

### **Part 3**

## **Limited-Service Restaurant License**

#### **32B-6-301 Title.**

This part is known as "Limited-service Restaurant License."

Enacted by Chapter 276, 2010 General Session

#### **32B-6-302 Definitions.**

As used in this part:

- (1)
  - (a) "Dining area" means an area in the licensed premises of a limited-service restaurant licensee that is primarily used for the service and consumption of food by one or more patrons.
  - (b) "Dining area" does not include a dispensing area.
- (2)
  - (a) "Dispensing area" means an area in the licensed premises of a limited-service restaurant licensee where a dispensing structure is located and that:
    - (i) is physically separated from the dining area and any waiting area by a structure or other barrier that prevents a patron seated in the dining area or a waiting area from viewing the dispensing of alcoholic product;
    - (ii) except as provided in Subsection (2)(b), measures at least 10 feet from the dining area and any waiting area to the nearest edge of the dispensing structure; or
    - (iii) is physically separated from the dining area and any waiting area by a permanent physical structure that complies with the provisions of Title 15A, State Construction and Fire Codes Act, and, to the extent allowed under Title 15A, State Construction and Fire Codes Act, measures:
      - (A) at least 42 inches high; and
      - (B) at least 60 inches from the inside edge of the barrier to the nearest edge of the dispensing structure.
  - (b) "Dispensing area" does not include any area described in Subsection (2)(a)(ii) 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 of alcoholic product.
- (3) "Small limited-service restaurant licensee" means a limited-service restaurant licensee whose dispensing area includes more than 45% of the available seating for patrons on the licensed premises, excluding outdoor seating:
  - (a) when measured in accordance with Subsection (2)(a)(ii); and
  - (b) based on the licensee's floor plan on file with the department on July 1, 2017.
- (4) "Waiting area" includes a lobby.

Amended by Chapter 94, 2024 General Session

#### **32B-6-303 Commission's power to issue limited-service restaurant license.**

- (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of wine, heavy beer, or beer on its premises as a limited-service restaurant, the person shall first obtain a limited-service restaurant license from the commission in accordance with this part.
- (2)

- (a) The commission may issue a limited-service restaurant license to establish limited-service restaurant licensed premises at places and in numbers the commission considers proper for the storage, sale, offer for sale, furnishing, and consumption of wine, heavy beer, or beer on premises operated as a limited-service restaurant.
- (b) A person may not sell, offer for sale, furnish, or allow the consumption of the following on the licensed premises of a limited-service restaurant licensee:
  - (i) spirituous liquor; or
  - (ii) a flavored malt beverage.
- (3) Subject to Section 32B-1-201:
  - (a) The commission may not issue a total number of limited-service restaurant licenses that at any time exceeds the number determined by dividing the population of the state by 6,817.
  - (b) The commission may issue a seasonal limited-service restaurant license in accordance with Section 32B-5-206.
  - (c)
    - (i) If the location, design, and construction of a hotel may require more than one limited-service restaurant sales location within the hotel to serve the public convenience, the commission may authorize the sale of wine, heavy beer, and beer at as many as three limited-service restaurant locations within the hotel under one limited-service restaurant license if:
      - (A) the hotel has a minimum of 150 guest rooms; and
      - (B) the locations under the limited-service restaurant license are:
        - (I) within the same hotel; and
        - (II) on premises that are managed or operated, and owned or leased, by the limited-service restaurant licensee.
    - (ii) A facility other than a hotel shall have a separate limited-service restaurant license for each limited-service restaurant where wine, heavy beer, or beer is sold, offered for sale, or furnished.
- (4) Except as otherwise provided in Section 32B-1-202, the commission may not issue a limited-service restaurant license for premises that do not meet the proximity requirements of Subsection 32B-1-202(2).
- (5) To be licensed as a limited-service restaurant, a person shall maintain at least 70% of the restaurant's gross revenues from the sale of food, which does not include:
  - (a) mix for an alcoholic product; or
  - (b) a service charge.

Amended by Chapter 403, 2019 General Session

**32B-6-304 Specific licensing requirements for limited-service restaurant license.**

- (1) To obtain a limited-service restaurant license a person shall comply with Chapter 5, Part 2, Retail Licensing Process.
- (2)
  - (a) A limited-service restaurant license expires on October 31 of each year.
  - (b) To renew a person's limited-service restaurant license, a person shall comply with the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.
- (3)
  - (a) The nonrefundable application fee for a limited-service restaurant license is \$330.
  - (b)
    - (i) The initial license fee for a limited-service restaurant license is \$1,275.

- (ii) The department shall prorate the \$1,275 initial license fee for the period that begins the day on which the initial license fee is paid and ends the day on which the limited-service restaurant license expires.
- (c) The renewal fee for a limited-service restaurant license is \$750.
- (4) The bond amount required for a limited-service restaurant license is the penal sum of \$5,000.

Amended by Chapter 94, 2024 General Session

**32B-6-305.2 Specific operational requirements for a limited-service restaurant license -- On and after July 1, 2018, or July 1, 2022.**

- (1)
  - (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, a limited-service restaurant licensee and staff of the limited-service restaurant licensee shall comply with this section.
  - (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
    - (i) a limited-service restaurant licensee;
    - (ii) individual staff of a limited-service restaurant licensee; or
    - (iii) both a limited-service restaurant licensee and staff of the limited-service restaurant licensee.
- (2)
  - (a) An individual who serves an alcoholic product in a limited-service restaurant licensee's premises shall make a beverage tab for each table or group that orders or consumes an alcoholic product on the premises.
  - (b) A beverage tab described in this Subsection (2) shall state the type and amount of each alcoholic product ordered or consumed.
- (3) A limited-service restaurant licensee may not make an individual's willingness to serve an alcoholic product a condition of employment with a limited-service restaurant licensee.
- (4)
  - (a) A limited-service restaurant licensee may sell, offer for sale, or furnish wine or heavy beer at the licensed premises during the following time periods only:
    - (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or
    - (ii) on a weekend or a state or federal legal holiday or for a private event, during the period that begins at 10:30 a.m. and ends at 11:59 p.m.
  - (b) A limited-service restaurant licensee may sell, offer for sale, or furnish beer at the licensed premises during the following time periods only:
    - (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or
    - (ii) on a weekend or a state or federal legal holiday or for a private event, during the period that begins at 10:30 a.m. and ends at 12:59 a.m.
- (5)
  - (a) A limited-service restaurant licensee may not furnish an alcoholic product for on-premise consumption except after:
    - (i) the patron to whom the limited-service restaurant licensee furnishes the alcoholic product is seated at:
      - (A) a table that is located in a dining area or a dispensing area;
      - (B) a counter that is located in a dining area or a dispensing area; or
      - (C) a dispensing structure that is located in a dispensing area; and
    - (ii) the limited-service restaurant licensee confirms that the patron intends to:

- (A) order food prepared, sold, and furnished at the licensed premises; and
  - (B) except as provided in Subsection (5)(b), consume the food at the same location where the patron is seated and furnished the alcoholic product.
- (b)
- (i) While a patron waits for a seat at a table or counter in the dining area of a limited-service restaurant licensee, the limited-service restaurant licensee may sell, offer for sale, or furnish to the patron one drink that contains a single portion of an alcoholic product as described in Section 32B-5-304 if:
    - (A) the patron is in a dispensing area and seated at a table, counter, or dispensing structure; and
    - (B) the limited-service restaurant licensee first confirms that after the patron is seated in the dining area, the patron intends to order food prepared, sold, and furnished at the licensed premises.
  - (ii)
    - (A) Subject to Subsection (5)(b)(ii)(B), if the patron does not finish the patron's alcoholic product before moving to a seat in the dining area, the patron may transport any unfinished portion of the patron's alcoholic product to the patron's seat in the dining area.
    - (B) An employee of the limited-service restaurant licensee shall escort a patron who transports an unfinished portion of the patron's alcoholic product to the patron's seat in the dining area.
  - (iii) For purposes of Subsection (5)(b)(i) a single portion of wine is 5 ounces or less.
- (c) Notwithstanding Section 32B-5-307, a limited-service restaurant licensee may not furnish beer for off-premise consumption except after the patron consumes on the licensed premises food prepared, sold, and furnished at the licensed premises.
- (d) A limited-service restaurant licensee shall maintain on the licensed premises adequate culinary facilities for food preparation and dining accommodations.
- (6) A patron may consume an alcoholic product on the limited-service restaurant licensee's licensed premises only if the patron is seated at:
- (a) a table that is located in a dining area or a dispensing area;
  - (b) a counter that is located in a dining area or a dispensing area; or
  - (c) a dispensing structure located in a dispensing area.
- (7)
- (a) Subject to the other provisions of this Subsection (7), a patron may not have more than two alcoholic products of any kind at a time before the patron.
  - (b) An individual portion of wine is considered to be one alcoholic product under Subsection (7) (a).
- (8) In accordance with the provisions of this section, an individual who is at least 21 years old may consume food and beverages in a dispensing area.
- (9)
- (a) Except as provided in Subsection (9)(b), a minor may not sit, remain, or consume food or beverages in a dispensing area.
- (b)
- (i) A minor may be in a dispensing area if the minor is:
    - (A) at least 16 years old and working as an employee of the limited-service restaurant licensee; or
    - (B) performing maintenance and cleaning services as an employee of the limited-service restaurant licensee when the limited-service restaurant licensee is not open for business.

- (ii) If there is no alternative route available, a minor may momentarily pass through a dispensing area without remaining or sitting in the dispensing area en route to an area of the limited-service restaurant licensee's premises in which the minor is permitted to be.
- (10) Except as provided in Subsection 32B-5-307(3), a limited-service restaurant licensee may dispense an alcoholic product only if:
- (a) the alcoholic product is dispensed from:
    - (i) a dispensing structure that is located in a dispensing area;
    - (ii) an area that is:
      - (A) separated from an area for the consumption of food by a patron by a solid, translucent, permanent structural barrier such that the facilities for the dispensing of an alcoholic product are not readily visible to a patron and not accessible by a patron; and
      - (B) apart from an area used for dining, for staging, or as a waiting area; or
    - (iii) the premises of a bar licensee that is:
      - (A) owned by the same person or persons as the limited-service restaurant licensee; and
      - (B) located immediately adjacent to the premises of the limited-service restaurant licensee; and
  - (b) any instrument or equipment used to dispense alcoholic product is located in an area described in Subsection (10)(a).
- (11)
- (a) A limited-service restaurant licensee may have more than one dispensing area in the licensed premises.
  - (b) Each dispensing area in a licensed premises may satisfy the requirements for a dispensing area under Subsection 32B-6-202(2)(a)(i), (ii), or (iii), regardless of how any other dispensing area in the licensed premises satisfies the requirements for a dispensing area.
- (12) A limited-service restaurant licensee may not:
- (a) transfer, dispense, or serve an alcoholic product on or from a movable cart; or
  - (b) display an alcoholic product or a product intended to appear like an alcoholic product by moving a cart or similar device around the licensed premises.
- (13) A limited-service restaurant licensee may state in a food or alcoholic product menu a charge or fee made in connection with the sale, service, or consumption of wine or heavy beer, including:
- (a) a set-up charge;
  - (b) a service charge; or
  - (c) a chilling fee.
- (14)
- (a) In addition to the requirements described in Section 32B-5-302, a limited-service restaurant licensee shall maintain each of the following records for at least three years:
    - (i) a record required by Subsection 32B-5-302(1); and
    - (ii) a record that the commission requires a limited-service restaurant licensee to use or maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
  - (b) The department shall audit the records of a limited-service restaurant licensee at least once each calendar year.

Amended by Chapter 371, 2023 General Session  
Amended by Chapter 400, 2023 General Session

**32B-6-305.4 Small limited-service restaurant licensee -- Exemption.**

- (1) Notwithstanding the provisions of Section 32B-6-305.2 and subject to Subsection (2), a minor may sit, remain, or consume food or beverages in the dispensing area of a small limited-service restaurant licensee if:
  - (a) seating in the dispensing area is the only seating available for patrons on the licensed premises;
  - (b) the minor is accompanied by an individual who is 21 years of age or older; and
  - (c) the small limited-service restaurant licensee applies for and obtains approval from the department to seat minors in the dispensing area in accordance with this section.
- (2) A minor may not sit, remain, or consume food or beverages at a dispensing structure.
- (3) The department shall:
  - (a) grant an approval described in Subsection (1)(c) if the small limited-service restaurant licensee demonstrates that the small limited-service restaurant licensee meets the requirements described in Subsection 32B-6-302(3); and
  - (b) for each application described in Subsection (1)(c) that the department receives on or before May 8, 2018, act on the application on or before July 1, 2018.

Amended by Chapter 381, 2024 General Session

**32B-6-306 Master limited-service restaurant license.**

- (1)
  - (a) The commission may issue a master limited-service restaurant license that authorizes a person to store, sell, offer for sale, furnish, or allow the consumption of an alcoholic product on premises at multiple locations as limited-service restaurants if the person applying for the master limited-service restaurant license:
    - (i) owns each of the limited-service restaurants;
    - (ii) except for the fee requirements, establishes to the satisfaction of the commission that each location of a limited-service restaurant under the master limited-service restaurant license separately meets the requirements of this part; and
    - (iii) the master limited-service restaurant includes at least five limited-service restaurant locations.
  - (b) The person seeking a master limited-service restaurant license shall designate which limited-service restaurant locations the person seeks to have under the master limited-service restaurant license.
  - (c) A limited-service restaurant location under a master limited-service restaurant license is considered separately licensed for purposes of this title, except as provided in this section.
- (2) A master limited-service restaurant license and each location under Subsection (1) are considered a single limited-service restaurant license for purposes of Subsection 32B-6-303(3)
  - (a).
- (3)
  - (a) A master limited-service restaurant license expires on October 31 of each year.
  - (b) To renew a person's master limited-service restaurant license, a person shall comply with the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.
- (4)
  - (a) The nonrefundable application fee for a master limited-service restaurant license is \$330.
  - (b)
    - (i) The initial license fee for a master limited-service restaurant license is \$5,000 plus a separate initial license fee for each newly licensed limited-service restaurant license under

the master limited-service restaurant license determined in accordance with Subsection 32B-6-304(3)(b).

- (ii) The department shall prorate the \$5,000 initial license fee for the period that begins the day on which the initial license fee is paid and ends the day on which the master limited-service restaurant license expires.
- (c) The renewal fee for a master limited-service restaurant license is \$500 plus a separate renewal fee for each limited-service license under the master limited-service restaurant license determined in accordance with Subsection 32B-6-304(3)(c).
- (5) A new location may be added to a master limited-service restaurant license after the master limited-service restaurant license is issued if:
  - (a) the master limited-service restaurant licensee pays a nonrefundable application fee of \$330; and
  - (b) including payment of the initial license fee, the location separately meets the requirements of this part.
- (6)
  - (a) A master limited-service restaurant licensee shall notify the department of a change in the persons managing a location covered by a master limited-service restaurant license:
    - (i) immediately, if the management personnel is not management personnel at a location covered by the master limited-service restaurant licensee at the time of the change; or
    - (ii) within 30 days of the change, if the master limited-service restaurant licensee is transferring management personnel from one location to another location covered by the master limited-service restaurant licensee.
  - (b) A location covered by a master limited-service restaurant license shall keep its own records on its premises so that the department may audit the records.
  - (c) A master limited-service restaurant licensee may not transfer alcoholic products between different locations covered by the master limited-service restaurant license.
- (7)
  - (a) If there is a violation of this title at a location covered by a master limited-service restaurant license, the violation may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
    - (i) the single location under a master limited-service restaurant license;
    - (ii) individual staff of the location under the master limited-service restaurant license; or
    - (iii) a combination of persons or locations described in Subsections (7)(a)(i) and (ii).
  - (b) In addition to disciplinary action under Subsection (7)(a), disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, may be taken against a master limited-service restaurant licensee or individual staff of the master limited-service restaurant licensee if during a period beginning on November 1 and ending October 31:
    - (i) at least 25% of the locations covered by the master limited-service restaurant license have been found by the commission to have committed a serious or grave violation of this title, as defined by rule made by the commission; or
    - (ii) at least 50% of the locations covered by the master limited-service restaurant license have been found by the commission to have violated this title.
- (8) The commission may make rules, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to establish how a person may apply for a master limited-service restaurant license under this section.

Amended by Chapter 94, 2024 General Session

