

**Effective 5/10/2016**

**32B-8b-204 Commission and department duties before issuing hotel license.**

- (1) Before the issuance of a hotel license, the department shall comply with the requirements of Subsection 32B-5-203(1) in relation to the hotel license and each sublicense.
- (2) Before issuing a hotel license, in addition to considering the factors described in Section 32B-8b-202, the commission shall:
  - (a) consider the hotel license person's ability to manage and operate a hotel license and the ability of any individual who will act in a supervisory or managerial capacity for a sublicense, including:
    - (i) past management experience;
    - (ii) past alcoholic product license experience; and
    - (iii) the type of management scheme to be used by the hotel license person;
  - (b) consider the nature or type of:
    - (i) the person's business operation of the hotel license; and
    - (ii) the business operation of each sublicense; and
  - (c) subject to Subsection (3), determine that each sublicense meets the requirements imposed under the provisions applicable to each sublicense.
- (3)
  - (a) Subject to Subsection (3)(b), notwithstanding the requirements to obtain a retail license under the provisions applicable to a sublicense, a sublicense of a hotel license is not subject to:
    - (i) a requirement to submit an application or renewal application that is separate from the hotel license application;
    - (ii) a requirement to carry public liability insurance or dramshop insurance coverage that is separate from that carried by the hotel licensee; or
    - (iii) a requirement to post a bond that is separate from the bond posted by the hotel licensee.
  - (b) If a hotel licensee seeks to add a sublicense after its hotel license is issued, the hotel licensee shall file with the department:
    - (i) a nonrefundable \$300 application fee;
    - (ii) an initial license fee of \$2,250, which is refundable if the sublicense is not issued;
    - (iii) written consent of the local authority;
    - (iv) a copy of:
      - (A) the hotel licensee's current business license; and
      - (B) the current business license for the sublicense, if the business licensee is separate from the hotel licensee's business license;
    - (v) evidence that the sublicense premises is entirely within the boundary of the hotel;
    - (vi) a description, floor plan, and boundary map of the sublicense premises designating:
      - (A) any location at which the person proposes that an alcoholic product be stored; and
      - (B) any designated location on the sublicense premises from which the person proposes that an alcoholic product be sold, furnished, or consumed;
    - (vii) evidence that the person carries public liability insurance in an amount and form satisfactory to the department;
    - (viii) evidence that the person carries dramshop insurance coverage in the amount required by Section 32B-8b-202 that covers the sublicense to be added;
    - (ix) a signed consent form stating that the hotel licensee will permit any authorized representative of the commission or department, or any law enforcement officer, to have unrestricted right to enter the sublicense premises;
    - (x) if the hotel licensee is an entity, proper verification evidencing that a person who signs the application is authorized to sign on behalf of the entity; and

(xi) any other information the commission or department may require.

Enacted by Chapter 80, 2016 General Session