

# SB0328S02 compared with SB0328

~~{Omitted text}~~ shows text that was in SB0328 but was omitted in SB0328S02

inserted text shows text that was not in SB0328 but was inserted into SB0328S02

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1	<b>Alcohol Amendments</b>
	2025 GENERAL SESSION
	STATE OF UTAH
	<b>Chief Sponsor: Jerry W. Stevenson</b>
	House Sponsor:
2	<hr/>
3	<b>LONG TITLE</b>
4	<b>General Description:</b>
5	This bill amends provisions relating to alcohol.
6	<b>Highlighted Provisions:</b>
7	This bill:
8	▸ defines terms;
9	▸ <del>{exempts an alcohol overlay district from proximity requirements;}</del>
10	▸ <del>{increases the state markup on spirituous liquor and wine to fund the Inmate Education</del>
	<del>Restricted Account;}</del>
12	▸ clarifies the Alcohol Beverage Services Commission's authority when granting or denying an application for a retail license;
14	▸ provides that a hotel may serve spirituous liquor in a container that is not the spirituous liquor's original container;
16	▸ authorizes staff of a retail licensee that are 21 years old or older to test the quality and taste of liquor using the "straw test";
18	▸

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provides that the Department of Alcoholic Beverage Services may approve multiple locations in or on the licensed premises of an on-premise banquet licensee;

▸ provides the circumstances under which an off-premise beer retailer may sell beer at a loading area or a designated parking stall;

▸ requires that a person applying for an event permit post a surety bond; and

▸ {~~creates the Inmate Education Restricted Account;~~}

▸ {~~defines the uses for the funds in the Inmate Education Restricted Account; and~~}

▸ makes technical changes.

### Money Appropriated in this Bill:

None

### Other Special Clauses:

None

### AMENDS:

~~{32B-1-202, as last amended by Laws of Utah 2024, Chapter 94, as last amended by Laws of Utah 2024, Chapter 94}~~

~~{32B-2-304, as last amended by Laws of Utah 2024, Chapter 94, as last amended by Laws of Utah 2024, Chapter 94}~~

**32B-5-201**, as last amended by Laws of Utah 2024, Chapter 94, as last amended by Laws of Utah 2024, Chapter 94

**32B-5-304**, as last amended by Laws of Utah 2024, Chapter 94, as last amended by Laws of Utah 2024, Chapter 94

**32B-5-308**, as last amended by Laws of Utah 2019, Chapter 403, as last amended by Laws of Utah 2019, Chapter 403

**32B-6-604**, as last amended by Laws of Utah 2024, Chapter 94, as last amended by Laws of Utah 2024, Chapter 94

**32B-7-202**, as last amended by Laws of Utah 2024, Chapter 94, as last amended by Laws of Utah 2024, Chapter 94

**32B-9-203**, as enacted by Laws of Utah 2010, Chapter 276, as enacted by Laws of Utah 2010, Chapter 276

### ENACTS:

~~{64-13h-101, Utah Code Annotated 1953, Utah Code Annotated 1953}~~

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~~{64-13h-102, Utah Code Annotated 1953, Utah Code Annotated 1953}~~

~~{64-13h-103, Utah Code Annotated 1953, Utah Code Annotated 1953}~~

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

~~{Section 1. Section 32B-1-202 is amended to read: }~~

### **32B-1-202. Proximity to community location.**

(1) As used in this section:

(a) "Alcohol overlay district" means a contiguous 36 acres of land within the boundaries of the point of the mountain state land.

~~[(a)]~~ (b) "Designated project area zone" means the area that is:

(i) bounded by:

(A) South Temple Street;

(B) 100 South Street;

(C) West Temple Street; and

(D) 400 West Street; and

(ii) within a project area as defined in Section 63N-3-1401.

~~[(b)]~~ (c)

(i) "Outlet" means:

(A) a state store;

(B) a package agency; or

(C) a retail licensee.

(ii) "Outlet" does not include:

(A) an airport lounge licensee; or

(B) a restaurant.

(d) "Point of the mountain state land" means the same as that term is defined in Section 11-59-102.

~~[(e)]~~ (e) "Restaurant" means:

(i) a full-service restaurant licensee;

(ii) a limited-service restaurant licensee;

(iii) a beer-only restaurant licensee; or

(iv) a restaurant venue on-premise banquet licensee.

(2)

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(a) Except as otherwise provided in this section or Section 32B-1-202.1, the commission may not issue a license for an outlet if, on the date the commission takes final action to approve or deny the application, there is a community location:

(i) within 600 feet of the proposed outlet, as measured from the nearest patron entrance of the proposed outlet by following the shortest route of ordinary pedestrian travel to the property boundary of the community location; or

(ii) within 200 feet of the proposed outlet, measured in a straight line from the nearest patron entrance of the proposed outlet to the nearest property boundary of the community location.

(b) Except as otherwise provided in this section or Section 32B-1-202.1, the commission may not issue a license for a restaurant if, on the date the commission takes final action to approve or deny the application, there is a community location:

(i) within 300 feet of the proposed restaurant, as measured from the nearest patron entrance of the proposed restaurant by following the shortest route of ordinary pedestrian travel to the property boundary of the community location; or

(ii) within 200 feet of the proposed restaurant, measured in a straight line from the nearest patron entrance of the proposed restaurant to the nearest property boundary of the community location.

(3)

(a) For an outlet or a restaurant that holds a license on May 9, 2017, and operates under a previously approved variance to one or more proximity requirements in effect before May 9, 2017, subject to the other provisions of this title, that outlet or restaurant, or another outlet or restaurant with the same type of license as that outlet or restaurant, may operate under the previously approved variance regardless of whether:

(i) the outlet or restaurant changes ownership;

(ii) the property on which the outlet or restaurant is located changes ownership; or

(iii) there is a lapse in the use of the property as an outlet or a restaurant with the same type of license, unless during the lapse, the property is used for a different purpose.

(b) An outlet or a restaurant that has continuously operated at a location since before January 1, 2007, is considered to have a previously approved variance.

(4) An outlet or restaurant that holds a license on May 12, 2020, and operates in accordance with the proximity requirements in effect at the time the commission issued the license or operates under a previously approved variance described in Subsection (3), subject to the other provisions of this

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title, that outlet or restaurant or an outlet or a restaurant with the same type of license as that outlet or restaurant may operate at the premises regardless of whether:

- (a) the outlet or restaurant changes ownership;
  - (b) the property on which the outlet or restaurant is located changes ownership; or
  - (c) there is a lapse of one year or less in the use of the property as an outlet or a restaurant with the same type of license, unless during the lapse the property is used for a different purpose.
- (5)
- (a) If, after an outlet or a restaurant obtains a license under this title, a person establishes a community location on a property that puts the outlet or restaurant in violation of the proximity requirements in effect at the time the license is issued or a previously approved variance described in Subsection (3), subject to the other provisions of this title, that outlet or restaurant, or an outlet or a restaurant with the same type of license as that outlet or restaurant, may operate at the premises regardless of whether:
- (i) the outlet or restaurant changes ownership;
  - (ii) the property on which the outlet or restaurant is located changes ownership; or
  - (iii) there is a lapse in the use of the property as an outlet or a restaurant with the same type of license, unless during the lapse the property is used for a different purpose.
- (b) The provisions of this Subsection (5) apply regardless of when the outlet's or restaurant's license is issued.
- (6) The proximity requirements described in Subsection (2) do not apply if the proposed outlet or proposed restaurant and the community location are located within the boundaries of a designated project area zone or an alcohol overlay district.
- (7) Nothing in this section prevents the commission from considering the proximity of an educational, religious, and recreational facility, or any other relevant factor in reaching a decision on a proposed location of an outlet.

~~{Section 2. Section 32B-2-304 is amended to read: }~~

### **32B-2-304. Liquor price -- Remittance of markup -- School lunch program.**

- (1) For purposes of this section:
- (a)
- (i) "Landed case cost" means the sum of:
- (A) the cost of the product;

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- 139 (B) inbound shipping costs the department incurs; and  
140 (C) case handling costs the department incurs.
- 141 (ii) "Landed case cost" does not include the outbound shipping cost from a warehouse of the department  
to a state store.
- 143 (b) "Proof gallon" means the same as that term is defined in 26 U.S.C. Sec. 5002.
- 144 (2) Except as provided in Subsections (3) and (4):
- 145 (a) spirituous liquor sold by the department within the state shall be marked up in an amount not less  
than ~~[88.5%]~~ 88.85% above the landed case cost to the department;
- 147 (b) wine sold by the department within the state shall be marked up in an amount not less than  
~~[88.5%]~~ 88.85% above the landed case cost to the department;
- 149 (c) heavy beer sold by the department within the state shall be marked up in an amount not less than  
66.5% above the landed case cost to the department; and
- 151 (d) a flavored malt beverage sold by the department within the state shall be marked up in an amount  
not less than 88.5% above the landed case cost to the department.
- 153 (3)
- (a) Liquor sold by the department to a military installation in Utah shall be marked up in an amount not  
less than 17% above the landed case cost to the department.
- 155 (b) Except for spirituous liquor sold by the department to a military installation in Utah, spirituous  
liquor that is sold by the department within the state shall be marked up 49% above the landed case  
cost to the department if:
- 158 (i) the spirituous liquor is manufactured by a manufacturer producing less than 30,000 proof gallons of  
spirituous liquor in a calendar year; and
- 160 (ii) the manufacturer applies to the department for a reduced markup.
- 161 (c) Except for wine sold by the department to a military installation in Utah, wine that is sold by the  
department within the state shall be marked up 49% above the landed case cost to the department if:
- 164 (i)
- (A) except as provided in Subsection (3)(c)(i)(B), the wine is manufactured by a manufacturer  
producing less than 20,000 gallons of wine in a calendar year; or
- 166 (B) for hard cider, the hard cider is manufactured by a manufacturer producing less than 620,000  
gallons of hard cider in a calendar year; and
- 168 (ii) the manufacturer applies to the department for a reduced markup.

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- 169 (d) Except for heavy beer sold by the department to a military installation in Utah, heavy beer that is  
sold by the department within the state shall be marked up 32% above the landed case cost to the  
department if:
- 172 (i) a small brewer manufactures the heavy beer; and
- 173 (ii) the small brewer applies to the department for a reduced markup.
- 174 (e) The department shall:
- 175 (i) for purposes of Subsections (3)(b) and (c), calculate the production amount of a manufacturer:
- 177 (A) by, if the manufacturer is part of a controlled group of manufacturers, including the combined  
volume totals of spirituous liquor, wine, or cider, as applicable, for all manufacturers that constitute  
the controlled group of manufacturers; and
- 181 (B) without considering the manufacturer's production of any other type of alcoholic product; and
- 183 (ii) verify that a manufacturer meets a production amount described in Subsection (3)(b) or (c) and the  
production amount of a small brewer under a federal or other verifiable production report.
- 186 (f) A manufacturer seeking to obtain a reduced markup under Subsection (3)(b), (c), or (d), shall  
provide to the department any documentation or information the department determines necessary to  
determine if the manufacturer is part of a controlled group of manufacturers.
- 190 (g) The department may, at any time, revoke a reduced markup granted to a manufacturer under  
Subsection (3)(b), (c), or (d), if the department determines the manufacturer no longer qualifies for  
the reduced markup.
- 193 (4) Wine the department purchases on behalf of a subscriber through the wine subscription program  
established in Section 32B-2-702 shall be marked up not less than ~~[88.5%]~~ 88.85% above the cost of  
the subscription for the interval in which the wine is purchased.
- 196 (5) The department shall deposit 10% of the total gross revenue from sales of liquor with the state  
treasurer to be credited to the Uniform School Fund and used to support the school meals program  
administered by the State Board of Education under Section 53E-3-510.
- 200 (6)
- (a) Each month, the department shall collect from each package agency located at a manufacturing  
facility owned or operated by a person licensed under Chapter 11, Manufacturing and Related  
Licenses Act~~;~~ :
- 203 (i) ~~[-]~~12.295% of the package agency's reported monthly revenue and deposit the money as follows:
- 205

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[~~(i)~~] (A) 1.695% of the reported monthly revenue into the Alcoholic Beverage Control Act Enforcement Fund;

[~~(ii)~~] (B) 10% of the reported monthly revenue into the Uniform School Fund and used to support the school meals program administered by the State Board of Education under Section 53E-3-510; and

[~~(iii)~~] (C) 0.60% of the reported monthly revenue into the Underage Drinking Prevention Media and Education Campaign Restricted Account[-] ; and

(ii) the funds described in Subsections (6)(a)(ii)(A) and (B) for deposit into the Inmate Education Restricted Account created under Section 64-13h-102:

(A) the amount generated by a markup of 0.35% above the landed case cost to the department as required under Subsections (2)(a) and (b); and

(B) the amount generated by a markup of 0.35% above the cost of the subscription described in Subsection (4).

(b) The department may collect a fee established in accordance with Section 63J-1-504 from a package agency described in this subsection to cover the costs of regulation.

(7) This section does not prohibit the department from selling discontinued items at a discount.

(8) The Legislature shall annually appropriate to support substance use disorder treatment services, an amount equal to the revenue generated from a 0.5% markup above the landed case cost to the department on spirituous liquor.

Section 1. Section **32B-5-201** is amended to read:

**32B-5-201. Application requirements for retail license.**

(1)

(a) Before a person may store, sell, offer for sale, furnish, or permit consumption of an alcoholic product on licensed premises as a retail licensee, the person shall first obtain a retail license issued by the commission, notwithstanding whether the person holds a local license or a permit issued by a local authority.

(b) Violation of this Subsection (1) is a class B misdemeanor.

(2) To obtain a retail license under this title, a person shall submit to the department:

(a) a written application in a form prescribed by the department;

(b) a nonrefundable application fee in the amount specified in the relevant chapter or part for the type of retail license for which the person is applying;

(c) an initial license fee:



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- 237 (i) in the amount specified in the relevant chapter or part for the type of retail license for which the  
person is applying; and
- 239 (ii) that is refundable if a retail license is not issued;
- 240 (d) written consent of the local authority, including, if applicable, consent for each proposed sublicense;
- 242 (e) a copy of:
  - 243 (i) every license the local authority requires, including the person's current business license; and
  - 245 (ii) if the person is applying for a principal license, the current business license for each proposed  
sublicense, except if the local authority determines that the business license for a proposed  
sublicense is included in the person's current business license;
- 249 (f) evidence of the proposed retail licensee's proximity to any community location, with proximity  
requirements being governed by Section 32B-1-202;
- 251 (g) a bond as specified by Section 32B-5-204;
- 252 (h) a floor plan, and boundary map where applicable, of the premises of the retail license and each, if  
any, accompanying sublicense, including any:
  - 254 (i) consumption area; and
  - 255 (ii) area where the person proposes to store, sell, offer for sale, or furnish an alcoholic beverage;
- 257 (i) evidence that the retail licensee carries public liability insurance in an amount and form satisfactory  
to the department;
- 259 (j) evidence that the retail licensee carries dramshop insurance coverage of at least:
  - 260 (i) \$1,000,000 per occurrence and \$2,000,000 in the aggregate;
  - 261 (ii) if the retail licensee is a hotel licensee or a resort licensee, \$1,000,000 per occurrence and  
\$2,000,000 in the aggregate to cover both the principal license and all accompanying sublicenses; or
  - 264 (iii) if the retail licensee is an arena licensee, \$10,000,000 per occurrence and \$20,000,000 in the  
aggregate to cover both the arena license and all accompanying sublicenses;
- 267 (k) a signed consent form stating that the retail licensee will permit any authorized representative of the  
commission, department, or any law enforcement officer to have unrestricted right to enter:
  - 270 (i) the premises of the retail licensee; and
  - 271 (ii) if applicable, the premises of each of the retail licensee's accompanying sublicenses;
- 273 (l) if the person is an entity, proper verification evidencing that a person who signs the application is  
authorized to sign on behalf of the entity;
- 275 (m) a responsible alcohol service plan;

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- 276 (n) evidence that each individual the person has hired to work as a retail manager, as defined in Section  
32B-1-701, has completed the alcohol training and education seminar as required under Chapter 1,  
Part 7, Alcohol Training and Education Act; and
- 279 (o) any other information the commission or department may require.
- 280 (3) The commission may not issue a retail license to a person who:
- 281 (a) is disqualified under Section 32B-1-304; or
- 282 (b) is not lawfully present in the United States.
- 283 (4) Unless otherwise provided in the relevant chapter or part for the type of retail license for which the  
person is applying, the commission may not issue a retail license to a person if the proposed licensed  
premises does not meet the proximity requirements of Section 32B-1-202.
- 287 (5) [The] Subject to Subsection (6), the commission may not deny an application for a retail license,  
an application for a conditional retail license under Section 32B-5-205, or an application for a  
sublicense under Chapter 8d, Sublicense Act, if:
- 290 (a) the applicant satisfies the requirements of this chapter and Chapter 6, Specific Retail License Act;  
and
- 292 (b) for a retail license or a conditional retail license, granting the retail license or the conditional retail  
license would not cause the commission to exceed the maximum number of licenses of that retail  
license type that the commission is authorized to issue under this chapter.
- 296 (6)
- (a) The commission may deny an application for a retail license, an application for a conditional retail  
license under Section 32B-5-205, or an application for a sublicense under Chapter 8d, Sublicense  
Act, if the commission determines that the applicant's violation history warrants the denial.
- 300 (b) The commission, when making a determination under this Subsection (6), shall treat applicants with  
substantially similar violation histories consistently.
- 112 Section 2. Section **32B-5-304** is amended to read:
- 113 **32B-5-304. Portions in which alcoholic product may be sold.**
- 304 (1)
- (a) A retail licensee may sell, offer for sale, or furnish spirituous liquor that is a primary spirituous  
liquor only in a quantity that does not exceed 1.5 ounces per beverage dispensed through a  
calibrated metered dispensing system approved by the department in accordance with commission  
rules adopted under this title.

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- 308 (b) A retail license is not required to dispense spirituous liquor through a calibrated metered dispensing  
system if the spirituous liquor is:
- 310 (i) a secondary flavoring ingredient;
- 311 (ii) used as a flavoring on a dessert;
- 312 (iii) used to set aflame a food dish, drink, or dessert;~~[-or]~~
- 313 (iv) in a beverage that:
- 314 (A) is served to a patron in the original, sealed container;
- 315 (B) is not more than 12 ounces;
- 316 (C) contains no more than 10% alcohol by volume or 8% by weight; and
- 317 (D) is in a container that has the alcohol by volume percentage on the front label and in a font that  
measures at least three millimeters high~~[-]~~ ; or
- 319 (v) in a beverage that:
- 320 (A) is served to a patron by pouring the beverage from the original sealed container, into a different  
container as required under Subsection 32-8d-104(5)(b);
- 323 (B) is not more than 12 ounces;
- 324 (C) contains no more than 10% alcohol by volume or 8% by weight; and
- 325 (D) originates from a container that has the alcohol by volume percentage on the front label and in a  
font that measures at least three millimeters high.
- 327 (c) A retail licensee that dispenses spirituous liquor that is a secondary flavoring ingredient shall:
- 329 (i) designate a location where the retail licensee stores secondary flavoring ingredients on the floor plan  
the retail licensee submits to the department; and
- 331 (ii) clearly and conspicuously label each secondary flavoring ingredient's container "flavorings".
- 333 (d)
- (i) A patron may have no more than 2.5 ounces of spirituous liquor at a time.
- 334 (ii) Subsection (1)(d)(i) does not apply to a beverage described in Subsection (1)(b)(iv).
- 336 (2)
- (a)
- (i) A retail licensee may sell, offer for sale, or furnish wine by the glass or in an individual portion  
that does not exceed 5 ounces per glass or individual portion.
- 338 (ii) A retail licensee may sell, offer for sale, or furnish an individual portion of wine to a patron in  
more than one glass if the total amount of wine does not exceed 5 ounces.

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- 341 (b)
- (i) A retail licensee may sell, offer for sale, or furnish wine in a container not exceeding 1.5 liters at a price fixed by the commission to a table of four or more persons.
- 344 (ii) A retail licensee may sell, offer for sale, or furnish wine in a container not to exceed 750 milliliters at a price fixed by the commission to a table of less than four persons.
- 347 (c) Notwithstanding Subsections (2)(a) and (b), a retail licensee may sell, offer for sale, or furnish hard cider that contains no more than 5% of alcohol by volume in a sealed container not to exceed 16 ounces.
- 350 (3) A retail licensee may sell, offer for sale, or furnish heavy beer in an original container at a price fixed by the commission, except that the original container may not exceed one liter.
- 353 (4) A retail licensee may sell, offer for sale, or furnish a flavored malt beverage in an original container at a price fixed by the commission, except that the original container may not exceed one liter.
- 356 (5)
- (a)
- (i) Subject to Subsection (5)(a)(ii), a retail licensee may sell, offer for sale, or furnish beer for on-premise consumption:
- 358 (A) in an open original container; and
- 359 (B) in a container on draft.
- 360 (ii) A retail licensee may not sell, offer for sale, or furnish beer under Subsection (5)(a)(i):
- 362 (A) in a size of container that exceeds two liters; or
- 363 (B) to an individual patron in a size of container that exceeds one liter.
- 364 (b) A retail licensee may sell, offer for sale, or furnish beer for off-premise consumption:
- 365 (i) in a sealed container; and
- 366 (ii) in a size of container that does not exceed two liters.
- 367 (c) A retail licensee may sell, offer for sale, or furnish a flight of beer to an individual patron if the total amount of beer does not exceed 16 ounces.
- 179 Section 3. Section **32B-5-308** is amended to read:
- 180 **32B-5-308. Requirements on staff or others on premises -- Employing a minor.**
- 371 (1) As used in this section, "straw test" means a technique used by staff of a retail licensee to taste liquor to ensure the quality, flavor, and alcohol content of the liquor by:
- 373 (a) dipping the straw into the liquor;

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- 374 (b) removing the straw in a manner that a small amount of liquor remains in the straw; and  
376 (c) tasting the small amount of liquor from the straw.  
377 ~~[(1)] (2)~~ ~~[Staff]~~ Except as provided in Subsection (5), staff of a retail licensee, while on duty, may not:  
379 (a) consume an alcoholic product; or  
380 (b) be intoxicated.  
381 ~~[(2)] (3)~~  
(a) A retail licensee may not employ a minor to sell, offer for sale, furnish, or dispense an alcoholic product.  
383 (b) Notwithstanding Subsection ~~[(2)(a)] (3)(a)~~, unless otherwise prohibited in the provisions related to the specific type of retail license, a retail licensee may employ a minor who is at least 16 years ~~[of age]~~ old to enter the sale at a cash register or other sales recording device.  
387 ~~[(3)] (4)~~ A full-service restaurant licensee, limited-service restaurant licensee, or beer-only restaurant licensee may employ a minor who is at least 16 years ~~[of age]~~ old to bus tables, including containers that contain an alcoholic product.  
390 (5) A staff member of a retail licensee may conduct a straw test if the staff member is not a minor.  
202 Section 4. Section **32B-6-604** is amended to read:  
203 **32B-6-604. Specific licensing requirements for an on-premise banquet license.**  
394 (1) To obtain an on-premise banquet license a person shall comply with Chapter 5, Part 2, Retail Licensing Process.  
396 (2)  
(a) An on-premise banquet license expires on October 31 of each year.  
397 (b) To renew a person's on-premise banquet license, a person shall comply with the requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.  
400 (3)  
(a) The nonrefundable application fee for an on-premise banquet license is \$300.  
401 (b)  
(i) The initial license fee for an on-premise banquet license is \$750.  
402 (ii) The department shall prorate the \$750 initial license fee for the period that begins the day on which the initial license fee is paid and ends the day on which the on-premise banquet license expires.  
405 (c) The renewal fee for an on-premise banquet license is \$750.  
406 (4) The bond amount required for an on-premise banquet license is the penal sum of \$10,000.

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- 408 (5) Notwithstanding the other provisions of this part, if an applicant is a state agency or political  
subdivision of the state it is not required to:
- 410 (a) pay an application fee, initial license fee, or renewal fee;
- 411 (b) obtain the written consent of the local authority;
- 412 (c) submit a copy of the applicant's current business license; or
- 413 (d) post a bond as specified by Section 32B-5-204.
- 414 (6) Notwithstanding Subsection 32B-5-303(3), the department may approve ~~[an additional location]~~ one  
or more additional locations in accordance with Subsection (7), in or on the licensed premises of  
an on-premise banquet licensee from which the on-premise banquet licensee may store, sell, offer  
for sale, furnish, or allow the consumption of an alcoholic product that is not included in its original  
application only:
- 419 (a) upon proper application by an on-premise banquet licensee; and
- 420 (b) in accordance with guidelines approved by the commission.
- 421 (7) The department may approve one or more additional locations under Subsection (6), whether or not  
the locations are contiguous to one another or to the location included in the original application for  
the on-premise banquet licensee.
- 234 Section 5. Section **32B-7-202** is amended to read:
- 235 **32B-7-202. General operational requirements for off-premise beer retailer.**
- 426 (1)
- (a) An off-premise beer retailer or staff of the off-premise beer retailer shall comply with the provisions  
of this title and any applicable rules made by the commission.
- 428 (b) Failure to comply with this section may result in a suspension or revocation of a local license and,  
on or after July 1, 2018, disciplinary action in accordance with Chapter 3, Disciplinary Actions and  
Enforcement Act.
- 431 (2)
- (a)
- (i) An off-premise beer retailer may not purchase, acquire, possess for the purpose of resale, or sell  
beer, except beer that the off-premise beer retailer lawfully purchases from:
- 434 (A) a beer wholesaler licensee; or
- 435 (B) a small brewer that manufactures the beer.
- 436 (ii) A violation of Subsection (2)(a) is a class A misdemeanor.

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- 437 (b)
- (i) If an off-premise beer retailer purchases beer under this Subsection (2) from a beer wholesaler licensee, the off-premise beer retailer shall purchase beer only from a beer wholesaler licensee who is designated by the manufacturer to sell beer in the geographical area in which the off-premise beer retailer is located, unless an alternate wholesaler is authorized by the department to sell to the off-premise beer retailer as provided in Section 32B-13-301.
- 443 (ii) A violation of Subsection (2)(b) is a class B misdemeanor.
- 444 (3) An off-premise beer retailer may not possess, sell, offer for sale, or furnish beer in a container larger than two liters.
- 446 (4)
- (a) Staff of an off-premise beer retailer, while on duty, may not:
- 447 (i) consume an alcoholic product; or
- 448 (ii) be intoxicated.
- 449 (b) A minor may not sell beer on the licensed premises of an off-premise beer retailer unless:
- 451 (i) the sale is done under the supervision of a person 21 years old or older who is on the licensed premises; and
- 453 (ii) the minor is at least 16 years old.
- 454 (5) An off-premise beer retailer may not sell, offer for sale, or furnish an alcoholic product to:
- 456 (a) a minor;
- 457 (b) a person actually, apparently, or obviously intoxicated;
- 458 (c) a known interdicted person; or
- 459 (d) a known habitual drunkard.
- 460 (6)
- (a) Subject to the other provisions of this Subsection (6), an off-premise beer retailer shall:
- 462 (i) display all beer accessible by and visible to a patron in no more than two locations on the retail sales floor, each of which is:
- 464 (A) a display cabinet, cooler, aisle, floor display, or room where beer is the only beverage displayed; and
- 466 (B) not adjacent to a display of nonalcoholic beverages, unless the location is a cooler with a door from which the nonalcoholic beverages are not accessible, or the beer is separated from the display

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of nonalcoholic beverages by a display of one or more nonbeverage products or another physical divider; and

(ii) display a sign in the area described in Subsection (6)(a)(i) that:

(A) is prominent;

(B) is easily readable by a consumer;

(C) meets the requirements for format established by the commission by rule; and

(D) reads in print that is no smaller than .5 inches, bold type, "These beverages contain alcohol. Please read the label carefully."

(b) Notwithstanding Subsection (6)(a), a nonalcoholic beer may be displayed with beer if the nonalcoholic beer is labeled, packaged, or advertised as a nonalcoholic beer.

(c) The requirements of this Subsection (6) apply to beer notwithstanding that it is labeled, packaged, or advertised as:

(i) a malt cooler; or

(ii) a beverage that may provide energy.

(d) A violation of this Subsection (6) is an infraction.

(e)

(i) Except as provided in Subsection (6)(e)(ii), the provisions of Subsection (6)(a)(i) apply on and after May 9, 2017.

(ii) For a beer retailer that operates two or more off-premise beer retailers, the provisions of Subsection (6)(a)(i) apply on and after August 1, 2017.

(7)

(a) Staff of an off-premise beer retailer who directly supervises the sale of beer or who sells beer to a patron for consumption off the premises of the off-premise beer retailer shall wear a unique identification badge:

(i) on the front of the staff's clothing;

(ii) visible above the waist;

(iii) bearing the staff's:

(A) first or last name;

(B) initials; or

(C) unique identification in letters or numbers; and



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(iv) with the number or letters on the unique identification badge being sufficiently large to be clearly visible and identifiable while engaging in or directly supervising the retail sale of beer.

(b) An off-premise beer retailer shall make and maintain a record of each current staff's unique identification badge assigned by the off-premise beer retailer that includes the staff's:

(i) full name;

(ii) address; and

(iii)

(A) driver license number; or

(B) similar identification number.

(c) An off-premise beer retailer shall make available a record required to be made or maintained under this Subsection (7) for immediate inspection by:

(i) a peace officer;

(ii) a representative of the local authority that issues the off-premise beer retailer license; or

(iii) for an off-premise beer retailer state license, a representative of the commission or department.

(d) A local authority may impose a fine of up to \$250 against an off-premise beer retailer that does not comply or require its staff to comply with this Subsection (7).

~~[(8)~~

~~(a) An off-premise beer retailer may sell, offer for sale, or furnish beer through a drive through window.  
]~~

~~[(b) Subsection (8)(a) does not modify the display limitations and requirements described in Subsection (6).]~~

~~(8)~~

(a) An off-premise beer retailer may sell, offer for sale, or furnish beer:

(i) at a drive-up loading area, if the drive-up loading area is contiguous to the off-premise beer retailer's licensed premises; or

(ii) subject to Subsection (8)(b), at a designated parking stall.

(b)

{(b)} (i) An off-premise beer retailer shall ensure that a parking stall described in Subsection {(8)(a)(iii)} (8)(a)(ii) is:

{(i)} (A) located on property that the off-premise beer retailer owns or has a legal right to occupy;

{(ii)} (B) designated for picking up pre-ordered items from the off-premise beer retailer; and

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- 528     ~~{(iii)}~~ (C) labeled in a conspicuous manner that communicates the purpose described in Subsection (8)  
          (b)(ii).
- 341     (ii) An off-premise beer retailer may not sell, offer for sale, or furnish beer at a designated parking stall  
          described in Subsection (8)(a)(ii) unless:
- 343     (A) the off-premise beer retailer ensures that the individual purchasing the beer purchases the beer  
          before parking in the designated parking stall;
- 345     (B) the off-premise beer retailer delivers the beer directly from the off-premise beer retailer's licensed  
          premises to the designated parking stall; and
- 347     (C) at the designated parking stall, staff of the off-premise beer retailer verifies the purchaser's age in  
          accordance with Section 32B-1-407.
- 530     (c) Nothing in this Subsection (8) modifies the other requirements of this section.
- 531     (d) Staff of an off-premise beer retailer that sells, offers for sale, or furnishes beer in accordance with  
          this Subsection (8) shall comply with the training requirements described in Section ~~{62A-15-401}~~  
          32B-1-703.
- 534     (9) An off-premise beer retailer may not on the licensed premises:
- 535     (a) engage in or permit any form of:
- 536     (i) gambling, as defined in Section 76-10-1101; or
- 537     (ii) fringe gambling, as defined in Section 76-10-1101;
- 538     (b) have any fringe gaming device, video gaming device, or gambling device or record as defined in  
          Section 76-10-1101; or
- 540     (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires the risking  
          of something of value for a return or for an outcome when the return or outcome is based upon an  
          element of chance, excluding the playing of an amusement device that confers only an immediate  
          and unrecorded right of replay not exchangeable for value.
- 545     (10) An off-premise beer retailer may not knowingly allow a person on the licensed premises to, in  
          violation of Title 58, Chapter 37, Utah Controlled Substances Act, or Chapter 37a, Utah Drug  
          Paraphernalia Act:
- 548     (a) sell, distribute, possess, or use a controlled substance, as defined in Section 58-37-2; or
- 550     (b) use, deliver, or possess, with the intent to deliver, drug paraphernalia, as defined in Section  
          58-37a-3.

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- (11) An off-premise beer retailer may not sell, offer for sale, or furnish a beer that is intended to be frozen and consumed in a manner other than as a beverage, including beer in the form of a freeze pop, popsicle, ice cream, or sorbet.

Section 6. Section **32B-9-203** is amended to read:

**32B-9-203. Bond for event permit.**

(1)

(a) A person applying for an event permit shall post a ~~cash bond or~~ surety bond:

(i) in the amount specified in ~~[the relevant part under]~~ this chapter for the type of event permit for which the person is applying; and

(ii) payable to the department.

(b) An event permittee shall procure and maintain a bond required under this section for as long as the event permit is in effect.

(2) A bond posted by an event permittee under this section shall be:

(a) in a form approved by the attorney general; and

(b) conditioned upon the event permittee's faithful compliance with this title and the rules of the commission.

(3) No part of a bond posted by an event permittee under this section may be withdrawn during the period the event permit is in effect.

(4)

(a) A bond posted by an event permittee under this section may be forfeited if the event permit is revoked.

(b) Notwithstanding Subsection (4)(a), the department may make a claim against a bond posted by an event permittee for money owed the department under this title without the commission first revoking the event permit.

Section 9. Section **9** is enacted to read:

### **CHAPTER 13h. INMATE EDUCATION RESTRICTED ACCOUNT**

**64-13h-101. Definitions.**

As used in this chapter:

(1) "Account" means the Inmate Education Restricted Account created in Section 64-13h-102.

(2) "Department" means the Department of Corrections.

(3) "Inmate" means the same as that term is defined in Section 64-13-1.

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Section 10. Section **10** is enacted to read:

**64-13h-102. Creation of Inmate Education Restricted Account.**

- (1) There is created a restricted account within the General Fund known as the Inmate Education Restricted Account.
- (2) The account includes:
- (a) deposits made under Section 32B-2-304;
- (b) money appropriated to the account by the Legislature;
- (c) private donations, grants, gifts, bequests, or money made available from any other source to implement this section and Section 64-13h-103; and
- (d) any interest earned on the account.
- (3) The department shall administer the account for the purposes described in Section 64-13h-103.
- (4) Upon appropriation by the Legislature, the department shall use money in the account as described in Section 64-13h-103.

Section 11. Section **11** is enacted to read:

**64-13h-103. Uses of Inmate Education Restricted Account.**

- (1) Account funds shall be used to provide the following education services to inmates:
- (a) vocational training; and
- (b) education services, with the highest available level being the completion of an associates degree.
- (2) The following entities may provide vocational and education services described in Subsection (1):
- (a) Snow College;
- (b) Salt Lake Community College; and
- (c) Davis Technical College.
- (3) The department may expend money from the account to offset actual department expenses related to administering this section.

Section 7. **Effective date.**

This bill takes effect on May 7, 2025.

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