that complies with the State Construction and Fire Codes Act, and measures at least 42 inches high and at least 60 inches from the inside edge of the barrier to the nearest edge of the dispensing structure?
- d. Y or N: Is licensee a small beer only restaurant licensee that has a grandfathered bar structure whose dispensing area, excludes outdoor seating, but includes more than 45% of the available seating, and whose floor plan was filed with the Department on July 1, 2017? (measured in accordance with b. above)
- e. Y or N: Does licensee prohibit the sell, offering for sale, furnishing, or consumption of liquor on the licensed premises? (except as a flavoring on a dessert or for preparing flaming food, drinks or desserts)

- f. Y or N: Does licensed premises still comply with the proximity requirements of 32B-1-202(2) since original license was issued?
- g. Y or N: Does licensee maintain at least 70% of gross revenues from the sale of food?
- h. Y or N: Does licensee maintain multiple beer only restaurants? If yes, then:
 - (i) does licensee have one license for each building or **RESORT** premises, if operations are owned and operated by the same person or entity?
- i. Refer to R82-5-105: Multiple-Licensed Facility Storage and Service
- j. Y or N: Does licensee staff prepare a beverage tab that states the type and quantity for each table or group that orders or consumes beer on the premises?
- k. Y or N: Does licensee employ staff who are unwilling to serve alcoholic products?
- l. Y or N: Does licensee only serve beer on weekdays between the hours of 11:30a.m. and 12:59a.m?
- m. Y or N: Does licensee only serve beer on weekends, state or federal holidays, or during private events between the hours of 10:30a.m. and 12:59a.m.?
- n. Y or N: Does licensee staff only serve patrons after they are seated at a table, counter, or dispensing structure?
- o. Y or N: Does licensee confirm that patrons intend to order food and consume food where patron is seated and furnished with beer?
- p. Y or N: Does licensee transport for patrons any unfinished portion of beer from waiting areas to seating areas, if patrons were served while waiting?
- q. Y or N: Does licensee prohibit patrons from having more than 2 beers at a time?
- r. Y or N: Does licensee prohibit furnishing of off premise consumption except after the patron consumes food prepared, sold and furnished on the licensed premises?
- s. Y or N: Does licensee maintain adequate culinary facilities?
- t. Y or N: Does licensee employ minors? (minors at least 16 years old working as an employee or performing maintenance or cleaning services, may pass through the dispensing area)
- u. Y or N: Does licensee prohibit minor patrons from sitting, remaining, or consuming food or beverages in the dispensing area? (unless the licensee is a small beer only restaurant, and if seating in the dispensing area is the only seating, and if minor is accompanied by an individual who is 21 or older, and if licensee has received approval from the Department)
- v. Y or N: Does licensee maintain adequate records for at least 3 years?
- w. Y or N: Has licensee been audited at least once annually by the Department?
- x. Refer to R82-2-302: Advertising, Promotion, and Listing of Products
- y. Refer to R82-6-202: Restaurants – Alcoholic Flavorings

Hospitality Amenity License:

32B-6-1003

Y or N: Is licensee a hospitality amenity license to a **HOTEL** or **RESORT**? If yes, then:

- a. Y or N: Does **HOTEL** or **RESORT** have a minimum of 150 rooms for accommodations?
- b. Y or N: Does **HOTEL** or **RESORT** still meet the proximity requirements of 32B-1-202(2) since original license was issued?
- c. Refer to R82-2-302: Advertising, Promotion and Listing of Products
- d. Refer to **HOTEL LICENSE ACT** 32B-8b

32B-6-1004

Y or N: Does hospitality amenity licensee have additional locations for storage, selling, offering for sale, furnishing, or allowing the consumption of an alcoholic product that was not included in the original application? If yes, then:

- a. Y or N: Has the additional location(s) mentioned above been approved by the Department?

32B-6-1005

Y or N: Is licensee a hospitality amenity licensee? If yes, then:

- a. Does hospitality amenity licensee sell, offer for sale, or furnish alcoholic products that are not spirituous liquor, in an area that is physically separated from an area to which a hospitality guest or the public has access by a permanent or temporary structure or barrier? (Spirituous liquor may not be in or on a licensed premises in an area to which hospitality guests or the public has access, except as a flavoring on a dessert, or a flaming food dish or dessert)
- b. Y or N: If spirituous liquor is sold, is spirituous liquor sold, offered for sale, or furnished only in or on the premises through the use of a key or code, and that fills the entirety of a physically and permanently enclosed area within the **HOTEL** or **RESORT**?
- c. Y or N: Does hospitality amenity licensee prohibit self-service of alcoholic products in or on the licensed premises?
- d. Y or N: Does licensee prohibit any guest from having more than two alcoholic products in front of them at the same time?
- e. Y or N: Does licensee prohibit any guest from having more than one spirituous liquor drink in front of them?
- f. Y or N: Does licensee make food available at all times during which licensee sells, offers for sale, or furnishes alcoholic products?
- g. Y or N: Does licensee have operating hours that exclude the hours from 1a.m. to 9:59a.m.?
- h. Y or N: Does licensee remain open one hour after licensee ceases the sale and furnishing of alcoholic products to allow guests to finish consuming a single drink of spirituous liquor, or a single serving of other alcoholic products?
- i. Y or N: Does licensee prohibit offering spirituous liquor drinks free or at a reduced rate?

- j. Y or N: Does licensee offer alcoholic products other than spirituous liquor drinks free or at a reduced rate? If yes, then:
 - (i) Y or N: Does licensee provide advanced notice of events to the Department, and receive approval from the Department prior to the event(s)?
 - (ii) Y or N: Does licensee only offer alcoholic products other than spirituous liquor drinks, free or at a reduced rate only on the licensed premises, and to all hospitality guests equally, and only during specific times?
- k. Y or N: Does licensee prohibit guests from removing alcoholic products from, or bringing alcoholic products onto the licensed premises?
- l. Y or N: Does licensee display in a conspicuous location at each entrance signage that states that entry is limited to individuals who are hospitality guests, and that is at least 8 ½" long x 11" wide?
- m. Y or N: Does licensee prohibit minors from entering the licensed premises, unless accompanied at all times by a hospitality guest?
- n. Y or N: Does licensee require staff members on the premises at all times during which alcoholic products are sold, offered for sale, or furnished?
- o. Y or N: Does licensee transfer alcoholic products to or from another licensee within the boundary of the **HOTEL** or **RESORT**? If yes, then:
 - (i) Y or N: Does each licensee involved in the transfer, track the transfer?
 - (ii) Y or N: Is the alcoholic product in a sealed, unopened container?
- p. Y or N: Does the licensee maintain the required records for at least 3 years? If yes, then:
 - (i) Y or N: Has the department audited the licensee and the records at least annually?
- q. Refer to R82-2-302: Advertising, Promotion, and Listing of Products
- r. Refer to R82-6-1005: Hospitality Amenity Licensee Notice and Records

OFF-PREMISE BEER RETAILER ACT

32B-7-201

Y or N: Is licensee an off premise beer retailer? If yes, then:

- a. Y or N: Does licensee only purchase beer from a beer wholesaler licensee or a small brewer, or an alternate beer wholesaler who is authorized by the Department?
- b. Y or N: Does the licensee sell, offer for sale, or furnish beer in containers that exceed two liters?
- c. Y or N: Does licensee prohibit staff from consuming beer while on duty, or from being intoxicated?
- d. Y or N: Does the licensee employ minors? If yes, then:
 - (i) Y or N: Does the minor only sale under the supervision of staff who is 21 years of age or older?
 - (ii) Y or N: Is the minor at least 16 years of age?
- e. Y or N: Does licensee prohibit the sell or offering of sale, to:
 - (i) minors
 - (ii) persons actually, apparently, or obviously intoxicated?
 - (iii) a known interdicted person?
 - (iv) a known habitual drunkard?
- f. Y or N: Does licensee limit the display of beer accessible by and available to patrons, to no more than 2 locations on the retail sales floor that:
 - (i) that are in a display cabinet, cooler, aisle, floor display, or room where beer is the only beverage displayed? And,
 - (ii) is not adjacent to a display of nonalcoholic beverages, unless the location is a cooler with a door from which the nonalcoholic beverages are not accessible, or the beer is separated from the display of nonalcoholic beverages by a display of one or more nonbeverage products or another physical divider?
- g. Y or N: Is a required sign displayed in the location? If yes, then:
 - (i) is it in a prominent location?
 - (ii) easily read by the consumer?
 - (iii) meets the format required by the Commission?
 - (iv) reads in print no smaller than .5 inches in bold type, and says "These beverages contain alcohol. Please read the label carefully?" (this applies to energy beverages and malt coolers that are advertised as beer)
- h. Y or N: Does licensee staff who directly supervise the sale of beer wear unique identification badges that:
 - (i) is worn on the front of the staff members clothing?
 - (ii) is visible above the waist?
 - (iii) states the first or last name, or initials, or unique identification number (sufficiently large to be clearly visible and identifiable?
- i. Y or N: Does licensee maintain a list of all current staff, including name, address and identification?
- j. Y or N: Does licensee sell, offer for sale, or furnish beer through a drive-in window?

- k. Y or N: Does licensee engage in any gambling, gaming, gaming schemes or devices that require the risk of something of value for a return or outcome, when the outcome is based on an element of chance?
- l. Y or N: Does licensee knowingly allow the use, the sell, the delivery, the distribution, the possession of controlled substances or drug paraphernalia on the licensed premises?
- m. Refer to R82-7-101: Separation of Alcoholic Beverages from Non-Alcoholic Beverages and Required Signage

32B-7-405

Y or N: Has the licensee had any change in ownership, including the following:

- a. Ownership?
- b. A shareholder owning at least 20% of the total issued and outstanding stock of a corporation?
- c. A member owning at least 20% of a limited liability company?

32B-7-408

Y or N: Is licensee a master off premise beer retailer? If yes, then:

- a. Y or N: Does the licensee own at least 5 five off premise beer locations?
- b. Y or N: Has the licensee added any additional locations since the original license was issued?
- c. Y or N: Have any of the Management personnel changed since the original license was issued?
- d. Y or N: Have any of the Management personnel be transferred from one location to another location?
- e. Y or N: Has licensee notified the Department of any Management personnel changes within the required amount of time?
- f. Y or N: Are the required records kept at each separate location for the operation at that location?
- g. Y or N: Does the licensee transfer beer between any of the locations held under the license?
- h. Refer to R82-7-102: Off-Premise Beer Retailer State License and Master Off-Premise Beer Retailer License

32B-7-409

Y or N: Is licensee a master off premise beer retailer with multiple licenses? If yes, then:

- a. Y or N: Does the licensee hold more than one license for the same licensed premises or adjacent licensed premises? If yes, then:
 - (i) is a manufacturing licensee located on or adjacent to the licensed premises?
 - (ii) is a package agency located on or adjacent to the licensed premises?
- b. Y or N: If the licensee owns one or more licenses for the same licensed premises or adjacent licensed premises as a retail licensee, then:
 - (i) are the licensed premises separated by a permanent, opaque, floor to ceiling wall?

- (ii) does each have a separate entrance to the licensed premises?
 - (iii) does each have separate restroom facilities on the licensed premises?
- c. Refer to R82-5-105: Multiple-Licensed Facility Storage and Service

RESORT LICENSE ACT

32B-8-102

Y or N: Is licensee a resort? If yes, then:

- a. Y or N: Is it primarily operated to provide dwellings or lodging accommodations?
- b. Y or N: Does it have at least 150 units that consist of dwelling or lodging accommodations?
- c. Y or N: Does it consist of at least 400,000 square feet for the building itself, not including above ground surface level parking?
- d. Y or N: Are at least 50% of the units owned by a person or entity other than the licensee?
- e. Y or N: Does the licensee operate at least 4 or more sublicenses under the resort license?
- f. Y or N: Have any of the proximity requirements changed since the original license was issued?
- g. Y or N: Are at least 70% of the annual aggregate gross receipts from the sale of food or beverages for the resort licensee, as well as each of the sublicensees is from the sale of food, not including mix for alcoholic products or service fees?
- h. Y or N: Is resort licensee and sublicensee staff in compliance with alcohol training and education seminar, and are staff constantly supervised while selling, offering for sale, or furnishing alcoholic products?
- i. Y or N: Does the resort offer room service? If yes, then:
 - (i) Y or N: Are alcoholic products only delivered by staff of the resort licensee to an adult occupant?
 - (ii) Y or N: Does licensee prohibit leaving alcoholic products outside accommodations for occupant retrieval?
- j. Refer to R82-2-302: Advertising, Promotion and Listing of Products
- k. Refer to R82-2-306: Operational Matters – (2)(c) – may operate 24 hours to provide room service to guests
- l. Refer to R82-2-309: Type 4 Package Agency Room Service – Mini-Bottle/187ml Wine Sales
- m. Refer to R82-2-310: Type 4 Package Agency Room Service – Dispensing
- n. Refer to R82-5-101: General Retail License Provisions: Definitions

32B-8-501

Y or N: Since issuance of the original license, have any of the following been arrested or convicted of an offense described in 32B-1-304(1)(a)(i)(ii), or DUI (including drugs or alcohol, or a combination of both)?

- (i) partner
- (ii) managing agent
- (iii) manager
- (iv) officer
- (v) director
- (vi) a stockholder who holds at least 20% of the issued and outstanding stock

- (vii) a member who owns at least 20% of a limited liability company
- (viii) a person employed who acts in a supervisory or managerial capacity
 - a. Refer to R82-1-304: Background Checks for Resort Licensees – for determining which individuals must undergo a background check

HOTEL LICENSE ACT

32B-8B-102

Y or N: Is licensee a hotel? If yes, then:

- a. Y or N: Have any boundaries changed, or buildings been added since the original license was issued?
- b. Y or N: Is it primarily operated to provide lodging accommodations?
- c. Y or N: Does the licensee provide room service?
- d. Y or N: Does the licensee have on premise banquet service?
- e. Y or N: Does the licensee have bar or restaurant service within the boundary of the hotel?
- f. Y or N: Does the hotel have at least 40 rooms as temporary sleeping accommodations for compensation?
- g. Y or N: Does the licensee operate at least 3 sublicenses under the hotel license, one of which is an on-premise banquet license, and one of which is:
 - (i) full service restaurant sublicensee, or
 - (ii) limited service restaurant sublicensee, or
 - (iii) beer only restaurant sublicensee, or
 - (iv) bar establishment sublicensee
- h. Refer to R82-2-309: Type 4 Package Agency Room Service – Mini-Bottle/187 ml Wine Sales
- i. Refer to R82-2-310: Type 4 Package Agency Room Service - Dispensing

32B-8B-301

Y or N: Does licensee prohibit patrons from carrying alcoholic products off the premises of a sublicensee, or off a premise designated by a permit?

Y or N: Is **RESORT** licensee and sublicensee staff in compliance with alcohol training and education seminar, and are staff constantly supervised while selling, offering for sale, or furnishing alcoholic products?

Y or N: Does the **RESORT** offer room service? If yes, then:

- a. Are alcoholic products only delivered by staff of the **RESORT** licensee to an adult occupant?
- b. Does licensee prohibit leaving alcoholic products outside accommodations for occupant retrieval?
- c. Refer to R82-2-302: Advertising, Promotion and Listing of Products
- d. Refer to R82-2-309: Type 4 Package Agency Room Service – Mini-Bottle/187 ml Wine Sales
- e. Refer to R82-2-310: Type 4 Package Agency Room Service - Dispensing

Y or N: Are at least 70% of the annual aggregate gross receipts from the sale of food or beverages for the **RESORT** licensee, as well as each of the sublicensees is from the sale of food, not including mix for alcoholic products or service fees?

Y or N: Is **RESORT** licensee and sublicensee staff in compliance with alcohol training and education seminar, and are staff constantly supervised while selling, offering for sale, or furnishing alcoholic products?

ARENA LICENSE ACT

32B-8C-201

Y or N: Is licensee an arena license: If yes, then:

- a. Y or N: Does the licensee operate at least 3 sublicenses? If yes, then:
 - (i) Y or N: Is at least one sublicense an on premise banquet license?
 - (ii) Y or N: Is at least one sublicense an on premise beer retailer that is not a tavern?
 - (iii) Y or N: Is at least one sublicense one of the following:
 - (A) full service restaurant
 - (B) limited service restaurant
 - (C) beer only restaurant
 - (D) bar establishment
- b. Refer to R82-5-101: General Retail License Provisions: Definitions

32B-8C-202

Y or N: Have any proximity requirements changed since the original license was issued?

Y or N: Has anything regarding the description or the map of the arena changed since the original license was issued?

32B-8C-301

Y or N: Does the licensee operate in a manner so that at least 70% of the annual aggregate of the gross receipts related to the sale of food and beverages for the arena license sublicenses is for the sale of food? (not including mix for an alcoholic product, and any service fee)

Y or N: Are staff involved in the sell, offer for sale, or furnishing of an alcoholic product for consumption directly or indirectly supervised by the arena licensee?

32B-8D-103

Y or N: Are any of the sublicenses independent of the principle license?

Y or N: Do any of the single sublicenses cover more than one outlet in or on the boundaries of the principal licensee?

Y or N: Have any boundaries or floor maps changed for any sublicenses since the original licenses were issued?

SUBLICENSE ACT

32B-8D-104

Y or N: If licensee is an **ARENA** license:

- a. Y or N: Does licensee only allow a patron to transport beer between the sublicensed premises of an **ARENA** licensee's accompanying sublicenses, if the patron transports the beer from and to an area of each sublicensed premises:
 - (i) that is adjacent to the other, and
 - (ii) where the consumption of beer is permitted?

Y or N: If licensee is a **HOTEL** or **RESORT** licensee:

- a. Does licensee only allow staff of a sublicensee or person otherwise operating under a sublicense, to transport an alcoholic beverage from and to sublicensed premises of the **HOTEL** license or **RESORT** license, if the sublicensee is a:
 - (i) full-service restaurant sublicensee
 - (ii) limited-service restaurant sublicense
 - (iii) bar establishment sublicensee
 - (iv) beer-only restaurant sublicensee
 - (v) on-premise beer retailer sublicensee
- b. Does licensee only allow the individual staff to carry the alcoholic beverage:
 - (i) from the sublicensed premises of a sublicensee
 - (ii) briefly through an unlicensed area or briefly through sublicensed premises on which the type of alcoholic beverage that the individual staff carries is permitted, and
 - (iii) to the sublicensed premises of a sublicensee, and
 - (iv) the individual staff at all times stays within the boundary of the **HOTEL** or the boundary of the **RESORT** building

32B-8D-202

Y or N: Is licensee a SPA license? If yes, then:

- a. Y or N: Is spa licensed premises entirely within the boundary of the **RESORT** building or **HOTEL**?

32B-8D-205

Y or N: Does the spa licensed operation maintain records required by the Department? If yes, then:

- a. Y or N: Are the records maintained for a minimum period of three years?
- b. Y or N: Have the records been audited by the Department at least once annually?
- c. Y or N: Does the spa prohibit providing alcoholic products between the hours of 1a.m. and 9:59a.m.?
- d. Y or N: Does the spa remain open for at least one hour after the spa ceases the sell of alcohol to allow patrons to finish consuming single servings of any alcoholic products?
- e. Y or N: Does the spa prohibit minors from entering the spa unless accompanied by an individual 21 years or older?
- f. Y or N: Does the spa prohibit minors from remaining in or sitting in the bar area of the spa?

- g. Y or N: Does the spa prohibit patrons from having more than two drinks in front of them at a time?
- h. Y or N: Does the spa have food available for patron purchase at all times?
- i. Y or N: Does the spa only allow consumption of alcoholic products at a table or counter?
- j. Y or N: Does the spa prohibit serving alcoholic products at a dispensing structure?
- k. Y or N: Does the spa have available at all times a written alcoholic product price list or menu containing the price of alcoholic products served, including:
 - (i) set-up charge
 - (ii) service charge, or
 - (iii) chilling fee
- l. Refer to R82-5-108: Menus and Price Lists
- m. Y or N: Is the spa in any way barricaded or concealed from the **RESORT** or **HOTEL** premises?
- n. Y or N: Does spa prohibit the sell of alcoholic products to anyone other than residents of the **RESORT** or **HOTEL**, or customers?
- o. Refer to R82-2-301: Advertising, Promotion, and Listing of Products
- p. Refer to R82-8: Resorts

EVENT PERMIT ACT

32B-9-201

Y or N: Is licensee an event permit licensee? (except for a state agency or political subdivision of the state)

32B-9-202

Y or N: Does event permit licensee have adequate and appropriate control measures, and adequate and appropriate enforcement measures in place to assure:

- (i) Y or N: That minors will not be sold or furnished alcohol, and
- (ii) Y or N: That adults will not be overserved alcohol?
- (iii) Y or N: That no person will be allowed to sell, distribute, possess controlled substances or drug paraphernalia?
- a. Y or N: Does the licensee hold other licenses?
- b. Y or N: Does it appear that this event permit is being solicited to circumvent other applicable requirements of Utah 32B?
- c. Y or N: For the 3 year period before the date of this event, is there a violation history of the applicant or the venue where the event will be held?
- d. Y or N: Is a copy of the event permit displayed in a prominent place in the area in which alcoholic products are sold?
- e. Y or N: Are any forms of gambling or fringe gambling, contests, games, gaming schemes or gaming devices on the premises of the event?
- f. Y or N: Does licensee only sell beer purchased from a licensed beer wholesaler, retailer or small brewer?
- g. Y or N: Does licensee store, sell, offer for sale, furnish or allow consumption of alcoholic products in any location other than the location described in the original application?
- h. Y or N: Does licensee prohibit the sell, offer for sale, or furnish beer in containers that:
 - (i) exceed two liters? Or,
 - (ii) to an individual patron in a size of container that exceeds one liter?
- i. Y or N: Does licensee sell any alcoholic products at a discount price, or at a cost less than the product cost the licensee to purchase?
- j. Y or N: Does licensee sell any alcoholic products at a price that encourages overconsumption or intoxication?
- k. Y or N: Does licensee offer more than one alcoholic product at the price of a single alcoholic product?
- l. Y or N: Does licensee offer indefinite or unlimited numbers of alcoholic products during a set period for a fixed price? If yes, then:
 - (i) Y or N: is product served to patrons who are seated at the event?
 - (ii) Y or N: is food available to patrons?
 - (iii) Y or N: licensee does not advertise the sale of indefinite or unlimited numbers of alcoholic products during a set period for a fixed price?
- m. Y or N: Does licensee prohibit public promotion involving or offering free alcoholic products to the general public?

- n. Y or N: Does licensee prohibit the sell, offering to sale, or furnishing alcoholic products to minors, intoxicated persons, interdicted persons or habitual drunkards?
- o. Y or N: Does licensee prohibit patrons bringing their own alcohol onto event premises?
- p. Y or N: Does licensee prohibit patrons from carrying off the premises open containers?
- q. Y or N: Does licensee prohibit event staff or persons under the direction of the licensee from consuming alcoholic products or being intoxicated?
- r. Y or N: Does licensee prohibit alcoholic products from 1a.m. to 9:59a.m.?
- s. Y or N: Does licensee prohibit patrons from having more than one alcoholic product before them?
- t. Y or N: Is licensee in compliance with prominent placement of signage?

32B-9-302

Y or N: Is licensee a single event license? If yes, then:

- a. Y or N: Is event not to exceed 72 hours?
- b. Y or N: Is event not to exceed 120 hours?

32B-9-303

Y or N: Has licensee been in existence as a bona fide entity for at least one year before the date on which the single event takes place?

32B-9-305

Y or N: Does licensee make and maintain an expense and revenue ledger or record showing:

- a. Liquor
- b. Beer
- c. Set-ups, and
- d. Ingredients or components of alcoholic products, other than set-up?

Y or N: Does licensee prohibit the sell, offer for sale, or furnishing of a primary spirituous liquor in a quantity that exceeds 1.5 ounces per beverage (except secondary flavoring or mix)?

Y or N: Does licensee prohibit patrons having more than 2.5 ounces of spirituous liquor at a time?

Y or N: Does licensee prohibit patrons having more than one spirituous liquor drink before them at a time?

Y or N: Does licensee prohibit individual portions of wine exceeding five ounces?

Y or N: Does licensee prohibit selling, offering for sale, or furnishing wine in containers that exceed 1.5 liters?

Y or N: Does licensee prohibit selling, offering for sale or furnishing heavy beer or malt liquor in an original container that exceeds one liter?

32B-9-403

Y or N: Is license a temporary beer permit? If yes, then:

- a. Y or N: does the event last longer than 30 days?
- b. Y or N: are the aggregate number of days that the person is authorized to store, sell, offer for sale, or furnish and alcoholic product exceed a total of 90 days in one calendar year?

- c. Y or N: has a temporary permit been issued to licensee by a local authority (if event does not last longer than 30 days)?
- d. Y or N: has licensee had a temporary beer permit or single event permit revoked in the last 3 years?
- e. Y or N: does licensee make and maintain an expense and revenue ledger or record showing expenditures made for beer, and revenue from the sale of beer?

SPECIAL USE PERMIT ACT

32B-10-202

Y or N: Is license a special use permit? If yes, then:

- a. Y or N: Has statement of purpose of special use changed since the original application?
- b. Y or N: Have types of alcoholic products intended for use changed since the original application?
- c. Y or N: Does licensee still have written consent of the local authority?
- d. Y or N: Has anything changed about the floor plan of the immediate area within the premises in which the person proposes that alcoholic products will be used, mixed, stored, sold or consumed, since the original application?
- e. Y or N: Has anything regarding management or authorized representative(s) changed since the original application?
- f. Y or N: Has anything about the physical characteristics of the premises or the operation changed since the original application including, but not limited to:
 - (i) the condition of the premises
 - (ii) public visibility
 - (iii) safety considerations
- g. Y or N: If applicable, has anything about the location and equipment used by the person to distill alcohol for experimental testing purposes or use as a fuel changed?
- h. Refer to R82-10-101: Special Use Permits – Application

32B-10-206

Y or N: If license is a special use permit, then:

- a. Y or N: Does licensee make and maintain records as required?
- b. Y or N: Does licensee purchase liquor from anywhere other than a State store or package agency?
- c. Y or N: Does licensee transport liquor from the place of purchase to the permitted premises, or does the licensee outsource this transport?
- d. Y or N: Does licensee purchase and receive alcoholic products directly from a manufacturer for the purpose that is industrial, educational, scientific or manufacturing? If so, then:
 - (i) y or N: Has this been authorized?
- e. Refer to R82-10-102: Special Use Permits – Direct Delivery
- f. Refer to R82-10-501: Special Use Permits – Educational Wine Judging Seminars
- g. Y or N: Is licensee a health care facility? If so, then:
 - (i) Y or N: Does licensee purchase and receive alcoholic products directly from the manufacturer?
- h. Y or N: Does licensee prohibit the sell, offering for sale, or furnishing alcoholic products to:
 - (i) minors
 - (ii) intoxicated persons
 - (iii) interdicted persons
 - (iv) habitual drunkards?

- i. Y or N: Does licensee prohibit employing minors to handle alcoholic products?
- j. Y or N: Has licensee used the special use permit to sell, transfer, assign, exchange, barter, give or attempt in any way to permit another person for monetary gain?

32B-10-207

Y or N: If any ownership or change in business entity has occurred, did licensee notify the department?

32B-10-303

Y or N: Is licensee a public service permit? If yes, then:

- a. Y or N: Has any information regarding types of public conveyance changed?
- b. Y or N: Has any information regarding floor plans or facilities in which person plans to establish a hospitality room changed?
- c. Y or N: Has anything regarding proximity changed?
- d. Refer to R82-1-304.1: Background Checks for Public Service Permittees
- e. Refer to R82-10-301: Special Use Permit – Public Service Permittee Operating Guidelines

32B-10-304

Y or N: Does licensee operate public conveyance on an interstate basis? If no, then:

- a. Y or N: If licensee operates solely within the state, then are all alcoholic products sold, offered for sale, or furnished to passengers purchased from a state store or package agency, and beer from a beer wholesaler?

Y or N: Does licensee have a hospitality room? If yes, then:

- a. Y or N: Is the room located within the facility adjacent to and servicing the public service permittee's conveyance area?
- b. Y or N: Is the room completely enclosed and the interior is not visible to the public?
- c. Y or N: Sell, offering for sale, or furnishing of alcoholic products are only made to persons in transit or boarding?
- d. Y or N: Alcoholic products for the hospitality room are purchased from a state liquor store or package agency, and beer from a beer wholesaler?
- e. Y or N: Is hospitality room in compliance with signage requirements?

32B-10-305

Y or N: Has licensee changed location within an AIRPORT? If yes, then:

- a. Y or N: Was change of location request submitted to the Department?
- b. Y or N: Does new location meet requirements of 32B-10-305?

32B-10-403

Y or N: Is licensee an industrial or manufacturing permit? If yes, then:

- a. Y or N: Has anything about the floor plan of the licensed or permitted premises changed since the original application?
- b. Y or N: Does licensee have:
 - (i) approved Notice of Registration of Distilled Spirits Plant
 - (ii) appropriate permit from the federal Alcohol and Tobacco Tax and Trade Bureau?

- c. Y or N: Does licensee meet the specific industrial and manufacturing requirements outlined in 32B-10-404?

32B-10-501 through 32B-10-704 refer to statute for scientific or educational permit, religious use permit or health care facility or health care practitioner permit. NOTE: See 32-B-11-210(13) re: scientific or education use permit tastings.

Refer to R82-10-501; R82-10-601

MANUFACTURING AND RELATED LICENSES ACT

32B-11-201

Y or N: Is licensee a manufacturing license? If yes, then:

- a. Y or N: Does licensee have evidence of authority from the federal Alcohol and Tobacco Tax and Trade Bureau?
- b. Y or N: Has anything about the ownership changed since the original application? (see also 32B-11-209)
- c. Y or N: Has anything changed about the business operation since the original application?
- d. Y or N: Is licensee a small brewer?
- e. Y or N: If licensee is not a small brewer, but is a brewer, then:
 - (i) Y or N: Does licensee have a written agreement with a beer wholesaler licensee in the State (see 32B-11-201(6))?
- f. Refer to R82-11-101:103: Manufacturing

32B-11-202; refer to statute for exemptions for manufacture of fermented beverage (beer, heavy beer or wine).

32B-11-203

Y or N: Does licensee have written consent from a local authority?

Y or N: Has anything changed about the statement of the purpose for which the person applied for the manufacturing license, since the original application was submitted?

32B-11-206

Y or N: Has anything changed about the physical characteristics of the premises since the original application?

Y or N: Has anything changed about the ability to properly use the manufacturing license since the original application, including but not limited to:

- a. Y or N: Manufacturing capacity
- b. Y or N: extent of product distribution
- c. Y or N: the nature and type of entity making use of the manufacturing license
- d. Y or N: the approved location and equipment used for the manufacture of alcoholic products

32B-11-208

Y or N: Is the manufacturing license prominently displayed on the premises?

Y or N: Does the licensee make and maintain the required records?

Y or N: Does the licensee only sell liquor within the state to the department or a military installation?

Y or N: Has the licensee transferred from one location to another location since the original application?

Y or N: Has the licensee in any way disposed of the license for monetary gain by selling, transferring assigning, exchanging, bartering, or giving?

Y or N: Does the licensee advertise the manufactured products? If yes, then:

- a. Refer to R82-1-104: Advertising – guidelines and compliance

Y or N: Does the licensee furnish for analytical purposes, samples of the alcoholic products manufactured?

32B-11-210

Y or N: Does the licensee conduct tastings? If yes, then:

- a. Y or N: Is licensee in compliance with proximity requirements?
- b. Y or N: Has anything about the boundary map or floor plan changed since the original application?
- c. Y or N: Does licensee prohibit the sell, offering for sale, furnishing or tasting between the hours of midnight and 10:59a.m.?
- d. Y or N: Does licensee staff or persons who serve at tastings complete an alcohol training and education seminar as if the person were employed by a retail licensee?
- e. Y or N: Are tastings conducted outside the view of minors on the licensed premises and in an area in which minors are not allowed?
- f. Y or N: Are tastings conducted in the manufacturing building, or a building on the licensed premises, or in an area immediately to a building described in this statute?
- g. Y or N: Does manufacturer have substantial food available during tastings?
- h. Y or N: Does manufacturer charge individuals for a taste, but not sell, offer for sale, furnish or taste at less than the cost of the taste to a retail licensee?
- i. Y or N: Does manufacturer prohibit providing a taste in more than one container, except that the aggregate total of the taste in all containers does not exceed:
 - (i) 5 ounces of wine
 - (ii) 2.5 ounces of spirituous liquor
 - (iii) 16 ounces of beer, heavy beer, or flavored malt beverages
- j. Y or N: Does manufacturer prohibit individuals from participating in more than one tasting within a calendar day?
- k. Y or N: Does manufacturer comply with signage requirements?
- l. Refer to R82-2-307: Type 5 Package Agencies
- m. Refer to R82-11-101:103: Manufacturing

32B-11-303

Y or N: Is license a winery manufacturing licensee? If yes, then:

- a. Y or N: Does licensee use liquor for fortifying wine? If yes, then:
 - (i) Y or N: Does licensee notify the department of the purchase and date of delivery?
- b. Y or N: Does wine, brandy, wine spirit or other liquor imported for manufacturing purposes conform to the Federal regulations?
- c. Y or N: Does Compliance find any of the following to be issues or necessary?
 - (i) alteration of the plant, equipment or licensed premises?
 - (ii) alteration or removal of unsuitable wine-making equipment or material?
 - (iii) premises or wine-making equipment in need of cleaning, disinfecting, ventilation or other sanitation issues or working conditions?
 - (iv) marc, pomace, or fruit that needs to be destroyed, denatured or removed from the licensed premises because it is considered unfit for wine making, or is likely to produce unsanitary conditions?
 - (v) any unsound, poor quality finished wine or unfinished wine that will not be

- satisfactory when finished that should be required to be distilled or disposed of?
- (vi) records pertaining to the grapes and other materials and ingredients used in the manufacture?
- d. Y or N: Does licensee conduct tastings? If yes, then refer to 32B-11-210.
- e. Refer to R82-2-307: Type 5 Package Agencies
- f. Refer to R82-11-101:103: Manufacturing

32B-11-403

Y or N: Is license a distillery manufacturing licensee? If yes, then:

- a. Y or N: Does licensee use alcoholic products for mixing and manufacturing? If yes, then:
 - (i) Y or N: Is Department notified of the purchase and the delivery date?
- b. Y or N: Does licensee hold two or more distillery manufacturing licenses? If yes, then:
 - (i) Y or N: Does licensee transport an alcoholic product from one distillery to another, only for continuing or completing manufacturing, or storing a bulk container or distilled product that is distilled and packaged in the state?
- c. Y or N: Does the licensee receive samples of an alcoholic product from a person outside the state for the sole purpose of performing tests and analysis? If yes, then:
 - (i) Y or N: Does licensee perform tests and analysis in accordance with Federal regulations?
 - (ii) Y or N: Does licensee keep required records of all samples received?
- d. Y or N: Does licensee only sell an alcoholic product to a person engaged within the state in a mechanical or industrial business, or for scientific pursuits? If yes, then:
 - (i) Y or N: Does licensee only sell to a person who holds a valid special use permit, and only for purposes the permit provides?
- e. Y or N: Does Compliance find any of the following to be issues or necessary?
 - (i) alteration of the plant, equipment or licensed premises?
 - (ii) alteration or removal of unsuitable alcoholic product-making equipment or material?
 - (iii) premises or equipment in need of cleaning, disinfecting, ventilation or other sanitation issues or working conditions?
 - (iv) records pertaining to materials and ingredients used in the manufacturing process?
- f. Y or N: Does licensee conduct tastings? If yes, then refer to 32B-11-210.
- g. Refer to R82-2-307: Type 5 Package Agencies
- h. Refer to R82-10-501
- i. Refer to R82-11-101:103: Manufacturing

32B-11-503

Y or N: Is license a brewery manufacturing licensee? If yes, then:

- a. Y or N: Does licensee hold two or more brewery manufacturing licenses? If yes, then:
 - (i) Y or N: Does licensee transport beer or malt beverage from one of the licensed premises to another, only for the purpose of 1) continuing or completing manufacturing, or 2) for storage?

- b. Y or N: Does licensee prohibit the sale of heavy beer or flavored malt beverage to anyone other than the Department or a military installation?
- c. Y or N: Does Compliance find any of the following to be issues or necessary?
 - (i) alteration of the plant, equipment or licensed premises?
 - (ii) alteration or removal of an unsuitable alcoholic product making equipment or material?
 - (iii) premises or equipment in need of cleaning, disinfecting, ventilation or other sanitation issues or working conditions?
 - (iv) records pertaining to materials and ingredients used in the manufacturing process?
- d. Y or N: Does licensee conduct tastings? If yes, then refer to 32B-11-210
- e. Y or N: Does licensee operate a retail facility on the premises? If yes, then:
 - (i) does it comply with requirements of 32B, Chapter 7, Part 2, Off Premise Beer Retailer Local Authority?
- f. Refer to R82-2-307: Type 5 Package Agencies
- g. Y or N: Does licensee only sell beer in this state under a written agreement with a beer wholesaler in this state?
- h. Y or N: Does licensee agreement comply with 32B-11-503(6)? If yes, then:
 - (i) does agreement create a restricted exclusive territory?
 - (ii) does agreement designate the one or more brands that may be distributed in the territory?
 - (iii) does the agreement set forth the exact geographical area of the territory?
- i. Y or N: Does licensee have more than one agreement? If yes, then:
 - (i) is each brand of the brewery manufacturing licensee covered by one exclusive territory? (
- j. Y or N: Is licensee a small brewer? If yes, then:
 - (i) is the licensee located in this state, and holds a brewery manufacturing license?
 - (ii) is the licensee located outside this state, and holds a certificate of approval to sell beer in this state?
 - (iii) does licensee only sale to any retail licensee, off premise beer retailer, or event permittee, if brewer does manufactures the product, and if the product is first placed in the small brewer's warehouse facility in this state?
 - (iv) does licensee make and maintain all requirement records?
- k. Refer to R82-11-101:103: Manufacturing

32B-11-603

Y or N: Is license a local industry representative licensee? If yes, then:

- a. Y or N: Is the person a resident of Utah?
- b. Y or N: Is the person a Utah Partnership?
- c. Y or N: Is the person a Utah Corporation?
- d. Y or N: Is the person a Utah Limited Liability Company?
- e. Y or N: Is the person employed by a manufacturer, supplier or importer, whether compensated by salary, commission or other means?
- f. Y or N: Is Compliance aware of anyone acting as a local industry representative that is not licensed?

g. Refer to R82-10-401: Special Use Permit – Industry Rep Special Use

32B-11-604

Y or N: Has local industry representative licensee submitted to the Department an affidavit stating the name and address of the manufacturer, supplier or importer the person will represent?

Y or N: Has local industry representative licensee had any change in Management, business structure, or has person authorized to sign applications on behalf of the entity changed since original application? (32B-11-609-ownership of business, officers or directors, or managers or members, or holding at least 20% of stock or company)

32B-11-606

Y or N: Does local industry representative licensee hold an interest in a retail licensee that sells, offers for sale, or furnishes liquor?

Y or N: Does local industry representative still possess qualifications required by this title for obtaining their license?

32B-11-608

Y or N: Is industry representative license prominently displayed in principal place of business?

Y or N: Has licensee submitted to the department a current accounts list of names and addresses of all who licensee represents?

Y or N: Has licensee complied with reporting any changes to its account, to the Department within 14 days of acquiring the account or losing the account?

Y or N: Is licensee in compliance with making and maintaining required records?

Y or N: Does licensee prohibit hiring staff who are a retail licensee, staff of a retail licensee, or minors?

Y or N: Has licensee sold, transferred, assigned, exchanged, bartered or given in any way to dispose of their license? (for monetary gain or not)

Y or N: Does licensee prohibit sell of liquor to any person within the state other than the Department or a military installation?

Y or N: Does licensee prohibit advertising? (of products they represent)

Y or N: Does licensee only provide samples only as provided in 32B-4-705?

Y or N: Does licensee taste and analyze liquor they represent? If yes, then:

- a. Y or N: Does licensee receive more than two samples of a particular type, vintage, and production lot of a particular branded product within a consecutive 120-day period?
- b. Y or N: Does licensee receive liquor samples that exceed one liter?
- c. Y or N: Does licensee receive wine, heavy beer or flavored malt beverages that exceed 1.5 liters? (unless that exact product is only commercially packaged in a larger not to exceed 5 liters)
- d. Y or N: Does licensee prohibit samples that are already listed on the Department's sales list?
- e. Y or N: Does licensee only receive industry samples that are shipped prepaid by the manufacturer supplier or importer, or by common carrier but not by U.S. Mail, and that are shipped directly to the Department's central administrative warehouse office? (an industry sample may not be shipped to any other location within the state)

- f. Y or N: Does licensee only receive samples that are accompanied by a letter from the manufacturer, supplier or importer and clearly identify:
 - (i) the product as an “industry representative sample?”
 - (ii) the FOB case price of the product?
 - (iii) the name of the local industry representative for whom it is intended?
- g. Refer to R82-10-402: Special Permit – Industry Participation in Educational Seminars Involving Liquor, Wine and Heavy Beer

LIQUOR WAREHOUSING LICENSE ACT

32B-12-201

Y or N: Is licensee a liquor warehousing license? If yes, then:

- a. Y or N: Does licensee have more than one warehousing facility? If yes, then:
 - (i) Y or N: Does licensee have a separate license for each warehouse facility?

32B-12-202

Y or N: Has licensee floor plan, including liquor storage area, changed since original license was issued?

Y or N: Has licensee provided proper evidence that person who signs applications is authorized to sign on behalf of the entity?

32B-12-204

Y or N: Does licensee directly or indirectly, or through its staff, hold any other kind of license or permit? (except temporary beer event permit, manufacturing license, beer wholesaling license)

Y or N: Does licensee still possess qualifications required by this title for obtaining their license?

Y or N: Has licensee had any change in location, proximity, condition, size and security of the licensed premises since original license was issued?

Y or N: Has licensee had any warehousing changes in type of products other than liquor, the brands of liquor, and the means the licensee uses to distribute the liquor?

32B-12-301

Y or N: Does licensee make and maintain records required by the Department?

Y or N: Has licensee transferred license from one location to another? If yes, then:

- a. Y or N: Was license transferred, sold, assigned, exchanged, bartered or given in an attempt to dispose of the license to another person, whether or not for monetary gain?
- b. Y or N: Was transfer approved by the Commission?

Y or N: Does licensee prohibit hiring minors?

Y or N: Does licensee sell to out of state consignees? If yes, then:

- a. Y or N: Is product transported only by a motor carrier regulated under Title 72, Chapter 9, Motor Carrier Safety Act?

Y or N: Does licensee only ship, convey, distribute or remove liquor from a warehouse in no less than a full case lot?

Y or N: Does licensee only ship, convey, distribute, or remove liquor from a warehouse to a consignee outside the state of Utah that is licensed by the state in which the consignee is domiciled?

Y or N: Does licensee handle, in any way, any liquor the Commission has not authorized?

Y or N: Has licensee had any change in ownership or change in Management or qualifications pertaining to holding a license, including:

- a. Corporate owners, or shareholders owning at least 20% of total issued stock
- b. Managers, or limited liability members owning at least 20% of company

BEER WHOLESALING LICENSE ACT

32B-13-201

Y or N: Is licensee a beer wholesaling license? If yes, then:

- a. Y or N: Does licensee maintain consent of the local authority?
- b. Y or N: Has statement of the brands of beer sold changed since original license was issued?
- c. Y or N: Has statement of sales territories under agreement changed since original license was issued?
- d. Y or N: Is person authorized to sign on behalf of the entity still authorized?
- e. Refer to R82-13-101:103: Wholesaler

32B-13-204

Y or N: Does the licensee in addition to a beer wholesaling license, directly or indirectly hold through a wholly or partially owned subsidiary or otherwise, own a brewery manufacturing license or a beer retailer license?

32B-13-205

Y or N: Has licensee had any change in ownership or change in Management or qualifications pertaining to holding a license, including (32B-13-301):

- a. Corporate owners, or shareholders owning at least 20% of total issued stock
- b. Managers, or limited liability members owning at least 20 of company

Y or N: Has licensee had any change to the following since original license was issued?

- a. Location
- b. Proximity to transportation, and
- c. Condition, size and security of the licensed premises

Y or N: Has licensee had any change to the following since the original license was issued?

- a. Past wholesaling experience
- b. Brands wholesaled
- c. The means intended to use to distribute beer

32B-13-301

Y or N: Does licensee make and maintain records required by the Department?

Y or N: Does licensee prohibit employment of minors?

Y or N: Has licensee sold, transferred, assigned, exchanged, bartered, given or attempted in any way to dispose of the beer wholesaling license to a person, whether for monetary gain or not?

Y or N: Does licensee wholesale any beer manufactured within the state by a brewer who is not licensed by the Commission?

Y or N: Does licensee wholesale any beer manufactured out of the state by a brewer who has not obtained a certificate of approval from the Department?

Y or N: Does licensee sell or distribute beer to anyone within the state other than a retail licensee, an off premise beer retailer or an event permittee?

Y or N: Does licensee sell or distribute beer to anyone who sells the beer at retail outside of a sales territory designated on its original application and authorized by an agreement? If yes, then:

- a. Y or N: Is or was licensee temporarily unable to supply the authorized territory? If yes, then:

- (i) Y or N: Did the Department grant temporary authority to another beer wholesaler licensee who distributes the same brand in another territory to supply a retail licensee or an off premise beer retailer?

Y or N: Does licensee own, lease or otherwise control and maintain a warehouse facility located in this state for the receipt, storage, and further distribution of beer sold within the state?

Y or N: Does licensee prohibit selling beer to a person in this state, other than the department, unless the beer is first:

- a. Physically removed from the vehicle used to transport the beer from the supplier to the beer wholesaler licensee, and
- b. Delivered into the actual possession and control of the beer wholesaler licensee in its warehouse or other facility

Y or N: Does licensee only sell or distribute alcoholic product that has had its label and packaging approved by the Department? (Chapter 1, Part 6, Malted Beverage Act). If yes, then:

- a. Refer to R82-1-105: Label Approvals

CHANGE OF ALCOHOL LICENSE OR LOCATION ACT

32B-18-202

Y or N: Has ownership of 51% or more of shares of a corporation, or ownership of a Partnership, or ownership of a Limited Liability Company changed since the original license was issued? If yes, then:

- a. Y or N: Did licensee notify the Department within 60 days? If no, then refer to 32B-18-204
- b. Y or N: Have transferor and transferee entered into an interim alcoholic beverage management agreement that:
 - (i) provides for all proceeds from the sale of alcohol less cost of goods sold, to accrue to the current licensee
 - (ii) the department approves
 - (iii) provides for the duration of the agreement, that the current licensee:
 - (A) shall comply with all requirements applicable to the license
 - (B) is subject to disciplinary action by the Commission for a violation of this title
- c. Y or N: Does transferee intend to buy existing inventory from current licensee (transferor)? If yes, then:
 - (i) Y or N: Has an inventory transfer agreement been approved by the Department?
- d. Refer to R82-5-102: Licensing, Change of Ownership, and Change of License Location

32B-18-205

Y or N: Have any material changes to Management or any Management Agreement been submitted to the Department within 30 days?

32B-18-206

Y or N: If Commission granted a change of ownership for an alcohol license, did licensee begin operations within 30 days after the day on which the Commission approved the change of ownership for the license? If no, then:

- a. Y or N: Did the Department grant an extension for any of the reasons listed in 32B-18-206?

32B-18-302

Y or N: If Commission granted a change of location for an alcohol license, did licensee begin operations within 30 days after the day on which the Commission approved the change of location for the license? If no, then:

- a. Y or N: Did the Department grant an extension for any of the reasons listed in 32B-18-302?
- b. Refer to R82-5-102: Licensing, Change of Ownership, and Change of License Location

32B-18-401

Y or N: Has licensee in any way entered into any agreement under which the licensee pledges the alcohol license as security for a loan or as security for the fulfillment of any agreement?