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**Alcohol Amendments**  
 2025 GENERAL SESSION  
 STATE OF UTAH  
**Chief Sponsor: Jerry W. Stevenson**  
 House Sponsor:

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3 **LONG TITLE**4 **General Description:**

5 This bill amends provisions relating to alcohol.

6 **Highlighted Provisions:**

7 This bill:

8 ▶ defines terms;

9 ▶ exempts an alcohol overlay district from proximity requirements;

10 ▶ increases the state markup on spirituous liquor and wine to fund the Inmate Education

11 Restricted Account;

12 ▶ clarifies the Alcohol Beverage Services Commission's authority when granting or denying  
13 an application for a retail license;14 ▶ provides that a hotel may serve spirituous liquor in a container that is not the spirituous  
15 liquor's original container;16 ▶ authorizes staff of a retail licensee that are 21 years old or older to test the quality and  
17 taste of liquor using the "straw test";18 ▶ provides that the Department of Alcoholic Beverage Services may approve multiple  
19 locations in or on the licensed premises of an on-premise banquet licensee;20 ▶ provides the circumstances under which an off-premise beer retailer may sell beer at a  
21 loading area or a designated parking stall;

22 ▶ requires that a person applying for an event permit post a surety bond;

23 ▶ creates the Inmate Education Restricted Account;

24 ▶ defines the uses for the funds in the Inmate Education Restricted Account; and

25 ▶ makes technical changes.

26 **Money Appropriated in this Bill:**

27 None

28 **Other Special Clauses:**

29 None

30 **Utah Code Sections Affected:**

31 AMENDS:

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

33 **32B-2-304**, as last amended by Laws of Utah 2024, Chapter 94

34 **32B-5-201**, as last amended by Laws of Utah 2024, Chapter 94

35 **32B-5-304**, as last amended by Laws of Utah 2024, Chapter 94

36 **32B-5-308**, as last amended by Laws of Utah 2019, Chapter 403

37 **32B-6-604**, as last amended by Laws of Utah 2024, Chapter 94

38 **32B-7-202**, as last amended by Laws of Utah 2024, Chapter 94

39 **32B-9-203**, as enacted by Laws of Utah 2010, Chapter 276

40 ENACTS:

41 **64-13h-101**, Utah Code Annotated 1953

42 **64-13h-102**, Utah Code Annotated 1953

43 **64-13h-103**, Utah Code Annotated 1953

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

46 Section 1. Section **32B-1-202** is amended to read:

47 **32B-1-202 . Proximity to community location.**

48 (1) As used in this section:

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

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

52 (i) bounded by:

53 (A) South Temple Street;

54 (B) 100 South Street;

55 (C) West Temple Street; and

56 (D) 400 West Street; and

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

58 [(b)] (c)(i) "Outlet" means:

59 (A) a state store;

60 (B) a package agency; or

61 (C) a retail licensee.

62 (ii) "Outlet" does not include:

63 (A) an airport lounge licensee; or

64 (B) a restaurant.

65 (d) "Point of the mountain state land" means the same as that term is defined in Section  
66 11-59-102.

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

- 68 (i) a full-service restaurant licensee;
- 69 (ii) a limited-service restaurant licensee;
- 70 (iii) a beer-only restaurant licensee; or
- 71 (iv) a restaurant venue on-premise banquet licensee.

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

- 75 (i) within 600 feet of the proposed outlet, as measured from the nearest patron  
76 entrance of the proposed outlet by following the shortest route of ordinary  
77 pedestrian travel to the property boundary of the community location; or
- 78 (ii) within 200 feet of the proposed outlet, measured in a straight line from the  
79 nearest patron entrance of the proposed outlet to the nearest property boundary of  
80 the community location.

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

- 84 (i) within 300 feet of the proposed restaurant, as measured from the nearest patron  
85 entrance of the proposed restaurant by following the shortest route of ordinary  
86 pedestrian travel to the property boundary of the community location; or
- 87 (ii) within 200 feet of the proposed restaurant, measured in a straight line from the  
88 nearest patron entrance of the proposed restaurant to the nearest property  
89 boundary of the community location.

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

- 96 (i) the outlet or restaurant changes ownership;
- 97 (ii) the property on which the outlet or restaurant is located changes ownership; or
- 98 (iii) there is a lapse in the use of the property as an outlet or a restaurant with the

99 same type of license, unless during the lapse, the property is used for a different  
100 purpose.

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

103 (4) An outlet or restaurant that holds a license on May 12, 2020, and operates in accordance  
104 with the proximity requirements in effect at the time the commission issued the license  
105 or operates under a previously approved variance described in Subsection (3), subject to  
106 the other provisions of this title, that outlet or restaurant or an outlet or a restaurant with  
107 the same type of license as that outlet or restaurant may operate at the premises  
108 regardless of whether:

109 (a) the outlet or restaurant changes ownership;

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

111 (c) there is a lapse of one year or less in the use of the property as an outlet or a  
112 restaurant with the same type of license, unless during the lapse the property is used  
113 for a different purpose.

114 (5)(a) If, after an outlet or a restaurant obtains a license under this title, a person  
115 establishes a community location on a property that puts the outlet or restaurant in  
116 violation of the proximity requirements in effect at the time the license is issued or a  
117 previously approved variance described in Subsection (3), subject to the other  
118 provisions of this title, that outlet or restaurant, or an outlet or a restaurant with the  
119 same type of license as that outlet or restaurant, may operate at the premises  
120 regardless of whether:

121 (i) the outlet or restaurant changes ownership;

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

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

126 (b) The provisions of this Subsection (5) apply regardless of when the outlet's or  
127 restaurant's license is issued.

128 (6) The proximity requirements described in Subsection (2) do not apply if the proposed  
129 outlet or proposed restaurant and the community location are located within the  
130 boundaries of a designated project area zone or an alcohol overlay district.

131 (7) Nothing in this section prevents the commission from considering the proximity of an  
132 educational, religious, and recreational facility, or any other relevant factor in reaching a

133 decision on a proposed location of an outlet.

134 Section 2. Section **32B-2-304** is amended to read:

135 **32B-2-304 . Liquor price -- Remittance of markup -- School lunch program.**

136 (1) For purposes of this section:

137 (a)(i) "Landed case cost" means the sum of:

138 (A) the cost of the product;

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  
142 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  
146 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  
148 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  
150 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  
152 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  
154 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,  
156 spirituous liquor that is sold by the department within the state shall be marked up  
157 49% above the landed case cost to the department if:

158 (i) the spirituous liquor is manufactured by a manufacturer producing less than  
159 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  
162 sold by the department within the state shall be marked up 49% above the landed  
163 case cost to the department if:

164 (i)(A) except as provided in Subsection (3)(c)(i)(B), the wine is manufactured by a  
165 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

- 167 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.
- 169 (d) Except for heavy beer sold by the department to a military installation in Utah, heavy
- 170 beer that is sold by the department within the state shall be marked up 32% above the
- 171 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
- 176 manufacturer:
- 177 (A) by, if the manufacturer is part of a controlled group of manufacturers,
- 178 including the combined volume totals of spirituous liquor, wine, or cider, as
- 179 applicable, for all manufacturers that constitute the controlled group of
- 180 manufacturers; and
- 181 (B) without considering the manufacturer's production of any other type of
- 182 alcoholic product; and
- 183 (ii) verify that a manufacturer meets a production amount described in Subsection
- 184 (3)(b) or (c) and the production amount of a small brewer under a federal or other
- 185 verifiable production report.
- 186 (f) A manufacturer seeking to obtain a reduced markup under Subsection (3)(b), (c), or
- 187 (d), shall provide to the department any documentation or information the department
- 188 determines necessary to determine if the manufacturer is part of a controlled group of
- 189 manufacturers.
- 190 (g) The department may, at any time, revoke a reduced markup granted to a
- 191 manufacturer under Subsection (3)(b), (c), or (d), if the department determines the
- 192 manufacturer no longer qualifies for the reduced markup.
- 193 (4) Wine the department purchases on behalf of a subscriber through the wine subscription
- 194 program established in Section 32B-2-702 shall be marked up not less than [88.5%]
- 195 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
- 197 the state treasurer to be credited to the Uniform School Fund and used to support the
- 198 school meals program administered by the State Board of Education under Section
- 199 53E-3-510.
- 200 (6)(a) Each month, the department shall collect from each package agency located at a

- 201 manufacturing facility owned or operated by a person licensed under Chapter 11,  
 202 Manufacturing and Related Licenses Act[;] :
- 203 (i) [-]12.295% of the package agency's reported monthly revenue and deposit the  
 204 money as follows:
- 205 [(+)] (A) 1.695% of the reported monthly revenue into the Alcoholic Beverage  
 206 Control Act Enforcement Fund;
- 207 [(+)] (B) 10% of the reported monthly revenue into the Uniform School Fund and  
 208 used to support the school meals program administered by the State Board of  
 209 Education under Section 53E-3-510; and
- 210 [(+)] (C) 0.60% of the reported monthly revenue into the Underage Drinking  
 211 Prevention Media and Education Campaign Restricted Account[-] ; and
- 212 (ii) the funds described in Subsections (6)(a)(ii)(A) and (B) for deposit into the  
 213 Inmate Education Restricted Account created under Section 64-13h-102:
- 214 (A) the amount generated by a markup of 0.35% above the landed case cost to the  
 215 department as required under Subsections (2)(a) and (b); and
- 216 (B) the amount generated by a markup of 0.35% above the cost of the subscription  
 217 described in Subsection (4).
- 218 (b) The department may collect a fee established in accordance with Section 63J-1-504  
 219 from a package agency described in this subsection to cover the costs of regulation.
- 220 (7) This section does not prohibit the department from selling discontinued items at a  
 221 discount.
- 222 (8) The Legislature shall annually appropriate to support substance use disorder treatment  
 223 services, an amount equal to the revenue generated from a 0.5% markup above the  
 224 landed case cost to the department on spirituous liquor.
- 225 Section 3. Section **32B-5-201** is amended to read:
- 226 **32B-5-201 . Application requirements for retail license.**
- 227 (1)(a) Before a person may store, sell, offer for sale, furnish, or permit consumption of  
 228 an alcoholic product on licensed premises as a retail licensee, the person shall first  
 229 obtain a retail license issued by the commission, notwithstanding whether the person  
 230 holds a local license or a permit issued by a local authority.
- 231 (b) Violation of this Subsection (1) is a class B misdemeanor.
- 232 (2) To obtain a retail license under this title, a person shall submit to the department:
- 233 (a) a written application in a form prescribed by the department;
- 234 (b) a nonrefundable application fee in the amount specified in the relevant chapter or

- 235 part for the type of retail license for which the person is applying;
- 236 (c) an initial license fee:
- 237 (i) in the amount specified in the relevant chapter or part for the type of retail license
- 238 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
- 241 proposed sublicense;
- 242 (e) a copy of:
- 243 (i) every license the local authority requires, including the person's current business
- 244 license; and
- 245 (ii) if the person is applying for a principal license, the current business license for
- 246 each proposed sublicense, except if the local authority determines that the
- 247 business license for a proposed sublicense is included in the person's current
- 248 business license;
- 249 (f) evidence of the proposed retail licensee's proximity to any community location, with
- 250 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
- 253 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
- 256 beverage;
- 257 (i) evidence that the retail licensee carries public liability insurance in an amount and
- 258 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
- 262 occurrence and \$2,000,000 in the aggregate to cover both the principal license and
- 263 all accompanying sublicenses; or
- 264 (iii) if the retail licensee is an arena licensee, \$10,000,000 per occurrence and
- 265 \$20,000,000 in the aggregate to cover both the arena license and all accompanying
- 266 sublicenses;
- 267 (k) a signed consent form stating that the retail licensee will permit any authorized
- 268 representative of the commission, department, or any law enforcement officer to have



- 269 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
- 272 sublicenses;
- 273 (l) if the person is an entity, proper verification evidencing that a person who signs the
- 274 application is authorized to sign on behalf of the entity;
- 275 (m) a responsible alcohol service plan;
- 276 (n) evidence that each individual the person has hired to work as a retail manager, as
- 277 defined in Section 32B-1-701, has completed the alcohol training and education
- 278 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
- 284 which the person is applying, the commission may not issue a retail license to a person if
- 285 the proposed licensed premises does not meet the proximity requirements of Section
- 286 32B-1-202.
- 287 (5) [The] Subject to Subsection (6), the commission may not deny an application for a retail
- 288 license, an application for a conditional retail license under Section 32B-5-205, or an
- 289 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
- 291 License Act; and
- 292 (b) for a retail license or a conditional retail license, granting the retail license or the
- 293 conditional retail license would not cause the commission to exceed the maximum
- 294 number of licenses of that retail license type that the commission is authorized to
- 295 issue under this chapter.
- 296 (6)(a) The commission may deny an application for a retail license, an application for a
- 297 conditional retail license under Section 32B-5-205, or an application for a sublicense
- 298 under Chapter 8d, Sublicense Act, if the commission determines that the applicant's
- 299 violation history warrants the denial.
- 300 (b) The commission, when making a determination under this Subsection (6), shall treat
- 301 applicants with substantially similar violation histories consistently.
- 302 Section 4. Section **32B-5-304** is amended to read:

303 **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  
 305 primary spirituous liquor only in a quantity that does not exceed 1.5 ounces per  
 306 beverage dispensed through a calibrated metered dispensing system approved by the  
 307 department in accordance with commission rules adopted under this title.
- 308 (b) A retail license is not required to dispense spirituous liquor through a calibrated  
 309 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  
 318 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  
 321 container, into a different container as required under Subsection  
 322 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  
 326 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  
 328 ingredient shall:
- 329 (i) designate a location where the retail licensee stores secondary flavoring  
 330 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  
 332 "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  
 335 (1)(b)(iv).
- 336 (2)(a)(i) A retail licensee may sell, offer for sale, or furnish wine by the glass or in an

- 337 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  
339 to a patron in more than one glass if the total amount of wine does not exceed 5  
340 ounces.
- 341 (b)(i) A retail licensee may sell, offer for sale, or furnish wine in a container not  
342 exceeding 1.5 liters at a price fixed by the commission to a table of four or more  
343 persons.
- 344 (ii) A retail licensee may sell, offer for sale, or furnish wine in a container not to  
345 exceed 750 milliliters at a price fixed by the commission to a table of less than  
346 four persons.
- 347 (c) Notwithstanding Subsections (2)(a) and (b), a retail licensee may sell, offer for sale,  
348 or furnish hard cider that contains no more than 5% of alcohol by volume in a sealed  
349 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  
351 a price fixed by the commission, except that the original container may not exceed one  
352 liter.
- 353 (4) A retail licensee may sell, offer for sale, or furnish a flavored malt beverage in an  
354 original container at a price fixed by the commission, except that the original container  
355 may not exceed one liter.
- 356 (5)(a)(i) Subject to Subsection (5)(a)(ii), a retail licensee may sell, offer for sale, or  
357 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  
361 (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  
368 patron if the total amount of beer does not exceed 16 ounces.
- 369 Section 5. Section **32B-5-308** is amended to read:
- 370 **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  
 372 to taste liquor to ensure the quality, flavor, and alcohol content of the liquor by:  
 373 (a) dipping the straw into the liquor;  
 374 (b) removing the straw in a manner that a small amount of liquor remains in the straw;  
 375 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,  
 378 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  
 382 dispense an alcoholic product.  
 383 (b) Notwithstanding Subsection ~~[(2)(a)]~~ (3)(a), unless otherwise prohibited in the  
 384 provisions related to the specific type of retail license, a retail licensee may employ a  
 385 minor who is at least 16 years ~~[of age]~~ old to enter the sale at a cash register or other  
 386 sales recording device.
- 387 ~~[(3)]~~ (4) A full-service restaurant licensee, limited-service restaurant licensee, or beer-only  
 388 restaurant licensee may employ a minor who is at least 16 years ~~[of age]~~ old to bus  
 389 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  
 391 minor.

392 Section 6. Section **32B-6-604** is amended to read:

393 **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,  
 395 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  
 398 requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than  
 399 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  
 403 the day on which the initial license fee is paid and ends the day on which the  
 404 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  
407 \$10,000.
- 408 (5) Notwithstanding the other provisions of this part, if an applicant is a state agency or  
409 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~~  
415 ~~location~~] one or more additional locations in accordance with Subsection (7), in or on the  
416 licensed premises of an on-premise banquet licensee from which the on-premise banquet  
417 licensee may store, sell, offer for sale, furnish, or allow the consumption of an alcoholic  
418 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),  
422 whether or not the locations are contiguous to one another or to the location included in  
423 the original application for the on-premise banquet licensee.

424 Section 7. Section **32B-7-202** is amended to read:

425 **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  
427 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  
429 local license and, on or after July 1, 2018, disciplinary action in accordance with  
430 Chapter 3, Disciplinary Actions and Enforcement Act.
- 431 (2)(a)(i) An off-premise beer retailer may not purchase, acquire, possess for the  
432 purpose of resale, or sell beer, except beer that the off-premise beer retailer  
433 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.
- 437 (b)(i) If an off-premise beer retailer purchases beer under this Subsection (2) from a  
438 beer wholesaler licensee, the off-premise beer retailer shall purchase beer only

439 from a beer wholesaler licensee who is designated by the manufacturer to sell beer  
440 in the geographical area in which the off-premise beer retailer is located, unless an  
441 alternate wholesaler is authorized by the department to sell to the off-premise beer  
442 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  
445 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  
450 unless:

451 (i) the sale is done under the supervision of a person 21 years old or older who is on  
452 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  
455 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  
461 shall:

462 (i) display all beer accessible by and visible to a patron in no more than two locations  
463 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  
465 beverage displayed; and

466 (B) not adjacent to a display of nonalcoholic beverages, unless the location is a  
467 cooler with a door from which the nonalcoholic beverages are not accessible,  
468 or the beer is separated from the display of nonalcoholic beverages by a display  
469 of one or more nonbeverage products or another physical divider; and

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

471 (A) is prominent;

472 (B) is easily readable by a consumer;

- 473 (C) meets the requirements for format established by the commission by rule; and  
474 (D) reads in print that is no smaller than .5 inches, bold type, "These beverages  
475 contain alcohol. Please read the label carefully."
- 476 (b) Notwithstanding Subsection (6)(a), a nonalcoholic beer may be displayed with beer  
477 if the nonalcoholic beer is labeled, packaged, or advertised as a nonalcoholic beer.
- 478 (c) The requirements of this Subsection (6) apply to beer notwithstanding that it is  
479 labeled, packaged, or advertised as:
- 480 (i) a malt cooler; or  
481 (ii) a beverage that may provide energy.
- 482 (d) A violation of this Subsection (6) is an infraction.
- 483 (e)(i) Except as provided in Subsection (6)(e)(ii), the provisions of Subsection  
484 (6)(a)(i) apply on and after May 9, 2017.
- 485 (ii) For a beer retailer that operates two or more off-premise beer retailers, the  
486 provisions of Subsection (6)(a)(i) apply on and after August 1, 2017.
- 487 (7)(a) Staff of an off-premise beer retailer who directly supervises the sale of beer or  
488 who sells beer to a patron for consumption off the premises of the off-premise beer  
489 retailer shall wear a unique identification badge:
- 490 (i) on the front of the staff's clothing;  
491 (ii) visible above the waist;  
492 (iii) bearing the staff's:  
493 (A) first or last name;  
494 (B) initials; or  
495 (C) unique identification in letters or numbers; and  
496 (iv) with the number or letters on the unique identification badge being sufficiently  
497 large to be clearly visible and identifiable while engaging in or directly  
498 supervising the retail sale of beer.
- 499 (b) An off-premise beer retailer shall make and maintain a record of each current staff's  
500 unique identification badge assigned by the off-premise beer retailer that includes the  
501 staff's:  
502 (i) full name;  
503 (ii) address; and  
504 (iii)(A) driver license number; or  
505 (B) similar identification number.
- 506 (c) An off-premise beer retailer shall make available a record required to be made or

- 507 maintained under this Subsection (7) for immediate inspection by:
- 508 (i) a peace officer;
- 509 (ii) a representative of the local authority that issues the off-premise beer retailer
- 510 license; or
- 511 (iii) for an off-premise beer retailer state license, a representative of the commission
- 512 or department.
- 513 (d) A local authority may impose a fine of up to \$250 against an off-premise beer
- 514 retailer that does not comply or require its staff to comply with this Subsection (7).
- 515 ~~[(8)(a) An off-premise beer retailer may sell, offer for sale, or furnish beer through a~~
- 516 ~~drive-through window.]~~
- 517 ~~[(b) Subsection (8)(a) does not modify the display limitations and requirements~~
- 518 ~~described in Subsection (6).]~~
- 519 (8)(a) An off-premise beer retailer may sell, offer for sale, or furnish beer:
- 520 (i) at a drive-up loading area, if the drive-up loading area is contiguous to the
- 521 off-premise beer retailer's licensed premises; or
- 522 (ii) subject to Subsection (8)(b), at a designated parking stall.
- 523 (b) An off-premise beer retailer shall ensure that a parking stall described in Subsection
- 524 (8)(a)(iii) is:
- 525 (i) located on property that the off-premise beer retailer owns or has a legal right to
- 526 occupy;
- 527 (ii) designated for picking up pre-ordered items from the off-premise beer retailer; and
- 528 (iii) labeled in a conspicuous manner that communicates the purpose described in
- 529 Subsection (8)(b)(ii).
- 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
- 532 accordance with this Subsection (8) shall comply with the training requirements
- 533 described in Section 62A-15-401.
- 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
- 539 as defined in Section 76-10-1101; or
- 540 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires



541 the risking of something of value for a return or for an outcome when the return or  
 542 outcome is based upon an element of chance, excluding the playing of an amusement  
 543 device that confers only an immediate and unrecorded right of replay not  
 544 exchangeable for value.

545 (10) An off-premise beer retailer may not knowingly allow a person on the licensed  
 546 premises to, in violation of Title 58, Chapter 37, Utah Controlled Substances Act, or  
 547 Chapter 37a, Utah Drug Paraphernalia Act:

548 (a) sell, distribute, possess, or use a controlled substance, as defined in Section 58-37-2;  
 549 or

550 (b) use, deliver, or possess, with the intent to deliver, drug paraphernalia, as defined in  
 551 Section 58-37a-3.

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

555 Section 8. Section **32B-9-203** is amended to read:

556 **32B-9-203 . Bond for event permit.**

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

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

560 (ii) payable to the department.

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

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

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

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

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

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

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

574 Section 9. Section **64-13h-101** is enacted to read:

575 **CHAPTER 13h. INMATE EDUCATION RESTRICTED ACCOUNT**576 **64-13h-101 . Definitions.**577 As used in this chapter:578 (1) "Account" means the Inmate Education Restricted Account created in Section  
579 64-13h-102.580 (2) "Department" means the Department of Corrections.581 (3) "Inmate" means the same as that term is defined in Section 64-13-1.582 Section 10. Section **64-13h-102** is enacted to read:583 **64-13h-102 . Creation of Inmate Education Restricted Account.**584 (1) There is created a restricted account within the General Fund known as the Inmate  
585 Education Restricted Account.586 (2) The account includes:587 (a) deposits made under Section 32B-2-304;588 (b) money appropriated to the account by the Legislature;589 (c) private donations, grants, gifts, bequests, or money made available from any other  
590 source to implement this section and Section 64-13h-103; and591 (d) any interest earned on the account.592 (3) The department shall administer the account for the purposes described in Section  
593 64-13h-103.594 (4) Upon appropriation by the Legislature, the department shall use money in the account as  
595 described in Section 64-13h-103.596 Section 11. Section **64-13h-103** is enacted to read:597 **64-13h-103 . Uses of Inmate Education Restricted Account.**598 (1) Account funds shall be used to provide the following education services to inmates:599 (a) vocational training; and600 (b) education services, with the highest available level being the completion of an  
601 associates degree.602 (2) The following entities may provide vocational and education services described in  
603 Subsection (1):604 (a) Snow College;605 (b) Salt Lake Community College; and606 (c) Davis Technical College.607 (3) The department may expend money from the account to offset actual department  
608 expenses related to administering this section.

609           Section 12. **Effective Date.**

610    This bill takes effect on May 7, 2025.