

- 28           ▶ ~~§~~ → [ ~~————— modifies dates related to~~ ] addresses ← ~~§~~ grandfathering and beer only
- 28a restaurants; and
- 29           ▶ makes technical and conforming amendments.

30 **Money Appropriated in this Bill:**

31           None

32 **Other Special Clauses:**

- 33           This bill provides an effective date.
- 34           This bill provides for retrospective operation.

35 **Utah Code Sections Affected:**

36 AMENDS:

- 37           **32B-1-102**, as last amended by Laws of Utah 2011, Chapters 307 and 334
- 38           **32B-2-209**, as enacted by Laws of Utah 2011, Chapter 334
- 39           **32B-2-605**, as last amended by Laws of Utah 2011, Chapters 307 and 334
- 40           **32B-6-403**, as last amended by Laws of Utah 2011, Chapter 334
- 41           **32B-6-404**, as last amended by Laws of Utah 2011, Chapter 334
- 42           **32B-6-603 (Superseded 11/01/11)**, as enacted by Laws of Utah 2010, Chapter 276
- 43           **32B-6-702**, as last amended by Laws of Utah 2011, Chapter 334
- 44           **32B-6-703**, as last amended by Laws of Utah 2011, Chapter 334
- 45           **32B-6-705**, as last amended by Laws of Utah 2011, Chapter 334
- 46           **32B-6-706**, as last amended by Laws of Utah 2011, Chapters 307 and 334
- 47           **32B-6-902 (Effective 03/01/12)**, as enacted by Laws of Utah 2011, Chapter 334



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

50           Section 1. Section **32B-1-102** is amended to read:

51           **32B-1-102. Definitions.**

52           As used in this title:

- 53           (1) "Airport lounge" means a business location:
  - 54           (a) at which an alcoholic product is sold at retail for consumption on the premises; and
  - 55           (b) that is located at an international airport with a United States Customs office on the
- 56           premises of the international airport.
- 57           (2) "Airport lounge license" means a license issued in accordance with Chapter 5,
- 58           Retail License Act, and Chapter 6, Part 5, Airport Lounge License.

1175 (B) If an on-premise beer retailer fails to notify the department as required by  
 1176 Subsection (2)(e)(~~†~~)(iii)(A), the on-premise beer retailer's license expires as of February 29,  
 1177 2012, and to operate as an on-premise beer retailer after February 29, 2012, the on-premise  
 1178 beer retailer is required to apply as a new licensee ~~§~~→ [-] , **and any bar or bar structure on the**  
 1178a **premises of an on-premise beer retailer license that is not a tavern and does not meet the**  
 1178b **requirements of Subsection (2)(e)(i) will not be grandfathered under Subsection 32B-6-902(1).**  
 1178c **(iv) A person who, after August 1, 2011, applies for an on-premise beer retailer license that is**  
 1178d **not a tavern and does not meet the requirements of Subsection (2)(e)(i), may not have or**  
 1178e **construct facilities for the dispensing or storage of an alcoholic product that do not meet the**  
 1178f **requirements of Subsection 32B-6-905(12)(a)(ii).** ←§

1179 (3) Subject to Section 32B-1-201:

1180 (a) The commission may not issue a total number of on-premise beer retailer licenses  
 1181 that are taverns that at any time exceeds the number determined by dividing the population of  
 1182 the state by 54,147.

1183 (b) The commission may issue a seasonal on-premise beer retailer license for a tavern  
 1184 in accordance with Section 32B-5-206.

1185 (4) (a) Unless otherwise provided in Subsection (4)(b):

1186 (i) only one on-premise beer retailer license is required for each building or resort  
 1187 facility owned or leased by the same person; and

1188 (ii) a separate license is not required for each retail beer dispensing location in the  
 1189 same building or on the same resort premises owned or operated by the same person.

1190 (b) (i) Subsection (4)(a) applies only if each retail beer dispensing location in the  
 1191 building or resort facility operates in the same manner.

1192 (ii) If each retail beer dispensing location does not operate in the same manner:

1193 (A) one on-premise beer retailer license designated as a tavern is required for the  
 1194 locations in the same building or on the same resort premises that operate as a tavern; and

1195 (B) one on-premise beer retailer license is required for the locations in the same  
 1196 building or on the same resort premises that do not operate as a tavern.

1197 Section 9. Section **32B-6-705** is amended to read:

1198 **32B-6-705. Specific licensing requirements for on-premise beer retailer license.**

1199 (1) To obtain an on-premise beer retailer license a person shall comply with Chapter 5,  
 1200 Part 2, Retail Licensing Process, except that an on-premise beer retailer is required to carry  
 1201 dramshop insurance coverage in accordance with Section 32B-5-201 only if the on-premise  
 1202 beer retailer sells more than \$5,000 of beer annually.

1268 (ii) Violation of Subsection [(8)] (7)(b)(i) is a class B misdemeanor.

1269 [(9)] (8) A tavern shall comply with Section 32B-1-407.

1270 Section 11. Section **32B-6-902 (Effective 03/01/12)** is amended to read:

1271 **32B-6-902 (Effective 03/01/12). Definitions.**

1272 (1) (a) As used in this part, "grandfathered bar structure" means a bar structure in a  
1273 licensed premises of a beer-only restaurant licensee that:

1274 (i) ~~§→ was licensed as an on-premise beer retailer ←§~~ as of [~~January 1, 2011~~] August  
1274a 1, 2011, and as of August 1, 2011 ←§ :

1275 (A) is operational; ~~§→~~ [and] ~~←§~~

1276 (B) has facilities for the dispensing or storage of an alcoholic product that do not meet  
1277 the requirements of Subsection 32B-6-905(12)(a)(ii); ~~§→~~ and

1277a (C) in accordance with Subsection 32B-6-703(2)(e), notifies the department that effective  
1277b March 1, 2012, the on-premise beer retailer licensee will seek to be licensed as a beer-only  
1277c restaurant; or ←§

1278 ~~§→ [(ii) is not operational as of January 1, 2011, if a person applying for the beer-only~~  
1279 ~~restaurant license:~~

1280 ~~—— (A) has as of January 1, 2011, a building permit to construct the restaurant;~~

1281 ~~—— (B) is as of January 1, 2011, actively engaged in the construction of the restaurant, as~~  
1282 ~~defined by rule made by the commission;~~

1283 ~~—— (C) is issued the beer-only restaurant license by no later than [December 31, 2011]~~  
1284 ~~May 1, 2012; and~~

1285 ~~—— (D) once constructed, will have a bar structure that does not meet the requirements of~~  
1286 ~~Subsection 32B-6-905(12)(a)(ii); or]~~

1287 ~~§→~~ [(iii)] (ii) ~~←§~~ is a bar structure grandfathered under Section 32B-6-409.

1288 (b) "Grandfathered bar structure" does not include a grandfathered bar structure  
1289 described in Subsection (1)(a) on or after the day on which a restaurant remodels the  
1290 grandfathered bar structure, as defined by rule made by the commission.

1291 (2) Subject to Subsection (1)(b), a grandfathered bar structure remains a grandfathered  
1292 bar structure notwithstanding whether a restaurant undergoes a change of ownership.

1293 Section 12. **Effective date -- Retrospective operation.**

1294 (1) If approved by two-thirds of all the members elected to each house, this bill takes  
1295 effect upon approval by the governor, or the day following the constitutional time limit of Utah  
1296 Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,  
1297 the date of veto override, except that the amendments to Section 32B-6-902 (Effective  
1298 03/01/12) in this bill take effect on March 1, 2012.