

**Effective 5/10/2016**

**Chapter 8b  
Hotel License Act**

**Part 1  
General Provisions**

**32B-8b-101 Title.**

This chapter is known as the "Hotel License Act."

Enacted by Chapter 80, 2016 General Session

**32B-8b-102 Definitions.**

As used in this chapter:

- (1) "Boundary of a hotel" means the physical boundary of one or more contiguous parcels of real property owned or managed by the same person and on which a hotel is located.
- (2) "Designated conveyance area" means a route within a hotel or resort:
  - (a) that connects one or more of the following:
    - (i) the premises of a bar establishment sublicensee;
    - (ii) the premises of a hospitality amenity sublicensee;
    - (iii) the premises of an on-premise banquet sublicensee; or
    - (iv) a guest's room; and
  - (b) does not begin, end, or pass through a pool area or other recreation area, a designated business center, or a sublicensed premises not described in Subsection (2)(a).
- (3) "Hotel" means one or more buildings that:
  - (a) comprise a hotel, as defined by the commission;
  - (b) are owned or managed by the same person or by a person who has a majority interest in or can direct or exercise control over the management or policy of the person who owns or manages any other building under the hotel license within the boundary of the hotel;
  - (c) primarily operate to provide lodging accommodations;
  - (d) have on-premise banquet space and provide on-premise banquet service within the boundary of the hotel meeting the requirements of this title;
  - (e) have a restaurant or bar establishment within the boundary of the hotel meeting the requirements of this title; and
  - (f) have at least 40 rooms as temporary sleeping accommodations for compensation.

Amended by Chapter 94, 2024 General Session

**Part 2  
Hotel Licensing Process**

**32B-8b-201 Commission's power to issue a hotel license.**

- (1) Before a person as a hotel under a single license may store, sell, offer for sale, furnish, or allow the consumption of an alcoholic product on sublicense premises, the person shall first obtain a hotel license from the commission in accordance with this part.
- (2)

- (a) The commission may issue to a person a hotel license to allow the storage, sale, offer for sale, furnishing, and consumption of an alcoholic product in connection with a hotel designated in the hotel license if the person operates at least three sublicenses under the hotel license:
    - (i) one of which is an on-premise banquet license; and
    - (ii) one of which is:
      - (A) a full-service restaurant sublicense;
      - (B) a limited-service restaurant sublicense;
      - (C) a beer-only restaurant sublicense; or
      - (D) a bar establishment sublicense.
  - (b) A hotel license shall:
    - (i) consist of:
      - (A) a general hotel license; and
      - (B) three or more sublicenses meeting the requirements of Subsection (2)(a); and
    - (ii) designate the boundary of the hotel, sublicenses, and each designated conveyance area.
  - (c) This chapter does not prohibit an alcoholic product on the boundary of the hotel to the extent otherwise permitted by this title.
- (3) The commission may not issue a total number of hotel licenses that at any time totals more than 80.

Amended by Chapter 94, 2024 General Session

**32B-8b-202 Specific licensing requirements for hotel license.**

- (1) To obtain a hotel license, in addition to complying with Chapter 5, Part 2, Retail Licensing Process, a person shall submit with the person's written application:
- (a) evidence:
    - (i) of proximity of each building under the hotel license to any community location;
    - (ii) that each proposed sublicensed premises is entirely within the boundary of the hotel; and
    - (iii) that each building designated in the application as a building under the hotel license qualifies to be under the hotel license;
  - (b) a description and boundary map of the hotel;
  - (c) a description, floor plan, and boundary map of each proposed designated conveyance area; and
  - (d) 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 an unrestricted right to enter any proposed designated conveyance area.
- (2)
- (a) A hotel license expires on October 31 of each year.
  - (b) To renew a person's hotel license, the person shall comply with the requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.
- (3)
- (a) The nonrefundable application fee for a hotel license is \$500.
  - (b) The initial license fee for a hotel license is calculated as follows:
    - (i) if three sublicenses are being applied for under the hotel license, \$5,000; or
    - (ii) if more than three sublicenses are being applied for under the hotel license, the sum of:
      - (A) \$5,000; and
      - (B) \$2,000 for each sublicense in excess of three sublicenses for which the person is applying.

- (c) The renewal fee for a hotel license is \$1,000 for each sublicense under the hotel license.
- (4)
  - (a) The bond amount required for a hotel license is the penal sum of \$10,000, covering each sublicense and each designated conveyance area under the hotel license.
  - (b) A hotel licensee is not required to have a separate bond for each sublicense or each designated conveyance area.
- (5) The commission may not issue a hotel license that includes a building under the hotel license that does not meet the proximity requirements of Section 32B-1-202.
- (6) In accordance with Subsection 32B-8d-103(4), a hotel licensee may request to add a sublicense after the commission issues the hotel licensee's hotel license.
- (7)
  - (a) A hotel licensee may request to add a designated conveyance area after the commission issues the hotel licensee's hotel license.
  - (b) If a hotel licensee seeks to add a designated conveyance area under Subsection (7)(a), the hotel licensee shall submit to the department:
    - (i) the information and evidence described in Subsections (1)(a)(iii), (1)(c), and (1)(d); and
    - (ii) if the hotel licensee is an entity, proper verification evidencing that the person who signs the submission is authorized to sign on behalf of the entity.

Amended by Chapter 94, 2024 General Session

### **Part 3**

#### **Operational Requirements**

##### **32B-8b-301 Specific operational requirements for hotel license.**

- (1)
  - (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, a hotel licensee, staff of the hotel licensee, and a sublicensee or person otherwise operating under a sublicense shall comply with this section.
  - (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
    - (i) the hotel licensee;
    - (ii) individual staff of the hotel licensee;
    - (iii) a sublicensee or person otherwise operating under a sublicense of the hotel licensee;
    - (iv) individual staff of a sublicensee or person otherwise operating under a sublicense of the hotel licensee; or
    - (v) any combination of the persons listed in this Subsection (1)(b).
- (2)
  - (a) A hotel licensee may not sell, offer for sale, or furnish an alcoholic product except:
    - (i) on sublicensed premises;
    - (ii) pursuant to a permit issued under this title;
    - (iii) under a package agency agreement with the department, subject to Chapter 2, Part 6, Package Agency; or
    - (iv) through room service.
  - (b) A hotel licensee who sells, offers for sale, or furnishes an alcoholic product as provided in Subsection (2)(a) shall sell, offer for sale, or furnish the alcoholic product:

- (i) if on sublicensed premises, in accordance with the operational requirements described in Section 32B-8d-104;
  - (ii) if under a permit issued under this title, in accordance with the operational requirements under the provisions applicable to the permit;
  - (iii) if as a package agency, in accordance with the contract with the department and Chapter 2, Part 6, Package Agency; and
  - (iv) if through room service, in accordance with Subsection (5).
- (c) Notwithstanding the other provisions of this Subsection (2) and except as provided in Section 32B-8d-104, a hotel licensee may not permit a patron to carry an alcoholic product off the premises of a sublicense in violation of Section 32B-5-307, off an area designated under a permit, or off a designated conveyance area.
- (3) A hotel licensee shall supervise and direct a person involved in the sale, offer for sale, or furnishing of an alcoholic product under a hotel license.
- (4)
- (a) A hotel licensee shall:
    - (i) in accordance with commission rule, establish and maintain signage that clearly identifies each designated conveyance area and conspicuously states that a patron may not take an alcoholic beverage beyond the designated conveyance area except as otherwise provided in this chapter;
    - (ii) ensure that an alcoholic beverage is not left unattended in a designated conveyance area; and
    - (iii) ensure that each patron complies with the requirements of Subsection 32B-8d-104(5)(b)(ii).
  - (b) In accordance with Subsection (2), a hotel licensee may not sell, offer for sale, or furnish an alcoholic product in a designated conveyance area.
- (5)
- (a) Staff of the hotel licensee shall provide room service of an alcoholic product to a lodging accommodation of a hotel licensee in person only to an adult occupant in the lodging accommodation.
  - (b) An alcoholic product may not be left outside a lodging accommodation for retrieval by an occupant.
- (6) A hotel licensee shall operate in a manner so that at least 70% of the annual aggregate of the gross receipts related to the sale of food or beverages for the hotel license and each of the hotel license's sublicenses is from the sale of food, not including:
- (a) mix for an alcoholic product; and
  - (b) a charge in connection with the service of an alcoholic product.

Amended by Chapter 94, 2024 General Session

## **Part 4 Enforcement**

### **32B-8b-401 Enforcement of operational requirements for hotel license or sublicense.**

- (1) Failure by a person described in Subsection (2) to comply with this chapter or Chapter 8d, Sublicense Act, may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
- (a) the hotel licensee;

- (b) individual staff of the hotel licensee;
  - (c) a sublicensee or person otherwise operating under a sublicense of the hotel licensee;
  - (d) individual staff of a sublicensee or person otherwise operating under a sublicense of the hotel licensee; or
  - (e) any combination of the persons listed in this Subsection (1).
- (2) Subsection (1) applies to:
- (a) a hotel licensee;
  - (b) a sublicensee or person operating under a sublicense of a hotel licensee; or
  - (c) staff of a hotel licensee or sublicensee or other person operating under a sublicense of a hotel licensee.

Amended by Chapter 219, 2020 General Session