

1                                   **ALCOHOLIC BEVERAGES ON ELECTION DAY**

2   2008 GENERAL SESSION

3   STATE OF UTAH

4   **Chief Sponsor: Scott D. McCoy**

5   House Sponsor: Gregory H. Hughes

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7 **LONG TITLE**

8 **General Description:**

9                   This bill modifies provisions related to when alcoholic beverages may be sold, delivered,  
10 offered, served, or otherwise furnished.

11 **Highlighted Provisions:**

12                   This bill:

- 13                   ▶ addresses operational restrictions related to certain package agencies, permits, and
- 14 licenses imposed on the basis that an action occurs on an election day; and
- 15                   ▶ makes technical changes.

16 **Monies Appropriated in this Bill:**

17                   None

18 **Other Special Clauses:**

19                   None

20 **Utah Code Sections Affected:**

21 **AMENDS:**

22                   **32A-3-106**, as last amended by Laws of Utah 2007, Chapter 329

23                   **32A-4-106**, as last amended by Laws of Utah 2007, Chapters 284, 329, and 341

24                   **32A-4-307**, as last amended by Laws of Utah 2007, Chapters 284, 329, and 341

25                   **32A-4-406**, as last amended by Laws of Utah 2007, Chapters 284, and 341

26                   **32A-5-107**, as last amended by Laws of Utah 2007, Chapters 284, 329, and 341

27                   **32A-7-106**, as last amended by Laws of Utah 2007, Chapters 284, and 341

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29 *Be it enacted by the Legislature of the state of Utah:*

30 Section 1. Section **32A-3-106** is amended to read:

31 **32A-3-106. Operational restrictions.**

32 (1) (a) A package agency may not be operated until a package agency agreement has  
33 been entered into by the package agent and the department.

34 (b) The agreement shall state the conditions of operation by which the package agent  
35 and the department are bound.

36 (c) If the package agent violates the conditions, terms, or covenants contained in the  
37 agreement[;] or violates any provisions of this title, the department may take whatever action  
38 against the agent that is allowed by the package agency agreement.

39 (d) Actions against the package agent are governed solely by the agreement and may  
40 include suspension or revocation of the agency.

41 (2) (a) A package agency may not purchase liquor from any person except from the  
42 department.

43 (b) At the discretion of the department, liquor may be provided by the department to a  
44 package agency for sale on consignment.

45 (3) The department may pay or otherwise remunerate a package agent on any basis  
46 including sales or volume of business done by the agency.

47 (4) Liquor may not be sold from any package agency except in a sealed package. The  
48 package may not be opened on the premises of a package agency.

49 (5) All liquor sold shall be in packages that are properly marked and labeled in  
50 accordance with the rules adopted under this title.

51 (6) A package agency may not display liquor or price lists in windows or showcases  
52 visible to passersby.

53 (7) (a) An officer, agent, clerk, or employee of a package agency may not consume or  
54 allow to be consumed by any person any alcoholic beverage on the premises of a package  
55 agency.

56 (b) Violation of this Subsection (7) is a class B misdemeanor.

57 (8) Liquor may not be sold except at prices fixed by the commission.

58 (9) Liquor may not be sold, delivered, or furnished to any:

59 (a) minor;

60 (b) person actually, apparently, or obviously intoxicated;

61 (c) known habitual drunkard; or

62 (d) known interdicted person.

63 (10) (a) Subject to Subsection (10)(b), sale or delivery of liquor may not be made on or  
64 from the premises of any package agency nor may any package agency be kept open for the sale  
65 of liquor:

66 (i) (A) on Sunday; or

67 ~~[(ii)]~~ (B) on ~~[any]~~ a state or federal legal holiday; and

68 ~~[(iii) on any day on which any regular general election, regular primary election, or  
69 statewide special election is held until after the polls are closed;]~~

70 ~~[(iv) on any day on which any municipal, local district, special service district, or school  
71 election is held until after the polls are closed, but only within the boundaries of the  
72 municipality, local district, special service district, or school district holding the election and  
73 only if the municipality, local district, special service district, or school district in which the  
74 election is being held notifies the department at least 30 days prior to the date of the election;  
75 or]~~

76 ~~[(v)]~~ (ii) except on days and during hours as the commission may direct by rule or  
77 order.

78 (b) The restrictions in ~~[Subsections]~~ Subsection (10)(a)(i) ~~[and (ii)]~~ govern unless:

79 (i) the package agency is located at a winery licensed under Chapter 8, Manufacturing  
80 Licenses;

81 (ii) the winery licensed under Chapter 8, Manufacturing Licenses, holds:

82 (A) a restaurant liquor license under Chapter 4, Part 1, Restaurant Liquor Licenses; or

83 (B) a limited restaurant license under Chapter 4, Part 3, Limited Restaurant Licenses;

84 (iii) the restaurant described in Subsection (10)(b)(ii) is located at the winery;

85 (iv) the restaurant described in Subsection (10)(b)(ii) sells wines produced at the

86 winery;

87 (v) the winery described in Subsection (10)(b)(i):

88 (A) owns the restaurant; or

89 (B) operates the restaurant;

90 (vi) the package agency only sells wine produced at the winery; and

91 (vii) the package agency's days and hours of sale are the same as the days and hours of  
92 sale at the restaurant described in Subsection (10)(b)(ii).

93 (c) (i) In addition to the requirements of Subsection (10)(a), the sale or delivery of  
94 liquor may not be made on or from the premises of a package agency described in Subsection  
95 (10)(c)(ii) and a package agency described in Subsection (10)(c)(ii) may not be open for the sale  
96 of liquor until after the polls are closed:

97 (A) on a day on which is held:

98 (I) a regular general election;

99 (II) a regular primary election; or

100 (III) a statewide special election; or

101 (B) on a day on which is held a municipal, local district, special service district, or  
102 school election if:

103 (I) the package agency is within the boundaries of the municipality, local district, special  
104 service district, or school district holding the election; and

105 (II) the municipality, local district, special service district, or school district in which the  
106 election is held notifies the department at least 30 days before the day on which the election is  
107 held.

108 (ii) This Subsection (10)(c) applies to a package agency that contracts with the  
109 department to sell liquor in a manner similar to a state store, whether or not the operator of the  
110 package agency has a source of income that is not from the sale of liquor.

111 (iii) The commission may by rule made in accordance with Title 63, Chapter 46a, Utah  
112 Administrative Rulemaking Act, define what constitutes a package agency that sells liquor "in a  
113 manner similar to a state store."

114 (11) The package agency certificate issued by the commission shall be permanently  
115 posted in a conspicuous place in the package agency.

116 (12) Each package agent shall display in a prominent place in the package agency a sign  
117 in large letters stating: "Warning: Driving under the influence of alcohol or drugs is a serious  
118 crime that is prosecuted aggressively in Utah."

119 (13) (a) A package agency may not close or cease operation for a period longer than 72  
120 hours, unless:

121 (i) the package agency notifies the department in writing at least seven days before the  
122 closing; and

123 (ii) the closure or cessation of operation is first approved by the department.

124 (b) Notwithstanding Subsection (13)(a), in the case of emergency closure, immediate  
125 notice of closure shall be made to the department by telephone.

126 (c) (i) The department may authorize a closure or cessation of operation for a period  
127 not to exceed 60 days.

128 (ii) The department may extend the initial period an additional 30 days upon written  
129 request of the package agency and upon a showing of good cause.

130 (iii) A closure or cessation of operation may not exceed a total of 90 days without  
131 commission approval.

132 (d) The notice required by Subsection (13)(a) shall include:

133 (i) the dates of closure or cessation of operation;

134 (ii) the reason for the closure or cessation of operation; and

135 (iii) the date on which the agency will reopen or resume operation.

136 (e) Failure of the agency to provide notice and to obtain department authorization prior  
137 to closure or cessation of operation shall result in an automatic termination of the package  
138 agency contract effective immediately.

139 (f) Failure of the agency to reopen or resume operation by the approved date shall  
140 result in an automatic termination of the package agency contract effective on that date.

141 (14) Liquor may not be stored or sold in any place other than as designated in the

142 package agent's application, unless the package agent first applies for and receives approval  
143 from the department for a change of location within the package agency premises.

144 (15) (a) Except to the extent authorized by commission rule, a minor may not be  
145 admitted into, or be on the premises of a package agency unless accompanied by a person who  
146 is:

147 (i) 21 years of age or older; and

148 (ii) the minor's parent, legal guardian, or spouse.

149 (b) Any package agent or employee of the package agency that has reason to believe  
150 that a person who is on the premises of a package agency store is under the age of 21 and is not  
151 accompanied by a person described in Subsection (15)(a) may:

152 (i) ask the suspected minor for proof of age;

153 (ii) ask the person who accompanied the suspected minor for proof of age; and

154 (iii) ask the suspected minor or the person who accompanied the suspected minor for  
155 proof of parental, guardianship, or spousal relationship.

156 (c) Any package agent or employee of a package agency shall refuse to sell liquor to the  
157 suspected minor and to the person who accompanied the suspected minor into the package  
158 agency if they fail to provide any of the information specified in Subsection (15)(b).

159 (d) Any package agent or employee of a package agency shall require the suspected  
160 minor and the person who accompanied the suspected minor into the package agency to  
161 immediately leave the premises of the package agency if they fail to provide any of the  
162 information specified in Subsection (15)(b).

163 (16) A package agency may not transfer its operations from one location to another  
164 without prior written approval of the commission.

165 (17) (a) A person, having been granted a package agency, may not sell, transfer, assign,  
166 exchange, barter, give, or attempt in any way to dispose of the package agency to any other  
167 person, whether for monetary gain or not.

168 (b) A package agency has no monetary value for the purpose of any type of disposition.

169 Section 2. Section **32A-4-106** is amended to read:

170           **32A-4-106. Operational restrictions.**

171           Each person granted a restaurant liquor license and the employees and management  
172 personnel of the restaurant shall comply with the following conditions and requirements.  
173 Failure to comply may result in a suspension or revocation of the license or other disciplinary  
174 action taken against individual employees or management personnel.

175           (1) (a) Liquor may not be purchased by a restaurant liquor licensee except from state  
176 stores or package agencies.

177           (b) Liquor purchased may be transported by the restaurant liquor licensee from the  
178 place of purchase to the licensed premises.

179           (c) Payment for liquor shall be made in accordance with rules established by the  
180 commission.

181           (2) A restaurant liquor licensee may sell or provide a primary spirituous liquor only in a  
182 quantity not to exceed one ounce per beverage dispensed through a calibrated metered  
183 dispensing system approved by the department in accordance with commission rules adopted  
184 under this title, except that:

185           (a) spirituous liquor need not be dispensed through a calibrated metered dispensing  
186 system if used as a secondary flavoring ingredient in a beverage subject to the following  
187 restrictions:

188           (i) the secondary ingredient may be dispensed only in conjunction with the purchase of a  
189 primary spirituous liquor;

190           (ii) the secondary ingredient is not the only spirituous liquor in the beverage;

191           (iii) the restaurant liquor licensee shall designate a location where flavorings are stored  
192 on the floor plan provided to the department; and

193           (iv) all flavoring containers shall be plainly and conspicuously labeled "flavorings";

194           (b) spirituous liquor need not be dispensed through a calibrated metered dispensing  
195 system if used:

196           (i) as a flavoring on desserts; and

197           (ii) in the preparation of flaming food dishes, drinks, and desserts;

198 (c) each restaurant patron may have no more than 2.75 ounces of spirituous liquor at a  
199 time; and

200 (d) each restaurant patron may have no more than one spirituous liquor drink at a time  
201 before the patron.

202 (3) (a) (i) Wine may be sold and served by the glass or in an individual portion not to  
203 exceed five ounces per glass or individual portion.

204 (ii) An individual portion of wine may be served to a patron in more than one glass as  
205 long as the total amount of wine does not exceed five ounces.

206 (iii) An individual portion of wine is considered to be one alcoholic beverage under  
207 Subsection (7)(e).

208 (b) (i) Wine may be sold and served in containers not exceeding 1.5 liters at prices fixed  
209 by the commission to tables of four or more persons.

210 (ii) Wine may be sold and served in containers not exceeding 750 milliliters at prices  
211 fixed by the commission to tables of less than four persons.

212 (c) A wine service may be performed and a service charge assessed by the restaurant as  
213 authorized by commission rule for wine purchased at the restaurant.

214 (4) (a) Heavy beer may be served in original containers not exceeding one liter at prices  
215 fixed by the commission.

216 (b) A service charge may be assessed by the restaurant as authorized by commission  
217 rule for heavy beer purchased at the restaurant.

218 (5) (a) (i) Subject to Subsection (5)(a)(ii), a restaurant licensed to sell liquor may sell  
219 beer for on-premise consumption:

220 (A) in an open container; and

221 (B) on draft.

222 (ii) Beer sold pursuant to Subsection (5)(a)(i) shall be in a size of container that does  
223 not exceed two liters, except that beer may not be sold to an individual patron in a size of  
224 container that exceeds one liter.

225 (b) A restaurant licensed under this chapter that sells beer pursuant to Subsection

226 (5)(a):

227 (i) may do so without obtaining a separate on-premise beer retailer license from the  
228 commission; and

229 (ii) shall comply with all appropriate operational restrictions under Chapter 10, Beer  
230 Retailer Licenses, that apply to on-premise beer retailers except when those restrictions are  
231 inconsistent with or less restrictive than the operational restrictions under this part.

232 (c) Failure to comply with the operational restrictions under Chapter 10, Beer Retailer  
233 Licenses, required by Subsection (5)(b) may result in a suspension or revocation of the  
234 restaurant's:

235 (i) state liquor license; and

236 (ii) alcoholic beverage license issued by the local authority.

237 (6) Alcoholic beverages may not be stored, served, or sold in any place other than as  
238 designated in the licensee's application, unless the licensee first applies for and receives approval  
239 from the department for a change of location within the restaurant.

240 (7) (a) (i) A patron may only make alcoholic beverage purchases in the restaurant from  
241 and be served by a person employed, designated, and trained by the licensee to sell and serve  
242 alcoholic beverages.

243 (ii) Notwithstanding Subsection (7)(a)(i), a patron who has purchased bottled wine  
244 from an employee of the restaurant or has carried bottled wine onto the premises of the  
245 restaurant pursuant to Subsection (14) may thereafter serve wine from the bottle to the patron  
246 or others at the patron's table.

247 (b) Alcoholic beverages shall be delivered by a server to the patron.

248 (c) Any alcoholic beverage may only be consumed at the patron's table or counter.

249 (d) Alcoholic beverages may not be served to or consumed by a patron at a bar.

250 (e) Each restaurant patron may have no more than two alcoholic beverages of any kind  
251 at a time before the patron, subject to the limitation in Subsection (2)(d).

252 (8) The liquor storage area shall remain locked at all times other than those hours and  
253 days when liquor sales are authorized by law.

254 (9) (a) Liquor may not be sold, offered for sale, served, or otherwise furnished at a  
255 restaurant ~~[during the following days or hours: (i) until after the polls are closed on the day of~~  
256 ~~any: (A) regular general election; (B) regular primary election; or (C) statewide special~~  
257 ~~election; (ii) until after the polls are closed on the day of any municipal, local district, special~~  
258 ~~service district, or school election, but only: (A) within the boundaries of the municipality, local~~  
259 ~~district, special service district, or school district, and (B) if required by local ordinance; and~~  
260 ~~(iii)] on any [other] day after 12 midnight [and] or before 12 noon.~~

261 (b) The hours of beer sales and service are those specified in Chapter 10, Beer Retailer  
262 Licenses, for on-premise beer licensees.

263 (10) Alcoholic beverages may not be sold except in connection with an order for food  
264 prepared, sold, and served at the restaurant.

265 (11) Alcoholic beverages may not be sold, served, or otherwise furnished to any:

- 266 (a) minor;
- 267 (b) person actually, apparently, or obviously intoxicated;
- 268 (c) known habitual drunkard; or
- 269 (d) known interdicted person.

270 (12) (a) (i) Liquor may be sold only at prices fixed by the commission.

271 (ii) Liquor may not be sold at discount prices on any date or at any time.

272 (b) An alcoholic beverage may not be sold at less than the cost of the alcoholic  
273 beverage to the licensee.

274 (c) An alcoholic beverage may not be sold at a special or reduced price that encourages  
275 over consumption or intoxication.

276 (d) An alcoholic beverage may not be sold at a special or reduced price for only certain  
277 hours of the restaurant's business day such as a "happy hour."

278 (e) The sale or service of more than one alcoholic beverage for the price of a single  
279 alcoholic beverage is prohibited.

280 (f) The sale or service of an indefinite or unlimited number of alcoholic beverages  
281 during any set period for a fixed price is prohibited.

282 (g) A restaurant licensee may not engage in a public promotion involving or offering  
283 free alcoholic beverages to the general public.

284 (13) Alcoholic beverages may not be purchased for a patron of a restaurant by:

285 (a) the licensee; or

286 (b) any employee or agent of the licensee.

287 (14) (a) A person may not bring onto the premises of a restaurant liquor licensee any  
288 alcoholic beverage for on-premise consumption, except a person may bring, subject to the  
289 discretion of the licensee, bottled wine onto the premises of any restaurant liquor licensee for  
290 on-premise consumption.

291 (b) Except bottled wine under Subsection (14)(a), a restaurant liquor licensee or its  
292 officers, managers, employees, or agents may not allow:

293 (i) a person to bring onto the restaurant premises any alcoholic beverage for on-premise  
294 consumption; or

295 (ii) consumption of any such alcoholic beverage on its premises.

296 (c) If bottled wine is carried in by a patron, the patron shall deliver the wine to a server  
297 or other representative of the licensee upon entering the restaurant.

298 (d) A wine service may be performed and a service charge assessed by the restaurant as  
299 authorized by commission rule for wine carried in by a patron.

300 (15) (a) Except as provided in Subsection (15)(b), a restaurant licensee and its  
301 employees may not permit a restaurant patron to carry from the restaurant premises an open  
302 container that:

303 (i) is used primarily for drinking purposes; and

304 (ii) contains any alcoholic beverage.

305 (b) Notwithstanding Subsection (15)(a), a restaurant patron may remove from the  
306 restaurant the unconsumed contents of a bottle of wine purchased in the restaurant, or brought  
307 onto the premises of the restaurant in accordance with Subsection (14), provided the bottle has  
308 been recorked or recapped before removal.

309 (16) (a) A minor may not be employed by a restaurant licensee to sell or dispense

310 alcoholic beverages.

311 (b) Notwithstanding Subsection (16)(a), a minor who is at least 16 years of age may be  
312 employed to enter the sale at a cash register or other sales recording device.

313 (17) An employee of a restaurant liquor licensee, while on duty, may not:

314 (a) consume an alcoholic beverage; or

315 (b) be intoxicated.

316 (18) Any charge or fee made in connection with the sale, service, or consumption of  
317 liquor may be stated in food or alcoholic beverage menus including:

318 (a) a set-up charge;

319 (b) a service charge; or

320 (c) a chilling fee.

321 (19) Each restaurant liquor licensee shall display in a prominent place in the restaurant:

322 (a) the liquor license that is issued by the department;

323 (b) a list of the types and brand names of liquor being served through its calibrated  
324 metered dispensing system; and

325 (c) a sign in large letters stating: "Warning: Driving under the influence of alcohol or  
326 drugs is a serious crime that is prosecuted aggressively in Utah."

327 (20) A restaurant liquor licensee may not on the premises of the restaurant liquor  
328 licensee:

329 (a) engage in or permit any form of gambling, as defined and proscribed in Title 76,  
330 Chapter 10, Part 11, Gambling;

331 (b) have any video gaming device, as defined and proscribed by Title 76, Chapter 10,  
332 Part 11, Gambling; or

333 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires  
334 the risking of something of value for a return or for an outcome when the return or outcome is  
335 based upon an element of chance, excluding the playing of an amusement device that confers  
336 only an immediate and unrecorded right of replay not exchangeable for value.

337 (21) (a) Each restaurant liquor licensee shall maintain an expense ledger or record

338 showing in detail:

339 (i) quarterly expenditures made separately for:

340 (A) malt or brewed beverages;

341 (B) set-ups;

342 (C) liquor;

343 (D) food; and

344 (E) all other items required by the department; and

345 (ii) sales made separately for:

346 (A) malt or brewed beverages;

347 (B) set-ups;

348 (C) food; and

349 (D) all other items required by the department.

350 (b) The record required by Subsection (21)(a) shall be kept:

351 (i) in a form approved by the department; and

352 (ii) current for each three-month period.

353 (c) Each expenditure shall be supported by:

354 (i) delivery tickets;

355 (ii) invoices;

356 (iii) receipted bills;

357 (iv) canceled checks;

358 (v) petty cash vouchers; or

359 (vi) other sustaining data or memoranda.

360 (d) In addition to a ledger or record required under Subsection (21)(a), a restaurant

361 liquor licensee shall maintain accounting and other records and documents as the department

362 may require.

363 (e) Any restaurant or person acting for the restaurant, who knowingly forges, falsifies,

364 alters, cancels, destroys, conceals, or removes the entries in any of the books of account or

365 other documents of the restaurant required to be made, maintained, or preserved by this title or

366 the rules of the commission for the purpose of deceiving the commission or the department, or  
367 any of their officials or employees, is subject to:

- 368 (i) the suspension or revocation of the restaurant's liquor license; and
- 369 (ii) possible criminal prosecution under Chapter 12, Criminal Offenses.

370 (22) (a) A restaurant liquor licensee may not close or cease operation for a period  
371 longer than 240 hours, unless:

- 372 (i) the restaurant liquor licensee notifies the department in writing at least seven days  
373 before the closing ; and

- 374 (ii) the closure or cessation of operation is first approved by the department.

375 (b) Notwithstanding Subsection (22)(a), in the case of emergency closure, immediate  
376 notice of closure shall be made to the department by telephone.

377 (c) The department may authorize a closure or cessation of operation for a period not  
378 to exceed 60 days. The department may extend the initial period an additional 30 days upon  
379 written request of the restaurant licensee and upon a showing of good cause. A closure or  
380 cessation of operation may not exceed a total of 90 days without commission approval.

381 (d) Any notice shall include:

- 382 (i) the dates of closure or cessation of operation;
- 383 (ii) the reason for the closure or cessation of operation; and
- 384 (iii) the date on which the licensee will reopen or resume operation.

385 (e) Failure of the licensee to provide notice and to obtain department authorization  
386 prior to closure or cessation of operation shall result in an automatic forfeiture of:

- 387 (i) the license; and
- 388 (ii) the unused portion of the license fee for the remainder of the license year effective  
389 immediately.

390 (f) Failure of the licensee to reopen or resume operation by the approved date shall  
391 result in an automatic forfeiture of:

- 392 (i) the license; and
- 393 (ii) the unused portion of the license fee for the remainder of the license year.

394 (23) Each restaurant liquor licensee shall maintain at least 70% of its total restaurant  
395 business from the sale of food, which does not include mix for alcoholic beverages or service  
396 charges.

397 (24) A restaurant liquor license may not be transferred from one location to another,  
398 without prior written approval of the commission.

399 (25) (a) A person, having been granted a restaurant liquor license may not sell, transfer,  
400 assign, exchange, barter, give, or attempt in any way to dispose of the license to any other  
401 person whether for monetary gain or not.

402 (b) A restaurant liquor license has no monetary value for the purpose of any type of  
403 disposition.

404 (26) Each server of alcoholic beverages in a licensee's establishment shall keep a written  
405 beverage tab for each table or group that orders or consumes alcoholic beverages on the  
406 premises. The beverage tab shall list the type and amount of alcoholic beverages ordered or  
407 consumed.

408 (27) A person's willingness to serve alcoholic beverages may not be made a condition of  
409 employment as a server with a restaurant that has a restaurant liquor license.

410 Section 3. Section **32A-4-307** is amended to read:

411 **32A-4-307. Operational restrictions.**

412 Each person granted a limited restaurant license and the employees and management  
413 personnel of the restaurant shall comply with the following conditions and requirements.  
414 Failure to comply may result in a suspension or revocation of the license or other disciplinary  
415 action taken against individual employees or management personnel.

416 (1) (a) Wine and heavy beer may not be purchased by a limited restaurant licensee  
417 except from state stores or package agencies .

418 (b) Wine and heavy beer purchased in accordance with Subsection (1)(a) may be  
419 transported by the licensee from the place of purchase to the licensed premises.

420 (c) Payment for wine and heavy beer shall be made in accordance with rules established  
421 by the commission.

422 (2) (a) A limited restaurant licensee may not sell, serve, or allow consumption of  
423 spirituous liquor on the premises of the restaurant.

424 (b) Spirituous liquor may not be on the premises of the restaurant except for use:

425 (i) as a flavoring on desserts; and

426 (ii) in the preparation of flaming food dishes, drinks, and desserts.

427 (3) (a) (i) Wine may be sold and served by the glass or an individual portion not to  
428 exceed five ounces per glass or individual portion.

429 (ii) An individual portion may be served to a patron in more than one glass as long as  
430 the total amount of wine does not exceed five ounces.

431 (iii) An individual portion of wine is considered to be one alcoholic beverage under  
432 Subsection (7)(e).

433 (b) (i) Wine may be sold and served in containers not exceeding 1.5 liters at prices fixed  
434 by the commission to tables of four or more persons.

435 (ii) Wine may be sold and served in containers not exceeding 750 milliliters at prices  
436 fixed by the commission to tables of less than four persons.

437 (c) A wine service may be performed and a service charge assessed by the limited  
438 restaurant as authorized by commission rule for wine purchased at the limited restaurant.

439 (4) (a) Heavy beer may be served in original containers not exceeding one liter at prices  
440 fixed by the commission.

441 (b) A service charge may be assessed by the limited restaurant as authorized by  
442 commission rule for heavy beer purchased at the restaurant.

443 (5) (a) (i) Subject to Subsection (5)(a)(ii), a limited restaurant licensee may sell beer for  
444 on-premise consumption:

445 (A) in an open container; and

446 (B) on draft.

447 (ii) Beer sold pursuant to Subsection (5)(a)(i) shall be in a size of container that does  
448 not exceed two liters, except that beer may not be sold to an individual patron in a size of  
449 container that exceeds one liter.

450 (b) A limited restaurant licensee that sells beer pursuant to Subsection (5)(a):  
451 (i) may do so without obtaining a separate on-premise beer retailer license from the  
452 commission; and  
453 (ii) shall comply with all appropriate operational restrictions under Chapter 10, Beer  
454 Retailer Licenses, that apply to on-premise beer retailers except when those restrictions are  
455 inconsistent with or less restrictive than the operational restrictions under this part.  
456 (c) Failure to comply with the operational restrictions under Chapter 10, Beer Retailer  
457 Licenses, required by Subsection (5)(b) may result in a suspension or revocation of the  
458 restaurant's:  
459 (i) limited restaurant license; and  
460 (ii) alcoholic beverage license issued by the local authority.  
461 (6) Wine, heavy beer, and beer may not be stored, served, or sold in any place other  
462 than as designated in the licensee's application, unless the licensee first applies for and receives  
463 approval from the department for a change of location within the restaurant.  
464 (7) (a) (i) A patron may only make alcoholic beverage purchases in the limited  
465 restaurant from and be served by a person employed, designated, and trained by the licensee to  
466 sell and serve alcoholic beverages.  
467 (ii) Notwithstanding Subsection (7)(a)(i), a patron who has purchased bottled wine  
468 from an employee of the restaurant or has carried bottled wine onto the premises of the  
469 restaurant pursuant to Subsection (14) may thereafter serve wine from the bottle to the patron  
470 or others at the patron's table.  
471 (b) Alcoholic beverages shall be delivered by a server to the patron.  
472 (c) Any alcoholic beverage may only be consumed at the patron's table or counter.  
473 (d) Alcoholic beverages may not be served to or consumed by a patron at a bar.  
474 (e) Each restaurant patron may have no more than two alcoholic beverages of any kind  
475 at a time before the patron.  
476 (8) The alcoholic beverage storage area shall remain locked at all times other than those  
477 hours and days when alcoholic beverage sales are authorized by law.

478 (9) (a) Wine and heavy beer may not be sold, offered for sale, served, or otherwise  
479 furnished at a limited restaurant [~~during the following days or hours: (i) until after the polls are~~  
480 ~~closed on the day of any: (A) regular general election; (B) regular primary election; or (C)~~  
481 ~~statewide special election; (ii) until after the polls are closed on the day of any municipal, local~~  
482 ~~district, special service district, or school election, but only: (A) within the boundaries of the~~  
483 ~~municipality, local district, special service district, or school district; and (B) if required by local~~  
484 ~~ordinance; and (iii)] on any [other] day after 12 midnight [and] or before 12 noon.~~

485 (b) The hours of beer sales and service are those specified in Chapter 10, Beer Retailer  
486 Licenses, for on-premise beer licensees.

487 (10) Alcoholic beverages may not be sold except in connection with an order of food  
488 prepared, sold, and served at the restaurant.

489 (11) Wine, heavy beer, and beer may not be sold, served, or otherwise furnished to  
490 [any] a:

491 (a) minor;

492 (b) person actually, apparently, or obviously intoxicated;

493 (c) known habitual drunkard; or

494 (d) known interdicted person.

495 (12) (a) (i) Wine and heavy beer may be sold only at prices fixed by the commission.

496 (ii) Wine and heavy beer may not be sold at discount prices on any date or at any time.

497 (b) Alcoholic beverages may not be sold at less than the cost of the alcoholic beverages  
498 to the licensee.

499 (c) An alcoholic beverage may not be sold at a special or reduced price that encourages  
500 over consumption or intoxication.

501 (d) An alcoholic beverage may not be sold at a special or reduced price for only certain  
502 hours of the limited restaurant's business day such as a "happy hour."

503 (e) The sale or service of more than one alcoholic beverage for the price of a single  
504 alcoholic beverage is prohibited.

505 (f) The sale or service of an indefinite or unlimited number of alcoholic beverages

506 during any set period for a fixed price is prohibited.

507 (g) A limited restaurant licensee may not engage in a public promotion involving or  
508 offering free alcoholic beverages to the general public.

509 (13) Alcoholic beverages may not be purchased for a patron of the restaurant by:

510 (a) the licensee; or

511 (b) any employee or agent of the licensee.

512 (14) (a) A person may not bring onto the premises of a limited restaurant licensee any  
513 alcoholic beverage for on-premise consumption, except a person may bring, subject to the  
514 discretion of the licensee, bottled wine onto the premises of any limited restaurant licensee for  
515 on-premise consumption.

516 (b) Except bottled wine under Subsection (14)(a), a limited restaurant licensee or its  
517 officers, managers, employees, or agents may not allow:

518 (i) a person to bring onto the restaurant premises any alcoholic beverage for on-premise  
519 consumption; or

520 (ii) consumption of any alcoholic beverage described in Subsection (14)(b)(i) on its  
521 premises.

522 (c) If bottled wine is carried in by a patron, the patron shall deliver the wine to a server  
523 or other representative of the licensee upon entering the restaurant.

524 (d) A wine service may be performed and a service charge assessed by the restaurant as  
525 authorized by commission rule for wine carried in by a patron.

526 (15) (a) Except as provided in Subsection (15)(b), a limited restaurant licensee and its  
527 employees may not permit a restaurant patron to carry from the restaurant premises an open  
528 container that:

529 (i) is used primarily for drinking purposes; and

530 (ii) contains any alcoholic beverage.

531 (b) Notwithstanding Subsection (15)(a), a patron may remove the unconsumed contents  
532 of a bottle of wine if before removal the bottle has been recorked or recapped.

533 (16) (a) A minor may not be employed by a limited restaurant licensee to sell or

534 dispense alcoholic beverages.

535 (b) Notwithstanding Subsection (16)(a), a minor who is at least 16 years of age may be  
536 employed to enter the sale at a cash register or other sales recording device.

537 (17) An employee of a limited restaurant licensee, while on duty, may not:

538 (a) consume an alcoholic beverage; or

539 (b) be intoxicated.

540 (18) A charge or fee made in connection with the sale, service, or consumption of wine  
541 or heavy beer may be stated in food or alcoholic beverage menus including:

542 (a) a service charge; or

543 (b) a chilling fee.

544 (19) Each limited restaurant licensee shall display in a prominent place in the restaurant:

545 (a) the license that is issued by the department; and

546 (b) a sign in large letters stating: "Warning: Driving under the influence of alcohol or  
547 drugs is a serious crime that is prosecuted aggressively in Utah."

548 (20) A limited restaurant licensee may not on the premises of the restaurant:

549 (a) engage in or permit any form of gambling, as defined and proscribed in Title 76,  
550 Chapter 10, Part 11, Gambling;

551 (b) have any video gaming device, as defined and proscribed by Title 76, Chapter 10,  
552 Part 11, Gambling; or

553 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires  
554 the risking of something of value for a return or for an outcome when the return or outcome is  
555 based upon an element of chance, excluding the playing of an amusement device that confers  
556 only an immediate and unrecorded right of replay not exchangeable for value.

557 (21) (a) Each limited restaurant licensee shall maintain an expense ledger or record  
558 showing in detail:

559 (i) quarterly expenditures made separately for:

560 (A) wine;

561 (B) heavy beer;

- 562 (C) beer;
- 563 (D) food; and
- 564 (E) all other items required by the department; and
- 565 (ii) sales made separately for:
  - 566 (A) wine;
  - 567 (B) heavy beer;
  - 568 (C) beer;
  - 569 (D) food; and
  - 570 (E) all other items required by the department.
- 571 (b) The record required by Subsection (21)(a) shall be kept:
  - 572 (i) in a form approved by the department; and
  - 573 (ii) current for each three-month period.
- 574 (c) Each expenditure shall be supported by:
  - 575 (i) delivery tickets;
  - 576 (ii) invoices;
  - 577 (iii) receipted bills;
  - 578 (iv) canceled checks;
  - 579 (v) petty cash vouchers; or
  - 580 (vi) other sustaining data or memoranda.
- 581 (d) In addition to the ledger or record maintained under Subsections (21)(a) through
- 582 (c), a limited restaurant licensee shall maintain accounting and other records and documents as
- 583 the department may require.
- 584 (e) Any restaurant or person acting for the restaurant, who knowingly forges, falsifies,
- 585 alters, cancels, destroys, conceals, or removes the entries in any of the books of account or
- 586 other documents of the restaurant required to be made, maintained, or preserved by this title or
- 587 the rules of the commission for the purpose of deceiving the commission or department, or any
- 588 of their officials or employees, is subject to:
  - 589 (i) the suspension or revocation of the limited restaurant's license; and

- 590 (ii) possible criminal prosecution under Chapter 12, Criminal Offenses.
- 591 (22) (a) A limited restaurant licensee may not close or cease operation for a period
- 592 longer than 240 hours, unless:
- 593 (i) the limited restaurant licensee notifies the department in writing at least seven days
- 594 before the closing ; and
- 595 (ii) the closure or cessation of operation is first approved by the department.
- 596 (b) Notwithstanding Subsection (22)(a), in the case of emergency closure, immediate
- 597 notice of closure shall be made to the department by telephone.
- 598 (c) (i) Subject to Subsection (22)(c)(iii), the department may authorize a closure or
- 599 cessation of operation for a period not to exceed 60 days.
- 600 (ii) The department may extend the initial period an additional 30 days upon:
- 601 (A) written request of the limited restaurant licensee; and
- 602 (B) a showing of good cause.
- 603 (iii) A closure or cessation of operation may not exceed a total of 90 days without
- 604 commission approval.
- 605 (d) Any notice required by Subsection (22)(a) shall include:
- 606 (i) the dates of closure or cessation of operation;
- 607 (ii) the reason for the closure or cessation of operation; and
- 608 (iii) the date on which the licensee will reopen or resume operation.
- 609 (e) Failure of the licensee to provide notice and to obtain department authorization
- 610 before closure or cessation of operation shall result in an automatic forfeiture of:
- 611 (i) the license; and
- 612 (ii) the unused portion of the license fee for the remainder of the license year effective
- 613 immediately.
- 614 (f) Failure of the licensee to reopen or resume operation by the approved date [~~shall~~
- 615 ~~result~~] results in an automatic forfeiture of:
- 616 (i) the license; and
- 617 (ii) the unused portion of the license fee for the remainder of the license year.

618           (23) Each limited restaurant licensee shall maintain at least 70% of its total restaurant  
619 business from the sale of food, which does not include service charges.

620           (24) A limited restaurant license may not be transferred from one location to another,  
621 without prior written approval of the commission.

622           (25) (a) A limited restaurant licensee may not sell, transfer, assign, exchange, barter,  
623 give, or attempt in any way to dispose of the license to any other person whether for monetary  
624 gain or not.

625           (b) A limited restaurant license has no monetary value for the purpose of any type of  
626 disposition.

627           (26) (a) Each server of wine, heavy beer, and beer in a limited restaurant licensee's  
628 establishment shall keep a written beverage tab for each table or group that orders or consumes  
629 alcoholic beverages on the premises.

630           (b) The beverage tab required by Subsection (26)(a) shall list the type and amount of  
631 alcoholic beverages ordered or consumed.

632           (27) A limited restaurant licensee may not make a person's willingness to serve  
633 alcoholic beverages a condition of employment as a server with the restaurant.

634           Section 4. Section **32A-4-406** is amended to read:

635           **32A-4-406. Operational restrictions.**

636           Each person granted an on-premise banquet license and the employees and management  
637 personnel of the on-premise banquet licensee shall comply with this title, the rules of the  
638 commission, and the following conditions and requirements. Failure to comply may result in a  
639 suspension or revocation of the license or other disciplinary action taken against individual  
640 employees or management personnel.

641           (1) A person involved in the sale or service of alcoholic beverages under the on-premise  
642 banquet license shall:

643           (a) be under the supervision and direction of the on-premise banquet licensee; and

644           (b) complete the seminar provided for in Section 62A-15-401.

645           (2) (a) Liquor may not be purchased by the on-premise banquet licensee except from

646 state stores or package agencies.

647 (b) Liquor purchased in accordance with Subsection (2)(a) may be transported by the  
648 on-premise banquet licensee from the place of purchase to the licensed premises.

649 (c) Payment for liquor shall be made in accordance with rules established by the  
650 commission.

651 (3) Alcoholic beverages may be sold or provided at a banquet subject to the restrictions  
652 set forth in this Subsection (3).

653 (a) An on-premise banquet licensee may sell or provide any primary spirituous liquor  
654 only in a quantity not to exceed one ounce per beverage dispensed through a calibrated metered  
655 dispensing system approved by the department in accordance with commission rules adopted  
656 under this title, except that:

657 (i) spirituous liquor need not be dispensed through a calibrated metered dispensing  
658 system if used as a secondary flavoring ingredient in a beverage subject to the following  
659 restrictions:

660 (A) the secondary ingredient may be dispensed only in conjunction with the purchase of  
661 a primary spirituous liquor;

662 (B) the secondary ingredient may not be the only spirituous liquor in the beverage;

663 (C) the on-premise banquet licensee shall designate a location where flavorings are  
664 stored on the floor plan provided to the department; and

665 (D) all flavoring containers shall be plainly and conspicuously labeled "flavorings";

666 (ii) spirituous liquor need not be dispensed through a calibrated metered dispensing  
667 system if used:

668 (A) as a flavoring on desserts; and

669 (B) in the preparation of flaming food dishes, drinks, and desserts;

670 (iii) each attendee may have no more than 2.75 ounces of spirituous liquor at a time  
671 before the attendee; and

672 (iv) each attendee may have no more than one spirituous liquor drink at a time before  
673 the attendee.

674 (b) (i) (A) Wine may be sold and served by the glass or an individual portion not to  
675 exceed five ounces per glass or individual portion.

676 (B) An individual portion may be served to an attendee in more than one glass as long  
677 as the total amount of wine does not exceed five ounces.

678 (C) An individual portion of wine is considered to be one alcoholic beverage under  
679 Subsection (5)(c).

680 (ii) Wine may be sold and served in containers not exceeding 1.5 liters at prices fixed by  
681 the commission.

682 (iii) A wine service may be performed and a service charge assessed by the on-premise  
683 banquet licensee as authorized by commission rule for wine purchased on the banquet premises.

684 (c) (i) Heavy beer may be served in original containers not exceeding one liter at prices  
685 fixed by the commission.

686 (ii) A service charge may be assessed by the on-premise banquet licensee as authorized  
687 by commission rule for heavy beer purchased on the banquet premises.

688 (d) (i) Except as provided in Subsection (3)(d)(ii), beer may be sold and served for  
689 on-premise consumption:

690 (A) in an open container; and

691 (B) on draft.

692 (ii) Beer sold pursuant to Subsection (3)(d)(i) shall be in a size of container that does  
693 not exceed two liters, except that beer may not be sold to an individual attendee in a container  
694 size that exceeds one liter.

695 (4) Alcoholic beverages may not be stored, served, or sold in any place other than as  
696 designated in the on-premise banquet licensee's application, except that additional locations in  
697 or on the premises of an on-premise banquet licensee may be approved in accordance with  
698 guidelines approved by the commission as provided in Subsection 32A-4-402(2).

699 (5) (a) An attendee may only make alcoholic beverage purchases from and be served by  
700 a person employed, designated, and trained by the on-premise banquet licensee to sell and serve  
701 alcoholic beverages.

702 (b) Notwithstanding Subsection (5)(a), an attendee who has purchased bottled wine  
703 from an employee of the on-premise banquet licensee may thereafter serve wine from the bottle  
704 to the attendee or others at the attendee's table.

705 (c) Each attendee may have no more than two alcoholic beverages of any kind at a time  
706 before the attendee.

707 (6) The alcoholic beverage storage area shall remain locked at all times other than those  
708 hours and days when alcoholic beverage sales are authorized by law.

709 (7) ~~[(a) Except as provided in Subsection (7)(b), alcoholic]~~ Alcoholic beverages may be  
710 offered for sale, sold, served, or otherwise furnished from 10 a.m. to 1 a.m. seven days a week:

711 ~~[(i)]~~ (a) at a banquet; or

712 ~~[(ii)]~~ (b) in connection with room service.

713 ~~[(b) Notwithstanding Subsection (7)(a), a sale or service of liquor may not occur at a  
714 banquet or in connection with room service until after the polls are closed on the day of:]~~

715 ~~[(i) a regular general election;]~~

716 ~~[(ii) a regular primary election; or]~~

717 ~~[(iii) a statewide special election.]~~

718 (8) Alcoholic beverages may not be sold, served, or otherwise furnished to any:

719 (a) minor;

720 (b) person actually, apparently, or obviously intoxicated;

721 (c) known habitual drunkard; or

722 (d) known interdicted person.

723 (9) (a) (i) Liquor may be sold only at prices fixed by the commission.

724 (ii) Liquor may not be sold at discount prices on any date or at any time.

725 (b) Alcoholic beverages may not be sold at less than the cost of the alcoholic beverage  
726 to the licensee.

727 (c) An alcoholic beverage may not be sold at a special or reduced price that encourages  
728 over consumption or intoxication.

729 (d) An alcoholic beverage may not be sold at a special or reduced price for only certain

730 hours of the on-premise banquet licensee's business day such as a "happy hour."

731 (e) The sale or service of more than one alcoholic beverage for the price of a single  
732 alcoholic beverage is prohibited.

733 (f) An on-premise banquet licensee may not engage in a public promotion involving or  
734 offering free alcoholic beverages to the general public.

735 (10) Alcoholic beverages may not be purchased for an attendee by:

736 (a) the on-premise banquet licensee; or

737 (b) any employee or agent of the on-premise banquet licensee.

738 (11) An attendee of a banquet may not bring any alcoholic beverage into or onto, or  
739 remove any alcoholic beverage from the premises of a banquet.

740 (12) (a) Except as otherwise provided in this title, the sale and service of alcoholic  
741 beverages by an on-premise banquet licensee at a banquet shall be made only for consumption at  
742 the location of the banquet.

743 (b) The host of a banquet, an attendee, or any other person other than the on-premise  
744 banquet licensee or its employees, may not remove any alcoholic beverage from the premises of  
745 the banquet.

746 (13) An on-premise banquet licensee employee shall remain at the banquet at all times  
747 when alcoholic beverages are being sold, served, or consumed at the banquet.

748 (14) (a) An on-premise banquet licensee may not leave any unsold alcoholic beverages  
749 at the banquet following the conclusion of the banquet.

750 (b) At the conclusion of a banquet, the on-premise banquet licensee or its employees,  
751 shall:

752 (i) destroy any opened and unused alcoholic beverages that are not saleable, under  
753 conditions established by the department; and

754 (ii) return to the on-premise banquet licensee's approved locked storage area any:

755 (A) opened and unused alcoholic beverage that is saleable; and

756 (B) unopened containers of alcoholic beverages.

757 (15) Except as provided in Subsection (14), any open or sealed container of alcoholic

758 beverages not sold or consumed at a banquet:

759 (a) shall be stored by the on-premise banquet licensee in the licensee's approved locked  
760 storage area; and

761 (b) may be used at more than one banquet.

762 (16) An on-premise banquet licensee may not employ a minor to sell, serve, dispense, or  
763 otherwise furnish alcoholic beverages in connection with the licensee's banquet and room  
764 service activities.

765 (17) An employee of an on-premise banquet licensee, while on duty, may not:

766 (a) consume an alcoholic beverage; or

767 (b) be intoxicated.

768 (18) An on-premise banquet licensee shall prominently display at each banquet at which  
769 alcoholic beverages are sold or served:

770 (a) a copy of the licensee's on-premise banquet license; and

771 (b) a sign in large letters stating: "Warning: Driving under the influence of alcohol or  
772 drugs is a serious crime that is prosecuted aggressively in Utah."

773 (19) An on-premise banquet licensee may not on the premises of the hotel, resort  
774 facility, sports center, or convention center:

775 (a) engage in or permit any form of gambling, as defined and proscribed in Title 76,  
776 Chapter 10, Part 11, Gambling;

777 (b) have any video gaming device, as defined and proscribed by Title 76, Chapter 10,  
778 Part 11, Gambling; or

779 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires  
780 the risking of something of value for a return or for an outcome when the return or outcome is  
781 based upon an element of chance, excluding the playing of an amusement device that confers  
782 only an immediate and unrecorded right of replay not exchangeable for value.

783 (20) (a) An on-premise banquet licensee shall maintain accounting and such other  
784 records and documents as the commission or department may require.

785 (b) An on-premise banquet licensee or person acting for the on-premise banquet

786 licensee, who knowingly forges, falsifies, alters, cancels, destroys, conceals, or removes the  
787 entries in any of the books of account or other documents of the on-premise banquet licensee  
788 required to be made, maintained, or preserved by this title or the rules of the commission for the  
789 purpose of deceiving the commission or department, or any of their officials or employees, is  
790 subject to:

- 791 (i) the suspension or revocation of the on-premise banquet license; and
- 792 (ii) possible criminal prosecution under Chapter 12, Criminal Offenses.

793 (21) (a) For the purpose described in Subsection (21)(b), an on-premise banquet  
794 licensee shall provide the department with advance notice of a scheduled banquet in accordance  
795 with rules made by the commission in accordance with Title 63, Chapter 46a, Utah  
796 Administrative Rulemaking Act.

797 (b) The advance notice required by Subsection (21)(a) is required to provide any of the  
798 following the opportunity to conduct a random inspection of a banquet:

- 799 (i) an authorized representative of the commission or the department; or
- 800 (ii) a law enforcement officer.

801 (22) An on-premise banquet licensee shall maintain at least 50% of its total annual  
802 banquet gross receipts from the sale of food, not including:

- 803 (a) mix for alcoholic beverages; and
- 804 (b) charges in connection with the service of alcoholic beverages.

805 (23) A person may not transfer an on-premise banquet license from one business  
806 location to another without prior written approval of the commission.

807 (24) (a) An on-premise banquet licensee may not sell, transfer, assign, exchange, barter,  
808 give, or attempt in any way to dispose of the license to any other person, whether for monetary  
809 gain or not.

810 (b) An on-premise banquet license has no monetary value for the purpose of any type of  
811 disposition.

812 (25) (a) Room service of alcoholic beverages to a guest room of a hotel or resort  
813 facility shall be provided in person by an on-premise banquet licensee employee only to an adult

814 guest in the guest room.

815 (b) Alcoholic beverages may not be left outside a guest room for retrieval by a guest.

816 (c) An on-premise banquet licensee may only provide alcoholic beverages for room  
817 service in sealed containers.

818 Section 5. Section **32A-5-107** is amended to read:

819 **32A-5-107. Operational restrictions.**

820 Each club granted a private club license and the employees, management personnel, and  
821 members of the club shall comply with the following conditions and requirements. Failure to  
822 comply may result in a suspension or revocation of the license or other disciplinary action taken  
823 against individual employees or management personnel.

824 (1) Each private club shall have a governing body that:

825 (a) consists of three or more members of the club; and

826 (b) holds regular meetings to:

827 (i) review membership applications; and

828 (ii) conduct any other business as required by the bylaws or house rules of the private  
829 club.

830 (2) (a) Each private club may admit an individual as a member only on written  
831 application signed by the applicant, subject to:

832 (i) the applicant paying an application fee as required by Subsection (4); and

833 (ii) investigation, vote, and approval of a quorum of the governing body.

834 (b) (i) Admissions shall be recorded in the official minutes of a regular meeting of the  
835 governing body.

836 (ii) An application, whether approved or disapproved, shall be filed as a part of the  
837 official records of the licensee.

838 (c) Notwithstanding Subsection (2)(a), a private club, in its discretion, may admit an  
839 applicant and immediately accord the applicant temporary privileges of a member until the  
840 governing body completes its investigation and votes on the application, subject to the following  
841 conditions:

- 842 (i) the applicant shall:
- 843 (A) submit a written application; and
- 844 (B) pay the application fee required by Subsection (4);
- 845 (ii) the governing body votes on the application at its next meeting which shall take
- 846 place no later than 31 days following the day on which the application was submitted; and
- 847 (iii) the applicant's temporary membership privileges are terminated if the governing
- 848 body disapproves the application.
- 849 (d) The spouse of a member of any class of private club is entitled to all the rights and
- 850 privileges of the member:
- 851 (i) to the extent permitted by the bylaws or house rules of the private club; and
- 852 (ii) except to the extent restricted by this title.
- 853 (e) The minor child of a member of a class A private club is entitled to all the rights and
- 854 privileges of the member:
- 855 (i) to the extent permitted by the bylaws or house rules of the private club; and
- 856 (ii) except to the extent restricted by this title.
- 857 (3) (a) Each private club shall maintain a current and complete membership record
- 858 showing:
- 859 (i) the date of application of each proposed member;
- 860 (ii) each member's address;
- 861 (iii) the date the governing body approved a member's admission;
- 862 (iv) the date initiation fees and dues were assessed and paid; and
- 863 (v) the serial number of the membership card issued to each member.
- 864 (b) A current record shall also be kept indicating when members are dropped or
- 865 resigned.
- 866 (4) (a) Each private club shall establish in the club bylaws or house rules application
- 867 fees and membership dues:
- 868 (i) as established by commission rules; and
- 869 (ii) which are collected from all members.

870 (b) An application fee:  
871 (i) shall not be less than \$4;  
872 (ii) shall be paid when the applicant applies for membership; and  
873 (iii) at the discretion of the private club, may be credited toward membership dues if the  
874 governing body approves the applicant as a member.

875 (5) (a) Each private club may, in its discretion, allow an individual to be admitted to or  
876 use the club premises as a guest only under the following conditions:

877 (i) each guest must be previously authorized by one of the following who agrees to host  
878 the guest into the club:

879 (A) an active member of the club; or

880 (B) a holder of a current visitor card;

881 (ii) each guest must be known by the guest's host based on a preexisting bonafide  
882 business or personal relationship with the host prior to the guest's admittance to the club;

883 (iii) each guest must be accompanied by the guest's host for the duration of the guest's  
884 visit to the club;

885 (iv) each guest's host must remain on the club premises for the duration of the guest's  
886 visit to the club;

887 (v) each guest's host is responsible for the cost of all services extended to the guest;

888 (vi) each guest enjoys only those privileges derived from the guest's host for the  
889 duration of the guest's visit to the club;

890 (vii) an employee of the club, while on duty, may not act as a host for a guest;

891 (viii) an employee of the club, while on duty, may not attempt to locate a member or  
892 current visitor card holder to serve as a host for a guest with whom the member or visitor card  
893 holder has no acquaintance based on a preexisting bonafide business or personal relationship  
894 prior to the guest's arrival at the club; and

895 (ix) a club and its employees may not enter into an agreement or arrangement with a  
896 club member or holder of a current visitor card to indiscriminately host members of the general  
897 public into the club as guests.

- 898 (b) Notwithstanding Subsection (5)(a), previous authorization is not required if:
- 899 (i) the licensee is a class B private club; and
- 900 (ii) the guest is a member of the same fraternal organization as the private club licensee.
- 901 (6) Each private club may, in its discretion, issue visitor cards to allow individuals to
- 902 enter and use the club premises on a temporary basis under the following conditions:
- 903 (a) each visitor card shall be issued for a period not to exceed three weeks;
- 904 (b) a fee of not less than \$4 shall be assessed for each visitor card issued;
- 905 (c) a visitor card shall not be issued to a minor;
- 906 (d) a holder of a visitor card may not host more than seven guests at one time;
- 907 (e) each visitor card issued shall include:
- 908 (i) the visitor's full name and signature;
- 909 (ii) the date the card was issued;
- 910 (iii) the date the card expires;
- 911 (iv) the club's name; and
- 912 (v) the serial number of the card; and
- 913 (f) (i) the club shall maintain a current record of the issuance of each visitor card on the
- 914 club premises; and
- 915 (ii) the record described in Subsection (6)(f)(i) shall:
- 916 (A) be available for inspection by the department; and
- 917 (B) include:
- 918 (I) the name of the person to whom the card was issued;
- 919 (II) the date the card was issued;
- 920 (III) the date the card expires; and
- 921 (IV) the serial number of the card.
- 922 (7) A private club may not sell alcoholic beverages to or allow any patron to be
- 923 admitted to or use the club premises other than:
- 924 (a) a member;
- 925 (b) a visitor who holds a valid visitor card issued under Subsection (6); or

- 926 (c) a guest of:
- 927 (i) a member; or
- 928 (ii) a holder of a current visitor card.
- 929 (8) (a) A minor may not be:
- 930 (i) a member, officer, director, or trustee of a private club;
- 931 (ii) issued a visitor card;
- 932 (iii) admitted into, use, or be on the premises of any lounge or bar area, as defined by
- 933 commission rule, of any private club except to the extent authorized under Subsection (8)(c)(ii);
- 934 (iv) admitted into, use, or be on the premises of any class D private club:
- 935 (A) that operates as a sexually oriented business as defined by local ordinance; or
- 936 (B) when a sexually oriented entertainer is performing on the premises; or
- 937 (v) admitted into, use, or be on the premises of a class D private club except to the
- 938 extent authorized under Subsections (8)(b) through (g).
- 939 (b) Except as provided in Subsection (8)(a)(iv), at the discretion of a class D private
- 940 club, a minor may be admitted into, use, or be on the premises of a class D private club under
- 941 the following circumstances:
- 942 (i) during periods when no alcoholic beverages are sold, served, otherwise furnished, or
- 943 consumed on the premises, but in no event later than 1 p.m.;
- 944 (ii) when accompanied at all times by a member or holder of a current visitor card who
- 945 is the minor's parent, legal guardian, or spouse; and
- 946 (iii) the private club has a full kitchen and is licensed by the local jurisdiction as a food
- 947 service provider.
- 948 (c) A minor may be employed by a class D private club on the premises of the club if:
- 949 (i) the parent or legal guardian of the minor owns or operates the class D private club;
- 950 or
- 951 (ii) the minor performs maintenance and cleaning services during the hours when the
- 952 club is not open for business.
- 953 (d) (i) Subject to Subsection (8)(d)(ii), a minor who is at least 18 years of age may be

954 admitted into, use, or be on the premises of a dance or concert hall if:

955 (A) the dance or concert hall is located:

956 (I) on the premises of a class D private club; or

957 (II) on the property that immediately adjoins the premises of and is operated by a class  
958 D private club; and

959 (B) the commission has issued the class D private club a permit to operate a minor  
960 dance or concert hall based on the criteria described in Subsection (8)(d)(iii).

961 (ii) If the dance or concert hall is located on the premises of a class D private club, a  
962 minor must be properly hosted in accordance with Subsection (5) by:

963 (A) a member; or

964 (B) a holder of a current visitor card.

965 (iii) The commission may issue a minor dance or concert hall permit if:

966 (A) the club's lounge, bar, and alcoholic beverage consumption area is:

967 (I) not accessible to minors;

968 (II) clearly defined; and

969 (III) separated from the dance or concert hall area by walls, multiple floor levels, or  
970 other substantial physical barriers;

971 (B) any bar or dispensing area is not visible to minors;

972 (C) no consumption of alcoholic beverages may occur in:

973 (I) the dance or concert hall area; or

974 (II) any area of the club accessible to a minor;

975 (D) the club maintains sufficient security personnel to prevent the passing of beverages  
976 from the club's lounge, bar, or alcoholic beverage consumption areas to:

977 (I) the dance or concert hall area; or

978 (II) any area of the club accessible to a minor;

979 (E) there are separate entrances, exits, and restroom facilities from the club's lounge,  
980 bar, and alcoholic beverage consumption areas than for:

981 (I) the dance or concert hall area; or

982 (II) any area accessible to a minor; and

983 (F) the club complies with any other restrictions imposed by the commission by rule.

984 (e) A minor under 18 years of age who is accompanied at all times by a parent or legal  
985 guardian who is a member or holder of a current visitor card may be admitted into, use, or be on  
986 the premises of a concert hall described in Subsection (8)(d)(i) if:

987 (i) all requirements of Subsection (8)(d) are met; and

988 (ii) all signage, product, and dispensing equipment containing recognition of alcoholic  
989 beverages is not visible to the minor.

990 (f) A minor under 18 years of age but who is 14 years of age or older who is not  
991 accompanied by a parent or legal guardian may be admitted into, use, or be on the premises of a  
992 concert hall described in Subsection (8)(d)(i) if:

993 (i) all requirements of Subsections (8)(d) and (8)(e)(ii) are met; and

994 (ii) there is no alcoholic beverage, sales, service, or consumption on the premises of the  
995 class D private club.

996 (g) The commission may suspend or revoke a minor dance or concert permit issued to a  
997 class D private club and suspend or revoke the license of the class D private club if:

998 (i) the club fails to comply with the restrictions in Subsection (8)(d), (e), or (f);

999 (ii) the club sells, serves, or otherwise furnishes alcoholic beverages to a minor;

1000 (iii) the licensee or a supervisory or managerial level employee of the private club is  
1001 convicted under Title 58, Chapter 37, Utah Controlled Substances Act, on the basis of activities  
1002 that occurred on:

1003 (A) the licensed premises; or

1004 (B) the dance or concert hall that is located on property that immediately adjoins the  
1005 premises of and is operated by the class D private club;

1006 (iv) there are three or more convictions of patrons of the private club under Title 58,  
1007 Chapter 37, Utah Controlled Substances Act, based on activities that occurred on:

1008 (A) the licensed premises; or

1009 (B) the dance or concert hall that is located on property that immediately adjoins the

1010 premises of and is operated by the class D private club;  
1011 (v) there is more than one conviction:  
1012 (A) of:  
1013 (I) the licensee;  
1014 (II) an employee of the licensee;  
1015 (III) an entertainer contracted by the licensee; or  
1016 (IV) a patron of the private club; and  
1017 (B) made on the basis of lewd acts or lewd entertainment prohibited by this title that  
1018 occurred on:  
1019 (I) the licensed premises; or  
1020 (II) the dance or concert hall that is located on property that immediately adjoins the  
1021 premises of and is operated by the class D private club; or  
1022 (vi) the commission finds acts or conduct contrary to the public welfare and morals  
1023 involving lewd acts or lewd entertainment prohibited by this title that occurred on:  
1024 (A) the licensed premises; or  
1025 (B) the dance or concert hall that is located on property that immediately adjoins the  
1026 premises of and is operated by the class D private club.  
1027 (h) Nothing in this Subsection (8) shall prohibit a class D private club from selling,  
1028 serving, or otherwise furnishing alcoholic beverages in a dance or concert area located on the  
1029 club premises on days and times when the club does not allow minors into those areas.  
1030 (i) Nothing in Subsections (8)(a) through (g) precludes a local authority from being  
1031 more restrictive of a minor's admittance to, use of, or presence on the premises of any private  
1032 club.  
1033 (9) (a) Each private club shall maintain an expense ledger or record showing in detail all  
1034 expenditures separated by payments for:  
1035 (i) malt or brewed beverages;  
1036 (ii) liquor;  
1037 (iii) food;

- 1038 (iv) detailed payroll;
- 1039 (v) entertainment;
- 1040 (vi) rent;
- 1041 (vii) utilities;
- 1042 (viii) supplies; and
- 1043 (ix) all other expenditures.
- 1044 (b) The record required by this Subsection (9) shall be:
- 1045 (i) kept in a form approved by the department; and
- 1046 (ii) balanced each month.
- 1047 (c) Each expenditure shall be supported by:
- 1048 (i) delivery tickets;
- 1049 (ii) invoices;
- 1050 (iii) receipted bills;
- 1051 (iv) canceled checks;
- 1052 (v) petty cash vouchers; or
- 1053 (vi) other sustaining data or memoranda.
- 1054 (d) All invoices and receipted bills for the current calendar or fiscal year documenting
- 1055 purchases made by the club shall also be maintained.
- 1056 (10) (a) Each private club shall maintain a minute book that is posted currently by the
- 1057 club.
- 1058 (b) The minute book required by this Subsection (10) shall contain the minutes of all
- 1059 regular and special meetings of the governing body.
- 1060 (c) Membership lists shall also be maintained.
- 1061 (11) (a) Each private club shall maintain current copies of the club's current bylaws and
- 1062 current house rules.
- 1063 (b) Changes in the bylaws or house rules:
- 1064 (i) are not effective unless submitted to the department within ten days after adoption;
- 1065 and

1066           (ii) become effective 15 days after received by the department unless rejected by the  
1067 department before the expiration of the 15-day period.

1068           (12) Each private club shall maintain accounting and other records and documents as  
1069 the department may require.

1070           (13) Any club or person acting for the club, who knowingly forges, falsifies, alters,  
1071 cancels, destroys, conceals, or removes the entries in any of the books of account or other  
1072 documents of the club required to be made, maintained, or preserved by this title or the rules of  
1073 the commission for the purpose of deceiving the commission or the department, or any of their  
1074 officials or employees, is subject to:

1075           (a) the suspension or revocation of the club's license; and

1076           (b) possible criminal prosecution under Chapter 12, Criminal Offenses.

1077           (14) (a) Each private club shall maintain and keep all the records required by this  
1078 section and all other books, records, receipts, and disbursements maintained or used by the  
1079 licensee, as the department requires, for a minimum period of three years.

1080           (b) All records, books, receipts, and disbursements are subject to inspection by  
1081 authorized representatives of the commission and the department.

1082           (c) The club shall allow the department, through its auditors or examiners, to audit all  
1083 records of the club at times the department considers advisable.

1084           (d) The department shall audit the records of the licensee at least once annually.

1085           (15) Each private club shall own or lease premises suitable for the club's activities.

1086           (16) (a) A private club may not maintain facilities in any manner that barricades or  
1087 conceals the club operation.

1088           (b) Any member of the commission, authorized department personnel, or any peace  
1089 officer shall, upon presentation of credentials, be admitted immediately to the club and  
1090 permitted without hindrance or delay to inspect completely the entire club premises and all  
1091 books and records of the licensee, at any time during which the same are open for the  
1092 transaction of business to its members.

1093           (17) Any public advertising related to a private club by the following shall clearly

1094 identify a club as being "a private club for members":

1095 (a) the private club;

1096 (b) the employees or agents of the private club; or

1097 (c) any person under a contract or agreement with the club.

1098 (18) A private club must have food available at all times when alcoholic beverages are  
1099 sold, served, or consumed on the premises.

1100 (19) (a) Liquor may not be purchased by a private club licensee except from state stores  
1101 or package agencies.

1102 (b) Liquor purchased in accordance with Subsection (19)(a) may be transported by the  
1103 licensee from the place of purchase to the licensed premises.

1104 (c) Payment for liquor shall be made in accordance with rules established by the  
1105 commission.

1106 (20) A private club licensee may sell or provide any primary spirituous liquor only in a  
1107 quantity not to exceed one ounce per beverage dispensed through a calibrated metered  
1108 dispensing system approved by the department in accordance with commission rules adopted  
1109 under this title, except that:

1110 (a) spirituous liquor need not be dispensed through a calibrated metered dispensing  
1111 system if used as a secondary flavoring ingredient in a beverage subject to the following  
1112 restrictions:

1113 (i) the secondary ingredient may be dispensed only in conjunction with the purchase of a  
1114 primary spirituous liquor;

1115 (ii) the secondary ingredient is not the only spirituous liquor in the beverage;

1116 (iii) the private club licensee shall designate a location where flavorings are stored on  
1117 the floor plan provided to the department; and

1118 (iv) all flavoring containers shall be plainly and conspicuously labeled "flavorings";

1119 (b) spirituous liquor need not be dispensed through a calibrated metered dispensing  
1120 system if used:

1121 (i) as a flavoring on desserts; and

1122 (ii) in the preparation of flaming food dishes, drinks, and desserts; and  
1123 (c) each club patron may have no more than 2.75 ounces of spirituous liquor at a time  
1124 before the patron.

1125 (21) (a) (i) Wine may be sold and served by the glass or an individual portion not to  
1126 exceed five ounces per glass or individual portion.

1127 (ii) An individual portion may be served to a patron in more than one glass as long as  
1128 the total amount of wine does not exceed five ounces.

1129 (iii) An individual portion of wine is considered to be one alcoholic beverage under  
1130 Subsection (25)(c).

1131 (b) (i) Wine may be sold and served in containers not exceeding 1.5 liters at prices fixed  
1132 by the commission to tables of four or more persons.

1133 (ii) Wine may be sold and served in containers not exceeding 750 milliliters at prices  
1134 fixed by the commission to tables of less than four persons.

1135 (c) A wine service may be performed and a service charge assessed by the private club  
1136 as authorized by commission rule for wine purchased at the private club.

1137 (22) (a) Heavy beer may be served in original containers not exceeding one liter at  
1138 prices fixed by the commission.

1139 (b) A service charge may be assessed by the private club for heavy beer purchased at  
1140 the private club.

1141 (23) (a) (i) Subject to Subsection (23)(a)(ii), a private club licensed to sell liquor may  
1142 sell beer for on-premise consumption:

1143 (A) in an open container; and  
1144 (B) on draft.

1145 (ii) Beer sold pursuant to Subsection (23)(a)(i) shall be in a size of container that does  
1146 not exceed two liters, except that beer may not be sold to an individual patron in a size of  
1147 container that exceeds one liter.

1148 (b) (i) A private club licensed under this chapter that sells beer pursuant to Subsection  
1149 (23)(a):

1150 (A) may do so without obtaining a separate on-premise beer retailer license from the  
1151 commission; and

1152 (B) shall comply with all appropriate operational restrictions under Chapter 10, Beer  
1153 Retailer Licenses, that apply to on-premise beer retailers except when those restrictions are  
1154 inconsistent with or less restrictive than the operational restrictions under this chapter.

1155 (ii) Failure to comply with the operational restrictions under Chapter 10, Beer Retailer  
1156 Licenses, required by Subsection (23)(b)(i) may result in a suspension or revocation of the  
1157 private club's:

1158 (A) state liquor license; and

1159 (B) alcoholic beverage license issued by the local authority.

1160 (24) Alcoholic beverages may not be stored, served, or sold in any place other than as  
1161 designated in the licensee's application, unless the licensee first applies for and receives approval  
1162 from the department for a change of location within the private club.

1163 (25) (a) A patron may only make alcoholic beverage purchases in the private club from  
1164 and be served by a person employed, designated, and trained by the licensee to sell, dispense,  
1165 and serve alcoholic beverages.

1166 (b) Notwithstanding Subsection (25)(a), a patron who has purchased bottled wine from  
1167 an employee of the private club or has carried bottled wine onto the premises of the private club  
1168 pursuant to Subsection (31) may thereafter serve wine from the bottle to the patron or others at  
1169 the patron's table.

1170 (c) Each club patron may have no more than two alcoholic beverages of any kind at a  
1171 time before the patron.

1172 (26) The liquor storage area shall remain locked at all times other than those hours and  
1173 days when liquor sales and service are authorized by law.

1174 (27) (a) Liquor may not be sold, offered for sale, served, or otherwise furnished at a  
1175 private club [~~during the following days or hours: (i) until after the polls are closed on the day of~~  
1176 ~~any: (A) regular general election; (B) regular primary election; or (C) statewide special~~  
1177 ~~election; (ii) until after the polls are closed on the day of any municipal, local district, special~~

1178 ~~service district, or school election, but only: (A) within the boundaries of the municipality, local~~  
1179 ~~district, special service district, or school district; and (B) if required by local ordinance; and~~  
1180 ~~(iii)] on any [other] day after 1 a.m. [and] or before 10 a.m.~~

1181 (b) The hours of beer sales and service are those specified in Chapter 10, Beer Retailer  
1182 Licenses, for on-premise beer licenses.

1183 (c) (i) Notwithstanding Subsections (27)(a) and (b), a private club shall remain open for  
1184 one hour after the private club ceases the sale and service of alcoholic beverages during which  
1185 time a patron of the club may finish consuming:

- 1186 (A) any single drink containing spirituous liquor;
- 1187 (B) a single serving of wine not exceeding five ounces;
- 1188 (C) a single serving of heavy beer; or
- 1189 (D) a single serving of beer not exceeding 26 ounces.

1190 (ii) A club is not required to remain open:

- 1191 (A) after all patrons have vacated the premises; or
- 1192 (B) during an emergency.

1193 (d) Between the hours of 2 a.m. and 10 a.m. on any day a private club may not allow a  
1194 patron to remain on the premises to consume alcoholic beverages on the premises.

1195 (28) Alcoholic beverages may not be sold, served, or otherwise furnished to any:

- 1196 (a) minor;
- 1197 (b) person actually, apparently, or obviously intoxicated;
- 1198 (c) known habitual drunkard; or
- 1199 (d) known interdicted person.

1200 (29) (a) (i) Liquor may be sold only at prices fixed by the commission.

1201 (ii) Liquor may not be sold at discount prices on any date or at any time.

1202 (b) Alcoholic beverages may not be sold at less than the cost of the alcoholic beverage  
1203 to the licensee.

1204 (c) An alcoholic beverage may not be sold at a special or reduced price that encourages  
1205 over consumption or intoxication.

1206 (d) The price of a single serving of a primary spirituous liquor shall be the same whether  
1207 served as a single drink or in conjunction with another alcoholic beverage.

1208 (e) An alcoholic beverage may not be sold at a special or reduced price for only certain  
1209 hours of the private club's business day such as a "happy hour."

1210 (f) The sale or service of more than one alcoholic beverage for the price of a single  
1211 alcoholic beverage is prohibited.

1212 (g) The sale or service of an indefinite or unlimited number of alcoholic beverages  
1213 during any set period for a fixed price is prohibited.

1214 (h) A private club licensee may not engage in a promotion involving or offering free  
1215 alcoholic beverages to patrons of the club.

1216 (30) Alcoholic beverages may not be purchased for a patron of the private club by:

1217 (a) the licensee; or

1218 (b) any employee or agent of the licensee.

1219 (31) (a) A person may not bring onto the premises of a private club licensee any  
1220 alcoholic beverage for on-premise consumption, except a person may bring, subject to the  
1221 discretion of the licensee, bottled wine onto the premises of any private club licensee for  
1222 on-premise consumption.

1223 (b) Except bottled wine under Subsection (31)(a), a private club or its officers,  
1224 managers, employees, or agents may not allow:

1225 (i) a person to bring onto the private club premises any alcoholic beverage for  
1226 consumption on the private club premises; or

1227 (ii) consumption of alcoholic beverages described in Subsection (31)(b)(i) on the  
1228 premises of the private club.

1229 (c) If bottled wine is carried in by a patron, the patron shall deliver the wine to a server  
1230 or other representative of the licensee upon entering the private club.

1231 (d) A wine service may be performed and a service charge assessed by the private club  
1232 as authorized by commission rule for wine carried in by a patron.

1233 (32) (a) Except as provided in Subsection (32)(b), a private club and its employees may

1234 not permit a patron of the club to carry from the club premises an open container that:

1235 (i) is used primarily for drinking purposes; and

1236 (ii) contains any alcoholic beverage.

1237 (b) A patron may remove the unconsumed contents of a bottle of wine if before

1238 removal the bottle has been recorked or recapped.

1239 (33) (a) A minor may not be employed by any class A, B, or C private club to sell,

1240 dispense, or handle any alcoholic beverage.

1241 (b) Notwithstanding Subsection (33)(a), a minor who is at least 16 years of age may be

1242 employed by a class A or C private club to enter the sale at a cash register or other sales

1243 recording device.

1244 (c) Except to the extent authorized in Subsection (8)(c), a minor may not be employed

1245 by or be on the premises of any class D private club.

1246 (d) A minor may not be employed to work in any lounge or bar area of any class A, B,

1247 or C private club.

1248 (34) An employee of a private club, while on duty, may not:

1249 (a) consume an alcoholic beverage; or

1250 (b) be intoxicated.

1251 (35) (a) A private club may not charge for the service or supply of glasses, ice, or

1252 mixers unless:

1253 (i) the charges are fixed in the house rules of the club; and

1254 (ii) a copy of the house rules is kept on the club premises and available at all times for

1255 examination by patrons of the club.

1256 (b) A charge or fee made in connection with the sale, service, or consumption of liquor

1257 may be stated in food or alcoholic beverage menus including:

1258 (i) a set-up charge;

1259 (ii) a service charge; or

1260 (iii) a chilling fee.

1261 (36) Each private club licensee shall display in a prominent place in the private club:

- 1262 (a) the private club license that is issued by the department;
- 1263 (b) a list of the types and brand names of liquor being served through its calibrated  
1264 metered dispensing system; and
- 1265 (c) a sign in large letters stating: "Warning: Driving under the influence of alcohol or  
1266 drugs is a serious crime that is prosecuted aggressively in Utah."
- 1267 (37) A private club may not on the premises of the private club:
- 1268 (a) engage in or permit any form of gambling, as defined and proscribed in Title 76,  
1269 Chapter 10, Part 11, Gambling;
- 1270 (b) have any video gaming device, as defined and proscribed in Title 76, Chapter 10,  
1271 Part 11, Gambling; or
- 1272 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires  
1273 the risking of something of value for a return or for an outcome when the return or outcome is  
1274 based upon an element of chance, excluding the playing of an amusement device that confers  
1275 only an immediate and unrecorded right of replay not exchangeable for value.
- 1276 (38) (a) A private club may not close or cease operation for a period longer than 240  
1277 hours, unless:
- 1278 (i) the private club licensee notifies the department in writing at least seven days before  
1279 the closing; and
- 1280 (ii) the closure or cessation of operation is first approved by the department.
- 1281 (b) Notwithstanding Subsection (38)(a), in the case of emergency closure, immediate  
1282 notice of closure shall be made to the department by telephone.
- 1283 (c) The department may authorize a closure or cessation of operation for a period not  
1284 to exceed 60 days. The department may extend the initial period an additional 30 days upon  
1285 written request of the private club and upon a showing of good cause. A closure or cessation of  
1286 operation may not exceed a total of 90 days without commission approval.
- 1287 (d) The notice required by Subsection (38)(a) shall include:
- 1288 (i) the dates of closure or cessation of operation;
- 1289 (ii) the reason for the closure or cessation of operation; and

- 1290 (iii) the date on which the licensee will reopen or resume operation.
- 1291 (e) Failure of the licensee to provide notice and to obtain department authorization
- 1292 prior to closure or cessation of operation shall result in an automatic forfeiture of:
- 1293 (i) the license; and
- 1294 (ii) the unused portion of the license fee for the remainder of the license year effective
- 1295 immediately.
- 1296 (f) Failure of the licensee to reopen or resume operation by the approved date shall
- 1297 result in an automatic forfeiture of:
- 1298 (i) the license; and
- 1299 (ii) the unused portion of the club's license fee for the remainder of the license year.
- 1300 (39) A private club license may not be transferred from one location to another, without
- 1301 prior written approval of the commission.
- 1302 (40) (a) A private club licensee, may not sell, transfer, assign, exchange, barter, give, or
- 1303 attempt in any way to dispose of the license to any other person, whether for monetary gain or
- 1304 not.
- 1305 (b) A private club license has no monetary value for the purpose of any type of
- 1306 disposition.
- 1307 Section 6. Section **32A-7-106** is amended to read:
- 1308 **32A-7-106. Operational restrictions.**
- 1309 (1) (a) Any organization granted a single event permit and any person involved in the
- 1310 storage, sale, or service of alcoholic beverages at the event for which the permit is issued, shall
- 1311 abide by:
- 1312 (i) this title;
- 1313 (ii) the rules of the commission; and
- 1314 (iii) the special conditions and requirements provided in this section.
- 1315 (b) Failure to comply with Subsection (1)(a):
- 1316 (i) may result in:
- 1317 (A) an immediate revocation of the permit;

- 1318 (B) forfeiture of the surety bond; and
- 1319 (C) immediate seizure of all alcoholic beverages present at the event; and
- 1320 (ii) disqualifies the organization from applying for a single event permit under this
- 1321 chapter, or a temporary special event beer permit under Chapter 10, Part 3, Temporary Special
- 1322 Event Beer Permits, for a period of three years from the date of revocation of the permit.
- 1323 (c) Any alcoholic beverages seized under this Subsection (1) shall be returned to the
- 1324 organization after the event if forfeiture proceedings are not instituted under Section
- 1325 32A-13-103.
- 1326 (2) Special conditions and requirements for single event permittees include the
- 1327 following:
- 1328 (a) (i) All persons involved in the storage, sale, or service of alcoholic beverages at the
- 1329 event do so under the supervision and direction of the permittee.
- 1330 (ii) All persons involved in the sale or service of alcoholic beverages at the event may
- 1331 not, while on duty:
- 1332 (A) consume an alcoholic beverage; or
- 1333 (B) be intoxicated.
- 1334 (b) (i) All liquor stored, sold, served, and consumed at the event shall be purchased by
- 1335 the permittee from a state store or package agency.
- 1336 (ii) All beer purchased by the permittee shall be purchased from:
- 1337 (A) a licensed beer wholesaler; or
- 1338 (B) a licensed beer retailer.
- 1339 (iii) All alcoholic beverages are considered under the control of the permittee during the
- 1340 event.
- 1341 (iv) Attendees of the event may not bring any alcoholic beverages onto the premises of
- 1342 the event.
- 1343 (c) A permittee may not charge more than the maximum amount set forth in the permit
- 1344 for any alcoholic beverage.
- 1345 (d) Each permittee shall post in a prominent place in the area in which alcoholic

1346 beverages are being sold, served, and consumed, a copy of the permit, together with a list of the  
1347 operational restrictions and requirements of single event permittees set forth in this section.

1348 (e) Alcoholic beverages purchased for the event may not be stored, sold, served, or  
1349 consumed in any location other than that described in the application and designated on the  
1350 permit unless the permittee first applies for and receives approval from the commission for a  
1351 change of location.

1352 (f) (i) A single event permittee may sell or provide a primary spirituous liquor only in a  
1353 quantity not to exceed one ounce per beverage except that additional spirituous liquor may be  
1354 used in a beverage if:

1355 (A) used as a secondary flavoring ingredient;

1356 (B) used in conjunction with the primary spirituous liquor;

1357 (C) the secondary ingredient is not the only spirituous liquor in the beverage; and

1358 (D) each attendee may have no more than 2.75 ounces of spirituous liquor at a time  
1359 before the attendee.

1360 (ii) Spirituous liquor need not be dispensed through a calibrated metered dispensing  
1361 system.

1362 (g) (i) (A) Wine may be sold and served by the glass or an individual portion that does  
1363 not exceed five ounces per glass or individual portion.

1364 (B) An individual portion may be served to an attendee in more than one glass as long  
1365 as the total amount of wine does not exceed five ounces.

1366 (C) An individual portion of wine is considered to be one alcoholic beverage under  
1367 Subsection (2)(p).

1368 (ii) Wine may be sold and served in containers not exceeding 1.5 liters at prices fixed by  
1369 the commission.

1370 (iii) A wine service may be performed and a service charge assessed by the single event  
1371 permittee as authorized by commission rule for wine purchased at the event.

1372 (h) (i) Heavy beer may be served in original containers not exceeding one liter at prices  
1373 fixed by the commission.

1374 (ii) A service charge may be assessed by the single event permittee as authorized by  
1375 commission rule for heavy beer purchased at the event.

1376 (i) (i) Subject to Subsection (2)(i)(ii), beer may be sold for on-premise consumption:

1377 (A) in an open container; and

1378 (B) on draft.

1379 (ii) Beer sold pursuant to Subsection (2)(i)(i) shall be in a size of container that does  
1380 not exceed two liters, except that beer may not be sold to an individual attendee in a size of  
1381 container that exceeds one liter.

1382 (j) (i) Alcoholic beverages may not be sold, served, or consumed between the hours of  
1383 1 a.m. and 10 a.m.

1384 (ii) This Subsection (2)(j) does not preclude a local authority from being more  
1385 restrictive with respect to the hours of sale, service, or consumption of alcoholic beverages at a  
1386 temporary single event.

1387 ~~[(k) Alcoholic beverages may not be sold, served, or otherwise furnished until after the~~  
1388 ~~polls are closed on the day of any:]~~

1389 ~~[(i) regular general election;]~~

1390 ~~[(ii) regular primary election; or]~~

1391 ~~[(iii) statewide special election.]~~

1392 ~~[(†) (k)~~ (k) Alcoholic beverages may not be sold, served, or otherwise furnished to any:

1393 (i) minor;

1394 (ii) person actually, apparently, or obviously intoxicated;

1395 (iii) known habitual drunkard; or

1396 (iv) known interdicted person.

1397 ~~[(m)]~~ (l) (i) (A) Liquor may be sold only at prices fixed by the commission.

1398 (B) Liquor may not be sold at discount prices on any date or at any time.

1399 (ii) Alcoholic beverages may not be sold at less than the cost of the alcoholic beverage  
1400 to the permittee.

1401 (iii) An alcoholic beverage may not be sold at a price that encourages over consumption

1402 or intoxication.

1403 (iv) An alcoholic beverage may not be sold at a special or reduced price for only certain  
1404 hours of the day of the permitted event.

1405 (v) The sale or service of more than one alcoholic beverage for the price of a single  
1406 alcoholic beverage is prohibited.

1407 (vi) The permittee may not engage in a public promotion involving or offering free  
1408 alcoholic beverages to the general public.

1409 ~~[(n)]~~ (m) A single event permittee and its employees may not permit an attendee to  
1410 carry from the premises an open container that:

1411 (i) is used primarily for drinking purposes; and

1412 (ii) contains any alcoholic beverage.

1413 ~~[(o)]~~ (n) A minor may not sell, serve, dispense, or handle any alcoholic beverage at the  
1414 event.

1415 ~~[(p) Each]~~ (o) An attendee may have no more than one alcoholic beverage of any kind  
1416 at a time before the patron.

1417 (3) The permittee shall maintain an expense and revenue ledger or record showing:

1418 (a) expenditures made for liquor and beer, set-ups, and other ingredients and  
1419 components of alcoholic beverages; and

1420 (b) the revenue from sale of alcoholic beverages.

1421 (4) A single event permit may not be transferred.

1422 (5) A single event permittee may not on the premises serviced by the single event  
1423 permittee:

1424 (a) engage in or allow any form of gambling, as defined and proscribed in Title 76,  
1425 Chapter 10, Part 11, Gambling;

1426 (b) have any video gaming device, as defined and proscribed by Title 76, Chapter 10,  
1427 Part 11, Gambling; or

1428 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires  
1429 the risking of something of value for a return or for an outcome when the return or outcome is

1430 based upon an element of chance, excluding the playing of an amusement device that confers  
1431 only an immediate and unrecorded right of replay not exchangeable for value.