

HB0597S01 compared with HB0597

{Omitted text} shows text that was in HB0597 but was omitted in HB0597S01

inserted text shows text that was not in HB0597 but was inserted into HB0597S01

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1 **Alcohol Amendments**
2026 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Jefferson S. Burton
Senate Sponsor: Jerry W Stevenson



2
3 **LONG TITLE**

4 **General Description:**

5 This bill amends provisions relating to alcohol.

6 **Highlighted Provisions:**

7 This bill:

8 ▶ provides that the Point of the Mountain State Land Authority is a local authority under Title 32B,
Alcoholic Beverage Control Act;

9a ▶ **provides that a driver license issued by a foreign country or a driver {privilege} license
card is a valid proof of age;**

10 ▶ enacts provisions relating to the local consent of a local authority when the commission issues a
license;

12 ▶ amends provisions related to a designated conveyance area;

13 ▶ lowers the number of rooms for a facility to qualify as a hotel;

14 ▶ {~~increases the criminal penalty for selling, offering for sale, or furnishing alcohol to a
minor;~~}

16 ▶

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provides that a restaurant licensee is only required to verify proof of age if the individual appears to be 35 years old or younger;

- 18 ▶ amends provisions requiring that a person verify whether an individual is an interdicted person;
- 20 ▶ repeals requirements related to the scanning device a licensee shall use when verifying proof of age;
- 22 ▶ amends provisions to allow the Department of Alcoholic Beverage Services (department) to round up or round down the price of liquor when a customer pays with cash;
- 24 ▶ requires that the department coordinate with law enforcement before beginning a disciplinary action;
- 26 ▶ places the internal audit division of the department under the control of the director of the department;
- 28 ▶ provides that the Alcoholic Beverage Services Commission (commission) may propose internal audit policies and recommend changes to the division's internal audit plan;
- 30 ▶ amends provisions relating to the commission's authority to deny a license;
- 31 ▶ removes the requirement that a liquor storage area be locked at all times;
- 32 ▶ provides the conditions under which a patron may transport an alcoholic beverage from a bar establishment to a restaurant establishment;
- 34 ▶ amends the percentage requirement of alcohol to food that a licensee shall maintain;
- 35 ▶ ~~{ requires that a sign that an off-premise beer retailer displays contain language the department establishes by rule; }~~
- 37 ▶ describes the language that the department shall require in each off-premise beer retailer display;
- 39 ▶ requires that the department make a report to the Legislative Management Committee regarding the language the department requires that an off-premise beer retailer display;
- 41 ▶ increases the number of reception center licenses that the commission may issue;
- 42 ▶ removes the notice requirements relating to issuing an event permit; {and }
- 41 ▶ amends the definition of "beer"; and
- 43 ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

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47 **Utah Code Sections Affected:**

48 AMENDS:

- 49 **32B-1-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special Session,
Chapter 16
- 51 **32B-1-202 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 162
- 52 **32B-1-202.1 (Effective 05/06/26)**, as last amended by Laws of Utah 2023, Chapter 371
- 53 **32B-1-407 ~~{(Effective 05/06/26)}~~{(Effective upon governor's approval)}**, as last amended by
Laws of Utah 2025, Chapter 471
- 55 **32B-2-202 (Effective upon governor's approval)**, as last amended by Laws of Utah 2023, Chapter
371
- 57 **32B-2-207 (Effective 05/06/26)**, as last amended by Laws of Utah 2021, Chapter 345
- 58 **32B-2-213 (Effective upon governor's approval)**, as enacted by Laws of Utah 2024, Chapter 94
- 60 **32B-2-302.5 (Effective 05/06/26)**, as enacted by Laws of Utah 2012, Chapter 365
- 61 **32B-2-304 (Effective upon governor's approval)**, as last amended by Laws of Utah 2024, Chapter
94
- 63 **32B-2-503 (Effective upon governor's approval)**, as last amended by Laws of Utah 2024, Chapter
94
- 65 **32B-2-605 (Effective upon governor's approval)**, as last amended by Laws of Utah 2024, Chapter
94
- 67 **32B-3-203 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 94
- 68 ~~**32B-4-403 (Effective 05/06/26), as last amended by Laws of Utah 2022, Chapter 447**~~
- 68 **32B-4-405 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 471
- 69 **32B-5-201 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 162
- 70 **32B-5-303 (Effective 05/06/26)**, as last amended by Laws of Utah 2019, Chapter 403
- 71 **32B-5-304 (Effective upon governor's approval)**, as last amended by Laws of Utah 2025, Chapter
162
- 73 **32B-5-305 (Effective upon governor's approval)**, as last amended by Laws of Utah 2011, Chapter
334
- 75 **32B-5-306 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 471
- 76 **32B-5-307 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 162
- 77 **32B-6-203 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 94

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78 **32B-6-303 (Effective 05/06/26)**, as last amended by Laws of Utah 2019, Chapter 403
79 **32B-6-605 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 162
80 **32B-6-803 (Effective 05/06/26)**, as last amended by Laws of Utah 2020, Sixth Special Session,
 Chapter 6
82 **32B-6-805 (Effective 05/06/26)**, as last amended by Laws of Utah 2020, Chapter 219
83 **32B-6-903 (Effective 05/06/26)**, as last amended by Laws of Utah 2019, Chapter 403
84 **32B-7-202 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapters 162, 173
86 **32B-8-401 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 94
87 **32B-8b-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 94
88 **32B-8b-301 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 94
89 **32B-8c-301 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 219
90 **32B-9-201 (Effective 05/06/26)**, as last amended by Laws of Utah 2020, Chapter 219
91 **32B-9-202 (Effective 05/06/26)**, as last amended by Laws of Utah 2023, Chapter 371
92 **32B-9-204 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 173
93 **32B-9-305 (Effective upon governor's approval)**, as last amended by Laws of Utah 2011,
 Chapters 307, 334
95 **63I-5-201 (Effective 05/06/26)**, as last amended by Laws of Utah 2022, Chapters 169, 447

97
98 *Be it enacted by the Legislature of the state of Utah:*

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

100 **32B-1-102. Definitions.**

 As used in this title:

- 103 (1) "Airport lounge" means a business location:
104 (a) at which an alcoholic product is sold at retail for consumption on the premises; and
105 (b) that is located at an international airport or domestic airport.
106 (2) "Airport lounge license" means a license issued in accordance with Chapter 5, Retail License Act,
 and Chapter 6, Part 5, Airport Lounge License.
108 (3) "Alcoholic beverage" means the following:
109 (a) beer; or
110 (b) liquor.
111 (4)

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- 112 (a) "Alcoholic product" means a product that:
- 113 (i) contains at least .5% of alcohol by volume; and
- 114 (ii) is obtained by fermentation, infusion, decoction, brewing, distillation, or other process that uses
liquid or combinations of liquids, whether drinkable or not, to create alcohol in an amount equal
to or greater than .5% of alcohol by volume.
- 116 (b) "Alcoholic product" includes an alcoholic beverage.
- 117 (c) "Alcoholic product" does not include any of the following common items that otherwise come
within the definition of an alcoholic product:
- 119 (i) except as provided in Subsection (4)(d), an extract;
- 120 (ii) vinegar;
- 121 (iii) preserved nonintoxicating cider;
- 122 (iv) essence;
- 123 (v) tincture;
- 124 (vi) food preparation; or
- 125 (vii) an over-the-counter medicine.
- 126 (d) "Alcoholic product" includes an extract containing alcohol obtained by distillation when it is used as
a flavoring in the manufacturing of an alcoholic product.
- 128 (5) "Alcohol training and education seminar" means a seminar that is:
- 129 (a) required by Chapter 1, Part 7, Alcohol Training and Education Act; and
- 130 (b) described in Section 26B-5-205.
- 131 (6)
- (a) "Amphitheater" means an outdoor, multi-use performance venue that:
- 132 (i) is primarily used to present live entertainment, including music, dance, comedy, and theater;
- 134 (ii) has the capacity to hold over 10,000 patrons; and
- 135 (iii) is located in a county of the first class.
- 136 (b) "Amphitheater" does not include a space that is used to present sporting events or sporting
competitions.
- 138 (7) "Arena" means an enclosed building:
- 139 (a) that is managed by:
- 140 (i) the same person who owns the enclosed building;
- 141

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- (ii) a person who has a majority interest in each person who owns or manages a space in the enclosed building; or
- 143 (iii) a person who has authority to direct or exercise control over the management or policy of each person who owns or manages a space in the enclosed building;
- 145 (b) that operates as a venue; and
- 146 (c) that has an occupancy capacity of at least 12,500.
- 147 (8) "Arena license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 8c, Arena License Act.
- 149 (9) "Banquet" means an event:
- 150 (a) that is a private event or a privately sponsored event;
- 151 (b) that is held at one or more designated locations approved by the commission in or on the premises of:
 - 153 (i) a hotel;
 - 154 (ii) a resort facility;
 - 155 (iii) a sports center;
 - 156 (iv) a convention center;
 - 157 (v) a performing arts facility;
 - 158 (vi) an arena;
 - 159 (vii) a restaurant venue; or
 - 160 (viii) an amphitheater;
- 161 (c) for which there is a contract:
 - 162 (i) between a person operating a facility listed in Subsection (9)(b) and another person that has common ownership of less than 20% with the person operating the facility; and
 - 165 (ii) under which the person operating a facility listed in Subsection (9)(b) is required to provide an alcoholic product at the event; and
 - 167 (d) at which food and alcoholic products may be sold, offered for sale, or furnished.
- 168 (10)
 - (a) "Bar establishment license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 4, Bar Establishment License.
 - 170 (b) "Bar establishment license" includes:
 - 171 (i) a dining club license;

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- 172 (ii) an equity license;
- 173 (iii) a fraternal license; or
- 174 (iv) a bar license.
- 175 (11) "Bar license" means a license issued in accordance with Chapter 5, Retail License Act, and
Chapter 6, Part 4, Bar Establishment License.
- 177 (12)
- (a) "Beer" means a product that:
- 178 (i) contains:
- 179 (A) at least .5% of alcohol by volume; and
- 180 (B) no more than 5% of alcohol by volume or 4% by weight;
- 181 (ii) is obtained by fermentation, infusion, or decoction of:
- 182 (A) malt; or
- 183 (B) a malt substitute; and
- 184 (iii) is clearly marketed, labeled, and identified as:
- 185 (A) beer;
- 186 (B) ale;
- 187 (C) porter;
- 188 (D) stout;
- 189 (E) lager;
- 190 (F) a malt;
- 191 (G) a malted beverage; ~~[or]~~
- 192 (H) seltzer~~[:]~~; or
- 192 (I) another class or type designation commonly applied to a malted beverage that conveys by a
recognized term that the product contains alcohol.
- 193 (b) "Beer" may contain:
- 194 (i) hops extract;
- 195 (ii) caffeine, if the caffeine is a natural constituent of an added ingredient; or
- 196 (iii) a propylene glycol-, ethyl alcohol-, or ethanol-based flavoring agent that:
- 197 (A) is used in the production of beer;
- 198 (B) is in a formula approved by the federal Alcohol and Tobacco Tax and Trade Bureau after the
formula is filed for approval under 27 C.F.R. Sec. 25.55; and

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- 200 (C) does not contribute more than 10% of the overall alcohol content of the beer.
- 201 (c) "Beer" does not include:
- 202 (i) a flavored malt beverage;
- 203 (ii) a product that contains alcohol derived from:
- 204 (A) except as provided in Subsection (12)(b)(iii), spirituous liquor; or
- 205 (B) wine; or
- 206 (iii) a product that contains an additive masking or altering a physiological effect of alcohol, including
kratom, kava, cannabidiol, or natural or synthetic tetrahydrocannabinol.
- 209 (13) "Beer-only restaurant license" means a license issued in accordance with Chapter 5, Retail License
Act, and Chapter 6, Part 9, Beer-Only Restaurant License.
- 211 (14) "Beer retailer" means a business that:
- 212 (a) is engaged, primarily or incidentally, in the retail sale of beer to a patron, whether for consumption
on or off the business premises; and
- 214 (b) is licensed as:
- 215 (i) an off-premise beer retailer, in accordance with Chapter 7, Part 2, Off-Premise Beer Retailer Local
Authority; or
- 217 (ii) an on-premise beer retailer, in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 7,
On-Premise Beer Retailer License.
- 219 (15) "Beer wholesaling license" means a license:
- 220 (a) issued in accordance with Chapter 13, Beer Wholesaling License Act; and
- 221 (b) to import for sale, or sell beer in wholesale or jobbing quantities to one or more retail licensees or
off-premise beer retailers.
- 223 (16) "Billboard" means a public display used to advertise, including:
- 224 (a) a light device;
- 225 (b) a painting;
- 226 (c) a drawing;
- 227 (d) a poster;
- 228 (e) a sign;
- 229 (f) a signboard; or
- 230 (g) a scoreboard.
- 231 (17) "Brewer" means a person engaged in manufacturing:

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- 232 (a) beer;
- 233 (b) heavy beer; or
- 234 (c) a flavored malt beverage.
- 235 (18) "Brewery manufacturing license" means a license issued in accordance with Chapter 11, Part 5,
Brewery Manufacturing License.
- 237 (19) "Certificate of approval" means a certificate of approval obtained from the department under
Section 32B-11-201.
- 239 (20) "Chartered bus" means a passenger bus, coach, or other motor vehicle provided by a bus company
to a group of persons pursuant to a common purpose:
- 241 (a) under a single contract;
- 242 (b) at a fixed charge in accordance with the bus company's tariff; and
- 243 (c) to give the group of persons the exclusive use of the passenger bus, coach, or other motor vehicle,
and a driver to travel together to one or more specified destinations.
- 245 (21) "Church" means a building:
- 246 (a) set apart for worship;
- 247 (b) in which religious services are held;
- 248 (c) with which clergy is associated; and
- 249 (d) that is tax exempt under the laws of this state.
- 250 (22) "Commission" means the Alcoholic Beverage Services Commission created in Section 32B-2-201.
- 252 (23) "Commissioner" means a member of the commission.
- 253 (24) "Community location" means:
- 254 (a) a public or private school as defined in Subsection [~~(H6)~~] (118);
- 255 (b) a church;
- 256 (c) a public library;
- 257 (d) a public playground; or
- 258 (e) a public park.
- 259 (25) "Community location governing authority" means:
- 260 (a) the governing body of the community location; or
- 261 (b) if the commission does not know who is the governing body of a community location, a person who
appears to the commission to have been given on behalf of the community location the authority to
prohibit an activity at the community location.

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- 264 (26) "Consent of the local authority" means a written document in which a local authority gives consent
to the commission to consider issuing a license, permit, or package agency within the boundaries of
the local authority.
- 267 ~~[(26)]~~ (27) "Container" means a receptacle that contains an alcoholic product, including:
- 268 (a) a bottle;
- 269 (b) a vessel; or
- 270 (c) a similar item.
- 271 ~~[(27)]~~ (28) "Controlled group of manufacturers" means as the commission defines by rule made in
accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 273 ~~[(28)]~~ (29) "Convention center" means a facility that is:
- 274 (a) in total at least 30,000 square feet; and
- 275 (b) otherwise defined as a "convention center" by the commission by rule.
- 276 ~~[(29)]~~ (30)
- (a) "Counter" means a surface or structure in a dining area of a licensed premises where seating is
provided to a patron for service of food.
- 278 (b) "Counter" does not include a dispensing structure.
- 279 ~~[(30)]~~ (31) "Crime involving moral turpitude" ~~[is as defined by the commission by rule]~~ means the same
as the commission defines that term by rule.
- 281 ~~[(31)]~~ (32) "Department" means the Department of Alcoholic Beverage Services created in Section
32B-2-203.
- 283 ~~[(32)]~~ (33) "Department compliance officer" means an individual who is:
- 284 (a) an auditor or inspector; and
- 285 (b) employed by the department.
- 286 ~~[(33)]~~ (34) "Department sample" means liquor that is placed in the possession of the department for
testing, analysis, and sampling.
- 288 ~~[(34)]~~ (35) "Dining club license" means a license issued in accordance with Chapter 5, Retail License
Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the commission as a
dining club license.
- 291 ~~[(35)]~~ (36) "Director," unless the context requires otherwise, means the director of the department.
- 293 ~~[(36)]~~ (37) "Disciplinary proceeding" means an adjudicative proceeding permitted under this title:
- 295 (a) against a person subject to administrative action; and

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- 296 (b) that is brought on the basis of a violation of this title.
297 [~~(37)~~] (38)
- (a) Subject to Subsection [~~(37)(b)~~] (38)(b), "dispense" means:
- 298 (i) drawing an alcoholic product; and
299 (ii) using the alcoholic product at the location from which it was drawn to mix or prepare an
alcoholic product to be furnished to a patron of the retail licensee.
- 301 (b) The definition of "dispense" in this Subsection [~~(37)~~] (38) applies only to:
- 302 (i) a full-service restaurant license;
303 (ii) a limited-service restaurant license;
304 (iii) a reception center license;
305 (iv) a beer-only restaurant license;
306 (v) a bar license;
307 (vi) an on-premise beer retailer;
308 (vii) an airport lounge license;
309 (viii) an on-premise banquet license; and
310 (ix) a hospitality amenity license.
- 311 [~~(38)~~] (39) "Dispensing structure" means a surface or structure on a licensed premises:
312 (a) where an alcoholic product is dispensed; or
313 (b) from which an alcoholic product is served.
- 314 [~~(39)~~] (40) "Distillery manufacturing license" means a license issued in accordance with Chapter 11,
Part 4, Distillery Manufacturing License.
- 316 [~~(40)~~] (41) "Distressed merchandise" means an alcoholic product in the possession of the department
that is saleable, but for some reason is unappealing to the public.
- 318 [~~(41)~~] (42) "Domestic airport" means an airport that:
- 319 (a) has at least 15,000 commercial airline passenger boardings in any five-year period;
320 (b) receives scheduled commercial passenger aircraft service; and
321 (c) is not an international airport.
- 322 [~~(42)~~] (43) "Equity license" means a license issued in accordance with Chapter 5, Retail License Act,
and Chapter 6, Part 4, Bar Establishment License, that is designated by the commission as an equity
license.
- 325 [~~(43)~~] (44) "Event permit" means:

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- 326 (a) a single event permit; or
327 (b) a temporary beer event permit.
- 328 [~~(44)~~] (45) "Exempt license" means a license exempt under Section 32B-1-201 from being considered
in determining the total number of retail licenses that the commission may issue at any time.
- 331 [~~(45)~~] (46)
- (a) "Flavored malt beverage" means a beverage:
- 332 (i) that contains at least .5% alcohol by volume;
- 333 (ii) for which the producer is required to file a formula for approval with the federal Alcohol and
Tobacco Tax and Trade Bureau under 27 C.F.R. Sec. 25.55 because the beverage is treated by
processing, filtration, or another method of manufacture that is not generally recognized as a
traditional process in the production of a beer, ale, porter, stout, lager, or malt liquor; and
- 338 (iii) for which the producer is required to file a formula for approval with the federal Alcohol and
Tobacco Tax and Trade Bureau under 27 C.F.R. Sec. 25.55 because the beverage includes an
ingredient containing alcohol.
- 341 (b) "Flavored malt beverage" may contain a propylene glycol-, ethyl alcohol-, or ethanol-based
flavoring agent that contributes to the overall alcohol content of the beverage.
- 344 (c) "Flavored malt beverage" does not include beer or heavy beer.
- 345 (d) "Flavored malt beverage" is considered liquor for purposes of this title.
- 346 [~~(46)~~] (47) "Fraternal license" means a license issued in accordance with Chapter 5, Retail License
Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the commission as a
fraternal license.
- 349 [~~(47)~~] (48) "Full-service restaurant license" means a license issued in accordance with Chapter 5, Retail
License Act, and Chapter 6, Part 2, Full-Service Restaurant License.
- 351 [~~(48)~~] (49)
- (a) "Furnish" means by any means to provide with, supply, or give an individual an alcoholic product,
by sale or otherwise.
- 353 (b) "Furnish" includes to:
- 354 (i) serve;
- 355 (ii) deliver; or
- 356 (iii) otherwise make available.
- 357 [~~(49)~~] (50) "Guest" means an individual who meets the requirements of Subsection 32B-6-407(9).

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- 359 [~~(50)~~] (51) "Hard cider" means the same as that term is defined in 26 U.S.C. Sec. 5041.
- 360 [~~(51)~~] (52) "Health care practitioner" means:
- 361 (a) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;
- 362 (b) an optometrist licensed under Title 58, Chapter 16a, Utah Optometry Practice Act;
- 363 (c) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;
- 364 (d) a physical therapist licensed under Title 58, Chapter 24b, Physical Therapy Practice Act;
- 366 (e) a nurse or advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse Practice Act;
- 368 (f) a recreational therapist licensed under Title 58, Chapter 40, Recreational Therapy Practice Act;
- 370 (g) an occupational therapist licensed under Title 58, Chapter 42a, Occupational Therapy Practice Act;
- 372 (h) a nurse midwife licensed under Title 58, Chapter 44a, Nurse Midwife Practice Act;
- 373 (i) a mental health professional licensed under Title 58, Chapter 60, Mental Health Professional Practice Act;
- 375 (j) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act;
- 376 (k) an osteopath licensed under Title 58, Chapter 68, Utah Osteopathic Medical Practice Act;
- 378 (l) a dentist or dental hygienist licensed under Title 58, Chapter 69, Dentist and Dental Hygienist Practice Act; and
- 380 (m) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician Assistant Act.
- 382 [~~(52)~~] (53)
- (a) "Heavy beer" means a product that:
- 383 (i)
- (A) contains more than 5% alcohol by volume;
- 384 (B) contains at least .5% of alcohol by volume and no more than 5% of alcohol by volume or 4% by weight, and a propylene glycol-, ethyl alcohol-, or ethanol-based flavoring agent that contributes more than 10% of the overall alcohol content of the product; or
- 388 (C) contains at least .5% of alcohol by volume and no more than 5% of alcohol by volume or 4% by weight, and has a label or packaging that is rejected under Subsection 32B-1-606(3)(b); and
- 391 (ii) is obtained by fermentation, infusion, or decoction of:
- 392 (A) malt; or
- 393 (B) a malt substitute.
- 394

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- (b) "Heavy beer" may, if the heavy beer contains more than 5% alcohol by volume, contain a propylene glycol-, ethyl alcohol-, or ethanol-based flavoring agent that contributes to the overall alcohol content of the heavy beer.
- 397 (c) "Heavy beer" does not include:
- 398 (i) a flavored malt beverage;
- 399 (ii) a product that contains alcohol derived from:
- 400 (A) except as provided in Subsections [~~(52)(a)(i)(B)~~] (53)(a)(i)(B) and [~~(52)(b)~~] (53)(b), spirituous
liquor; or
- 402 (B) wine; or
- 403 (iii) a product that contains an additive masking or altering a physiological effect of alcohol, including
kratom, kava, cannabidiol, or natural or synthetic tetrahydrocannabinol.
- 406 (d) "Heavy beer" is considered liquor for the purposes of this title.
- 407 [~~(53)~~] (54) "Hospitality amenity license" means a license issued in accordance with Chapter 5, Retail
License Act, and Chapter 6, Part 10, Hospitality Amenity License.
- 409 [~~(54)~~] (55)
- (a) "Hotel" means a commercial lodging establishment that:
- 410 (i) offers at least [~~40~~] 30 rooms as temporary sleeping accommodations for compensation;
- 412 (ii) is capable of hosting conventions, conferences, and food and beverage functions under a
banquet contract; and
- 414 (iii)
- (A) has adequate kitchen or culinary facilities on the premises to provide complete meals;
- 416 (B) has at least 1,000 square feet of function space consisting of meeting or dining rooms that can be
reserved for a banquet and can accommodate at least 75 individuals; or
- 419 (C) if the establishment is located in a small or unincorporated locality, has an appropriate amount of
function space consisting of meeting or dining rooms that can be reserved for private use under a
banquet contract, as determined by the commission.
- 423 (b) "Hotel" includes a commercial lodging establishment that:
- 424 (i) meets the requirements under Subsection [~~(54)(a)~~] (55)(a); and
- 425 (ii) has one or more privately owned dwelling units.
- 426 [~~(55)~~] (56) "Hotel license" means a license issued in accordance with Chapter 5, Retail License Act, and
Chapter 8b, Hotel License Act.

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- 428 [~~(56)~~] (57) "Identification card" means an identification card issued under Title 53, Chapter 3, Part 8,
Identification Card Act.
- 430 [~~(57)~~] (58) "Industry representative" means an individual who is compensated by salary, commission,
or other means for representing and selling an alcoholic product of a manufacturer, supplier, or
importer of liquor.
- 433 [~~(58)~~] (59) "Industry representative sample" means liquor that is placed in the possession of the
department for testing, analysis, and sampling by a local industry representative on the premises of
the department to educate the local industry representative of the quality and characteristics of the
product.
- 437 [~~(59)~~] (60)
- (a) "Interdicted person" means a person to whom the sale, offer for sale, or furnishing of an alcoholic
product is prohibited by:
- 439 (i) law; or
- 440 (ii) court order.
- 441 (b) "Interdicted person" includes a person who voluntarily obtains a driver license certificate under
Section 53-3-236 or an identification card under Section 53-3-805 with an interdicted person
identifier.
- 444 [~~(60)~~] (61) "International airport" means an airport:
- 445 (a) with a United States Customs and Border Protection office on the premises of the airport; and
- 447 (b) at which international flights may enter and depart.
- 448 [~~(61)~~] (62) "Intoxicated" or "intoxication" means that
- 449 an individual exhibits plain and easily observable outward manifestations of behavior or
physical signs produced by or as a result of the use of:
- 451 (a) an alcoholic product;
- 452 (b) a controlled substance;
- 453 (c) a substance having the property of releasing toxic vapors; or
- 454 (d) a combination of products or substances described in Subsections [~~(61)~~(a)] (62)(a) through (c).
- 456 [~~(62)~~] (63) "Investigator" means an individual who is:
- 457 (a) a department compliance officer; or
- 458 (b) a nondepartment enforcement officer.
- 459 [~~(63)~~] (64) "License" means:

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- 460 (a) a retail license;
- 461 (b) a sublicense;
- 462 (c) a license issued in accordance with Chapter 7, Part 4, Off-premise Beer Retailer State License;
- 464 (d) a license issued in accordance with Chapter 11, Manufacturing and Related Licenses Act;
- 466 (e) a license issued in accordance with Chapter 12, Liquor Warehousing License Act;
- 467 (f) a license issued in accordance with Chapter 13, Beer Wholesaling License Act; or
- 468 (g) a license issued in accordance with Chapter 17, Liquor Transport License Act.
- 469 ~~[(64)]~~ (65) "Licensee" means a person who holds a license.
- 470 ~~[(65)]~~ (66) "Limited-service restaurant license" means a license issued in accordance with Chapter 5,
Retail License Act, and Chapter 6, Part 3, Limited-Service Restaurant License.
- 473 ~~[(66)]~~ (67) "Limousine" means a motor vehicle licensed by the state or a local authority, other than a
bus or taxicab:
- 475 (a) in which the driver and a passenger are separated by a partition, glass, or other barrier;
- 477 (b) that is provided by a business entity to one or more individuals at a fixed charge in accordance with
the business entity's tariff; and
- 479 (c) to give the one or more individuals the exclusive use of the limousine and a driver to travel to one or
more specified destinations.
- 481 ~~[(67)]~~ (68)
- (a)
- (i) "Liquor" means a liquid that:
- 482 (A) is:
- 483 (I) alcohol;
- 484 (II) an alcoholic, spirituous, vinous, fermented, malt, or other liquid;
- 485 (III) a combination of liquids a part of which is spirituous, vinous, or fermented; or
- 487 (IV) other drink or drinkable liquid; and
- 488 (B)
- (I) contains at least .5% alcohol by volume; and
- 489 (II) is suitable to use for beverage purposes.
- (ii) "Liquor" includes:
- 491 (A) heavy beer;
- 492 (B) wine; and

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- 493 (C) a flavored malt beverage.
- 494 (b) "Liquor" does not include beer.
- 495 ~~[(68)]~~ (69) "Liquor Control Fund" means the enterprise fund created by Section 32B-2-301.
- 496 ~~[(69)]~~ (70) "Liquor transport license" means a license issued in accordance with Chapter 17, Liquor
Transport License Act.
- 498 ~~[(70)]~~ (71) "Liquor warehousing license" means a license that is issued:
- 499 (a) in accordance with Chapter 12, Liquor Warehousing License Act; and
- 500 (b) to a person, other than a licensed manufacturer, who engages in the importation for storage, sale, or
distribution of liquor regardless of amount.
- 502 ~~[(71)]~~ (72) "Local authority" means:
- 503 (a) for premises that are located in an unincorporated area of a county, the governing body of a county;
- 505 (b) for premises that are located in an incorporated city or town, the governing body of the city or
town;~~[-or]~~
- 507 (c) the Point of the Mountain State Land Authority created in Section 11-59-201; or
- 508 ~~[(e)]~~ (d) for premises that are located in a project area as defined in Section 63H-1-102 and in a project
area plan adopted by the Military Installation Development Authority under Title 63H, Chapter 1,
Military Installation Development Authority Act, the Military Installation Development Authority.
- 512 ~~[(72)]~~ (73) "Lounge or bar area" ~~[is as defined by rule made by the commission]~~ means the same as the
commission defines that term by rule.
- 514 ~~[(73)]~~ (74) "Malt substitute" means:
- 515 (a) rice;
- 516 (b) grain;
- 517 (c) bran;
- 518 (d) glucose;
- 519 (e) sugar; or
- 520 (f) molasses.
- 521 ~~[(74)]~~ (75) "Manufacture" means to distill, brew, rectify, mix, compound, process, ferment, or
otherwise make an alcoholic product for personal use or for sale or distribution to others.
- 524 (76) "Markup cost" means the amount a person pays to the department for an alcoholic product in
accordance with Section 32B-2-304.

526

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[~~(75)~~] (77) "Member" means an individual who, after paying regular dues, has full privileges in an equity licensee or fraternal licensee.

528 [~~(76)~~] (78)

(a) "Military installation" means a base, air field, camp, post, station, yard, center, or homeport facility for a ship:

530 (i)

(A) under the control of the United States Department of Defense; or

531 (B) of the National Guard;

532 (ii) that is located within the state; and

533 (iii) including a leased facility.

534 (b) "Military installation" does not include a facility used primarily for:

535 (i) civil works;

536 (ii) a rivers and harbors project; or

537 (iii) a flood control project.

538 [~~(77)~~] (79) "Minibar" means an area of a hotel guest room where one or more alcoholic products are kept and offered for self-service sale or consumption.

540 [~~(78)~~] (80) "Minor" means an individual under 21 years old.

541 [~~(79)~~] (81) "Nondepartment enforcement agency" means an agency that:

542 (a)

(i) is a state agency other than the department; or

543 (ii) is an agency of a county, city, or town; and

544 (b) has a responsibility to enforce one or more provisions of this title.

545 [~~(80)~~] (82) "Nondepartment enforcement officer" means an individual who is:

546 (a) a peace officer, examiner, or investigator; and

547 (b) employed by a nondepartment enforcement agency.

548 [~~(81)~~] (83)

(a) "Off-premise beer retailer" means a beer retailer who is:

549 (i) licensed in accordance with Chapter 7, Off-Premise Beer Retailer Act; and

550 (ii) engaged in the retail sale of beer to a patron for consumption off the beer retailer's premises.

552 (b) "Off-premise beer retailer" does not include an on-premise beer retailer.

553

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[~~(82)~~] (84) "Off-premise beer retailer state license" means a state license issued in accordance with Chapter 7, Part 4, Off-premise Beer Retailer State License.

555 [~~(83)~~] (85) "On-premise banquet license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 6, On-Premise Banquet License.

557 [~~(84)~~] (86) "On-premise beer retailer" means a beer retailer who is:

558 (a) authorized to sell, offer for sale, or furnish beer under a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 7, On-Premise Beer Retailer License; and

561 (b) engaged in the sale of beer to a patron for consumption on the beer retailer's premises:

563 (i) regardless of whether the beer retailer sells beer for consumption off the licensed premises; and

565 (ii) on and after March 1, 2012, operating:

566 (A) as a tavern; or

567 (B) in a manner that meets the requirements of Subsection 32B-6-703(2)(e)(i).

568 [~~(85)~~] (87) "Opaque" means impenetrable to sight.

569 [~~(86)~~] (88) "Package agency" means a retail liquor location operated:

570 (a) under an agreement with the department; and

571 (b) by a person:

572 (i) other than the state; and

573 (ii) who is authorized by the commission in accordance with Chapter 2, Part 6, Package Agency, to sell packaged liquor for consumption off the premises of the package agency.

576 [~~(87)~~] (89) "Package agent" means a person who holds a package agency.

577 [~~(88)~~] (90) "Patron" means an individual to whom food, beverages, or services are sold, offered for sale, or furnished, or who consumes an alcoholic product including:

579 (a) a customer;

580 (b) a member;

581 (c) a guest;

582 (d) an attendee of a banquet or event;

583 (e) an individual who receives room service;

584 (f) a resident of a resort; or

585 (g) a hospitality guest, as defined in Section 32B-6-1002, under a hospitality amenity license.

587 [~~(89)~~] (91)

(a) "Performing arts facility" means a multi-use performance space that:

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- 588 (i) is primarily used to present various types of performing arts, including dance, music, and
theater;
- 590 (ii) contains over 2,500 seats;
- 591 (iii) is owned and operated by a governmental entity; and
- 592 (iv) is located in a city of the first class.
- 593 (b) "Performing arts facility" does not include a space that is used to present sporting events or sporting
competitions.
- 595 ~~[(90)]~~ (92) "Permittee" means a person issued a permit under:
- 596 (a) Chapter 9, Event Permit Act; or
- 597 (b) Chapter 10, Special Use Permit Act.
- 598 ~~[(91)]~~ (93) "Person subject to administrative action" means:
- 599 (a) a licensee;
- 600 (b) a permittee;
- 601 (c) a manufacturer;
- 602 (d) a supplier;
- 603 (e) an importer;
- 604 (f) one of the following holding a certificate of approval:
- 605 (i) an out-of-state brewer;
- 606 (ii) an out-of-state importer of beer, heavy beer, or flavored malt beverages; or
- 607 (iii) an out-of-state supplier of beer, heavy beer, or flavored malt beverages; or
- 608 (g) staff of:
- 609 (i) a person listed in Subsections ~~[(91)(a)]~~ (93)(a) through (f); or
- 610 (ii) a package agent.
- 611 ~~[(92)]~~ (94) "Premises" means a building, enclosure, or room used in connection with the storage, sale,
furnishing, consumption, manufacture, or distribution, of an alcoholic product, unless otherwise
defined in this title or rules made by the commission.
- 614 ~~[(93)]~~ (95) "Prescription" means an order issued by a health care practitioner when:
- 615 (a) the health care practitioner is licensed under Title 58, Occupations and Professions, to prescribe a
controlled substance, other drug, or device for medicinal purposes;
- 617 (b) the order is made in the course of that health care practitioner's professional practice; and
- 619 (c) the order is made for obtaining an alcoholic product for medicinal purposes only.

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620 [(94)] (96)

(a) "Primary spirituous liquor" means the main distilled spirit in a beverage.

621 (b) "Primary spirituous liquor" does not include a secondary flavoring ingredient.

622 [(95)] (97) "Principal license" means:

623 (a) a resort license;

624 (b) a hotel license; or

625 (c) an arena license.

626 [(96)] (98)

(a) "Private event" means a specific social, business, or recreational event:

627 (i) for which an entire room, area, or hall is leased or rented in advance by an identified group; and

629 (ii) that is limited in attendance to people who are specifically designated and their guests.

631 (b) "Private event" does not include an event to which the general public is invited, whether for an admission fee or not.

633 [(97)] (99) "Privately sponsored event" means a specific social, business, or recreational event:

635 (a) that is held in or on the premises of an on-premise banquet licensee; and

636 (b) to which entry is restricted by an admission fee.

637 [(98)] (100)

{ ~~⌠~~ } [(a)] { } ← ~~⌠~~ }] "Proof of age" means:

638 { ~~⌠~~ } [(i)] { ~~(a)~~ } ← ~~⌠~~ }] (a) an identification card;

639 { ~~⌠~~ } [(ii)] { ~~(b)~~ } ← ~~⌠~~ }] (b) an identification that:

640 { ~~⌠~~ } [(A)] { ~~(i)~~ } ← ~~⌠~~ }] (i) is substantially similar to an identification card;

641 { ~~⌠~~ } [(B)] { ~~(ii)~~ } ← ~~⌠~~ }] (ii) is issued in accordance with the laws of a state other than Utah in which the identification is issued;

643 { ~~⌠~~ } [(C)] { ~~(iii)~~ } ← ~~⌠~~ }] (iii) includes date of birth; and

644 { ~~⌠~~ } [(D)] { ~~(iv)~~ } ← ~~⌠~~ }] (iv) has a picture affixed;

645 { ~~⌠~~ } [(iii)] { ~~(c)~~ } ← ~~⌠~~ }] (c) a valid driver license certificate that:

646 { ~~⌠~~ } [(A)] { ~~(i)~~ } ← ~~⌠~~ }] (i) includes date of birth;

647 { ~~⌠~~ } [(B)] { ~~(ii)~~ } ← ~~⌠~~ }] (ii) has a picture affixed; and

648 { ~~⌠~~ } [(C)] { ~~(iii)~~ } ← ~~⌠~~ }] (iii) is issued under Title 53, Chapter 3, Uniform Driver License Act, in accordance with the laws of the state in which it is issued, or in accordance with federal law by the United States Department of State;

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- 651 { ~~Ĥ~~ } [(iv)] { ~~(d)~~ } { ~~Ĥ~~ }] (d) a military identification card that:
- 652 { ~~Ĥ~~ } [(A)] { ~~(i)~~ } { ~~Ĥ~~ }] (i) includes date of birth; and
- 653 { ~~Ĥ~~ } [(B)] { ~~(ii)~~ } { ~~Ĥ~~ }] (ii) has a picture affixed; { ~~Ĥ~~ } [-or {
- 654 ~~(v)~~] (e) { ~~Ĥ~~ }]
- 655 ~~(v)~~] (e) a valid passport { ~~Ĥ~~ } [; { ~~Ĥ~~ }]
- 654a (f) a valid driver license that:
- 654b (i) includes a date of birth;
- 654c (ii) has a picture affixed; and
- (iv)] (iii) is issued under the laws of a country other than the United States; or
- (iv) {a driving privilege card issued in accordance with Section 53-3-207.}
- 655 (b)];
- 656 (f) a valid driver license that:
- 657 (i) includes a date of birth;
- 658 (ii) has a picture affixed; and
- 659 (iii) is issued under the laws of a country other than the United States; or
- 660 (g) a driving privilege card issued in accordance with Section 53-3-207.
- 661 (b) "Proof of age" does not include a driving privilege card issued in accordance with **Section**
- 53-3-207. { } { ~~Ĥ~~ }
- 657 (99)] (101)]
- 663 (99)] (101) "Provisions applicable to a sublicense" means:
- 658 (a) for a full-service restaurant sublicense, the provisions applicable to a full-service restaurant license under Chapter 6, Part 2, Full-Service Restaurant License;
- 660 (b) for a limited-service restaurant sublicense, the provisions applicable to a limited-service restaurant license under Chapter 6, Part 3, Limited-Service Restaurant License;
- 663 (c) for a bar establishment sublicense, the provisions applicable to a bar establishment license under Chapter 6, Part 4, Bar Establishment License;
- 665 (d) for an on-premise banquet sublicense, the provisions applicable to an on-premise banquet license under Chapter 6, Part 6, On-Premise Banquet License;
- 667 (e) for an on-premise beer retailer sublicense, the provisions applicable to an on-premise beer retailer license under Chapter 6, Part 7, On-Premise Beer Retailer License;
- 669

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- (f) for a beer-only restaurant sublicense, the provisions applicable to a beer-only restaurant license under Chapter 6, Part 9, Beer-Only Restaurant License;
- 671 (g) for a hospitality amenity license, the provisions applicable to a hospitality amenity license under Chapter 6, Part 10, Hospitality Amenity License; and
- 673 (h) for a spa sublicense, the provisions applicable to the sublicense under Chapter 8d, Part 2, Resort Spa Sublicense.
- 675 ~~[(100)]~~ (102)
- (a) "Public building" means a building or permanent structure that is:
- 676 (i) owned or leased by:
- 677 (A) the state; or
- 678 (B) a local government entity; and
- 679 (ii) used for:
- 680 (A) public education;
- 681 (B) transacting public business; or
- 682 (C) regularly conducting government activities.
- 683 (b) "Public building" does not include a building owned by the state or a local government entity when the building is used by a person, in whole or in part, for a proprietary function.
- 686 ~~[(101)]~~ (103) "Public conveyance" means a conveyance that the public or a portion of the public has access to and a right to use for transportation, including an airline, railroad, bus, boat, or other public conveyance.
- 689 ~~[(102)]~~ (104) "Reception center" means a business that:
- 690 (a) operates facilities that are at least 5,000 square feet; and
- 691 (b) has as its primary purpose the leasing of the facilities described in Subsection ~~[(102)(a)]~~ (104)(a) to a third party for the third party's event.
- 693 ~~[(103)]~~ (105) "Reception center license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 8, Reception Center License.
- 695 ~~[(104)]~~ (106)
- (a) "Record" means information that is:
- 696 (i) inscribed on a tangible medium; or
- 697 (ii) stored in an electronic or other medium and is retrievable in a perceivable form.
- 698 (b) "Record" includes:

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- 699 (i) a book;
- 700 (ii) a book of account;
- 701 (iii) a paper;
- 702 (iv) a contract;
- 703 (v) an agreement;
- 704 (vi) a document; or
- 705 (vii) a recording in any medium.
- 706 [(105)] (107) "Residence" means a person's principal place of abode within Utah.
- 707 [(106)] (108) "Resident," in relation to a resort, means the same as that term is defined in Section
32B-8-102.
- 709 [(107)] (109) "Resort" means the same as that term is defined in Section 32B-8-102.
- 710 [(108)] (110) "Resort facility" [~~is as defined by the commission by rule~~] means the same as the
commission defines that term by rule.
- 712 [(109)] (111) "Resort license" means a license issued in accordance with Chapter 5, Retail License Act,
and Chapter 8, Resort License Act.
- 714 [(110)] (112) "Responsible alcohol service plan" means a written set of policies and procedures that
outlines measures to prevent employees from:
- 716 (a) over-serving alcoholic beverages to customers;
- 717 (b) serving alcoholic beverages to customers who are actually, apparently, or obviously intoxicated; and
- 719 (c) serving alcoholic beverages to minors.
- 720 [(111)] (113) "Restaurant" means a business location:
- 721 (a) at which a variety of foods are prepared;
- 722 (b) at which complete meals are served; and
- 723 (c) that is engaged primarily in serving meals.
- 724 [(112)] (114) "Restaurant license" means one of the following licenses issued under this title:
- 725 (a) a full-service restaurant license;
- 726 (b) a limited-service restaurant license; or
- 727 (c) a beer-only restaurant license.
- 728 [(113)] (115) "Restaurant venue" means a room within a restaurant that:
- 729 (a) is located on the licensed premises of a restaurant licensee;
- 730

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(b) is separated from the area within the restaurant for a patron's consumption of food by a permanent, opaque, floor-to-ceiling wall such that the inside of the room is not visible to a patron in the area within the restaurant for a patron's consumption of food; and

734 (c)

(i) has at least 1,000 square feet that:

735 (A) may be reserved for a banquet; and

736 (B) accommodates at least 75 individuals; or

737 (ii) if the restaurant is located in a small or unincorporated locality, has an appropriate amount of space, as determined by the commission, that may be reserved for a banquet.

740 [~~(114)~~] (116) "Retail license" means one of the following licenses issued under this title:

741 (a) a full-service restaurant license;

742 (b) a master full-service restaurant license;

743 (c) a limited-service restaurant license;

744 (d) a master limited-service restaurant license;

745 (e) a bar establishment license;

746 (f) an airport lounge license;

747 (g) an on-premise banquet license;

748 (h) an on-premise beer license;

749 (i) a reception center license;

750 (j) a beer-only restaurant license;

751 (k) a hospitality amenity license;

752 (l) a resort license;

753 (m) a hotel license; or

754 (n) an arena license.

755 [~~(115)~~] (117) "Room service" means furnishing an alcoholic product to a person in a guest room or privately owned dwelling unit of a:

757 (a) hotel; or

758 (b) resort facility.

759 [~~(116)~~] (118)

(a) "School" means a building in which any part is used for more than three hours each weekday during a school year as a public or private:

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- 761 (i) elementary school;
- 762 (ii) secondary school; or
- 763 (iii) kindergarten.
- 764 (b) "School" does not include:
- 765 (i) a nursery school;
- 766 (ii) a day care center;
- 767 (iii) a trade and technical school;
- 768 (iv) a preschool;
- 769 (v) a home school;
- 770 (vi) a home-based microschool as defined in Section 53G-6-201; or
- 771 (vii) a micro-education entity as defined in Section 53G-6-201.
- 772 [~~(117)~~] (119) "Secondary flavoring ingredient" means any spirituous liquor added to a beverage for additional flavoring that is different in type, flavor, or brand from the primary spirituous liquor in the beverage.
- 775 [~~(118)~~] (120) "Sell" or "offer for sale" means a transaction, exchange, or barter whereby, for consideration, an alcoholic product is either directly or indirectly transferred, solicited, ordered, delivered for value, or by a means or under a pretext is promised or obtained, whether done by a person as a principal, proprietor, or as staff, unless otherwise defined in this title or the rules made by the commission.
- 780 [~~(119)~~] (121) "Serve" means to place an alcoholic product before an individual.
- 781 [~~(120)~~] (122) "Sexually oriented entertainer" means a person who while in a state of seminudity appears at or performs:
- 783 (a) for the entertainment of one or more patrons;
- 784 (b) on the premises of:
- 785 (i) a bar licensee; or
- 786 (ii) a tavern;
- 787 (c) on behalf of or at the request of the licensee described in Subsection [~~(120)(b)~~] (122)(b);
- 789 (d) on a contractual or voluntary basis; and
- 790 (e) whether or not the person is designated as:
- 791 (i) an employee;
- 792 (ii) an independent contractor;

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- 793 (iii) an agent of the licensee; or
794 (iv) a different type of classification.
- 795 [(121)] (123) "Shared seating area" means the licensed premises of two or more restaurant licensees
that the restaurant licensees share as an area for alcoholic beverage consumption in accordance with
Subsection 32B-5-207(3).
- 798 [(122)] (124) "Single event permit" means a permit issued in accordance with Chapter 9, Part 3, Single
Event Permit.
- 800 [(123)] (125) "Small brewer" means a brewer who manufactures less than 60,000 barrels of beer, heavy
beer, and flavored malt beverage per year, as the department calculates by:
- 802 (a) if the brewer is part of a controlled group of manufacturers, including the combined volume totals of
production for all breweries that constitute the controlled group of manufacturers; and
805 (b) excluding beer, heavy beer, or flavored malt beverage the brewer:
- 806 (i) manufactures that is unfit for consumption as, or in, a beverage, as the commission determines by
rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act; and
809 (ii) does not sell for consumption as, or in, a beverage.
- 810 [(124)] (126) "Small or unincorporated locality" means:
- 811 (a) a city of the third, fourth, or fifth class, as classified under Section 10-2-301;
812 (b) a town, as classified under Section 10-2-301; or
813 (c) an unincorporated area in a county of the third, fourth, or fifth class, as classified under Section
17-60-104.
- 815 [(125)] (127) "Spa sublicense" means a sublicense:
- 816 (a) to a resort license or hotel license; and
817 (b) that the commission issues in accordance with Chapter 8d, Part 2, Resort Spa Sublicense.
- 819 [(126)] (128) "Special use permit" means a permit issued in accordance with Chapter 10, Special Use
Permit Act.
- 821 [(127)] (129)
- 822 (a) "Spirituos liquor" means liquor that is distilled.
(b) "Spirituos liquor" includes an alcoholic product defined as a "distilled spirit" by 27 U.S.C. Sec. 211
and 27 C.F.R. Secs. 5.11 through 5.23.
- 824 [(128)] (130) "Sports center" [~~is as defined by the commission by rule~~] means the same as the
commission defines that term by rule.

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826 [~~(129)~~] (131)

(a) "Staff" means an individual who engages in activity governed by this title:

828 (i) on behalf of a business, including a package agent, licensee, permittee, or certificate holder;

830 (ii) at the request of the business, including a package agent, licensee, permittee, or certificate holder; or

832 (iii) under the authority of the business, including a package agent, licensee, permittee, or certificate holder.

834 (b) "Staff" includes:

835 (i) an officer;

836 (ii) a director;

837 (iii) an employee;

838 (iv) personnel management;

839 (v) an agent of the licensee, including a managing agent;

840 (vi) an operator; or

841 (vii) a representative.

842 [~~(130)~~] (132) "State of nudity" means:

843 (a) the appearance of:

844 (i) the nipple or areola of a female human breast;

845 (ii) a human genital;

846 (iii) a human pubic area; or

847 (iv) a human anus; or

848 (b) a state of dress that fails to opaquely cover:

849 (i) the nipple or areola of a female human breast;

850 (ii) a human genital;

851 (iii) a human pubic area; or

852 (iv) a human anus.

853 [~~(131)~~] (133) "State of seminudity" means a state of dress in which opaque clothing covers no more than:

855 (a) the nipple and areola of the female human breast in a shape and color other than the natural shape and color of the nipple and areola; and

857 (b) the human genitals, pubic area, and anus:

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- 858 (i) with no less than the following at its widest point:
859 (A) four inches coverage width in the front of the human body; and
860 (B) five inches coverage width in the back of the human body; and
861 (ii) with coverage that does not taper to less than one inch wide at the narrowest point.
862 ~~[(132)]~~ (134)
- (a) "State store" means a facility for the sale of packaged liquor:
863 (i) located on premises owned or leased by the state; and
864 (ii) operated by a state employee.
- (b) "State store" does not include:
865 (i) a package agency;
866 (ii) a licensee; or
867 (iii) a permittee.
868 ~~[(133)]~~ (135)
- (a) "Storage area" means an area on licensed premises where the licensee stores an alcoholic product.
871 (b) "Store" means to place or maintain in a location an alcoholic product.
- ~~[(134)]~~ (136) "Sublicense" means:
873 (a) any of the following licenses issued as a subordinate license to, and contingent on the issuance of, a
principal license:
875 (i) a full-service restaurant license;
876 (ii) a limited-service restaurant license;
877 (iii) a bar establishment license;
878 (iv) an on-premise banquet license;
879 (v) an on-premise beer retailer license;
880 (vi) a beer-only restaurant license; or
881 (vii) a hospitality amenity license; or
882 (b) a spa sublicense.
- ~~[(135)]~~ (137) "Supplier" means a person who sells an alcoholic product to the department.
883 ~~[(136)]~~ (138) "Tavern" means an on-premise beer retailer who is:
884 (a) issued a license by the commission in accordance with Chapter 5, Retail License Act, and Chapter 6,
885 Part 7, On-Premise Beer Retailer License; and
887

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(b) designated by the commission as a tavern in accordance with Chapter 6, Part 7, On-Premise Beer Retailer License.

889 [(137)] (139) "Temporary beer event permit" means a permit issued in accordance with Chapter 9, Part
4, Temporary Beer Event Permit.

891 [(138)] (140) "Temporary domicile" means the principal place of abode within Utah of a person who
does not have a present intention to continue residency within Utah permanently or indefinitely.

894 [(139)] (141) "Translucent" means a substance that allows light to pass through, but does not allow an
object or person to be seen through the substance.

896 [(140)] (142) "Unsaleable liquor merchandise" means a container that:

897 (a) is unsaleable because the container is:

898 (i) unlabeled;

899 (ii) leaky;

900 (iii) damaged;

901 (iv) difficult to open; or

902 (v) partly filled;

903 (b)

(i) has faded labels or defective caps or corks;

904 (ii) has contents that are:

905 (A) cloudy;

906 (B) spoiled; or

907 (C) chemically determined to be impure; or

908 (iii) contains:

909 (A) sediment; or

910 (B) a foreign substance; or

911 (c) is otherwise considered by the department as unfit for sale.

912 [(141)] (143)

(a) "Wine" means an alcoholic product obtained by the fermentation of the natural sugar content of
fruits, plants, honey, or milk, or other like substance, whether or not another ingredient is added.

915 (b) "Wine" includes:

916 (i) an alcoholic beverage defined as wine under 27 U.S.C. Sec. 211 and 27 C.F.R. Sec. 4.10; and

918 (ii) hard cider.

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919 (c) "Wine" is considered liquor for purposes of this title, except as otherwise provided in this title.
920 [~~(142)~~] (144) "Winery manufacturing license" means a license issued in accordance with Chapter 11,
921 Part 3, Winery Manufacturing License.

922 Section 2. Section **32B-1-202** is amended to read:

923 **32B-1-202. Proximity to community location.**

924 (1) As used in this section:

925 (a) "Designated project area zone" means the area that is:

926 (i) bounded by:

927 (A) South Temple Street;

928 (B) 100 South Street;

929 (C) West Temple Street; and

930 (D) 400 West Street; and

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

932 (b)

933 (i) "Outlet" means:

934 (A) a state store;

935 (B) a package agency; or

936 (C) a retail licensee.

937 (ii) "Outlet" does not include:

938 (A) an airport lounge licensee; or

939 (B) a restaurant.

940 (c) "Restaurant" means:

941 (i) a full-service restaurant licensee;

942 (ii) a limited-service restaurant licensee;

943 (iii) a beer-only restaurant licensee; or

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

945 (2)

(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:

948

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- (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
- 951 (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.
- 954 (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:
- 957 (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
- 960 (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.
- 963 (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:
- 969 (i) the outlet or restaurant changes ownership;
- 970 (ii) the property on which the outlet or restaurant is located changes ownership; or
- 971 (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.
- 974 (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.
- 976 (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 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:
- 982 (a) the outlet or restaurant changes ownership;

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- 983 (b) the property on which the outlet or restaurant is located changes ownership; or
984 (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.
- 987 (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:
- 994 (i) the outlet or restaurant changes ownership;
995 (ii) the property on which the outlet or restaurant is located changes ownership; or
996 (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.
- 999 (b) The provisions of this Subsection (5) apply regardless of when the outlet's or restaurant's license is
issued.
- 1001 (6) The proximity requirements described in Subsection (2) do not apply:
1002 (a) if the proposed outlet or proposed restaurant and the community location are located within the
boundaries of a designated project area zone; or
1004 (b) if a local authority includes in the ~~written~~ consent of the local authority an acknowledgment and
authorization of the outlet's or the restaurant's proximity to a public park, including any connected
trail system, if the public park and connected trail system are:
- 1008 (i) at least 12 acres in size;
1009 (ii) on land the state owns; and
1010 (iii) managed by the Point of the Mountain State Land Authority created in Section 11-59-201.
- 1012 (7)
- (a) Subject to Subsection (7)(b), the commission may issue a license to a restaurant that does not meet
the proximity requirements of Subsection (2), if a local authority:
- 1014 (i) includes in the consent of the local authority an acknowledgment and authorization of the
restaurant's proximity to a community location; and
- 1016

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(ii) subject to Subsection (8), at least 30 days before the day on which the local authority issues the consent of the local authority, holds a public meeting in which the local authority shall give the public the opportunity to comment on the proposed location of the restaurant.

1020 (b) Subsection (7)(a) does not apply if the community location is a church or school.

1021 (8) In addition to the meeting requirement described in Subsection (7)(a)(ii), if the community location is the Point of the Mountain State Land Authority created in Section 11-59-201, before the day on which a local authority holds the public meeting described in Subsection (7)(a)(ii), the municipality in which the community location is located shall hold a separate public meeting in which the municipality shall give the public the opportunity to comment on the proposed location of the restaurant.

1027 [~~(7)~~] (9) 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.

1036 Section 3. Section **32B-1-202.1** is amended to read:

1037 **32B-1-202.1. Proximity for certain hotel and arena licensees.**

1032 (1) As used in this section, "hotel" means the same as that term is defined in Section 32B-8b-102.

1034 (2) The commission may issue a hotel license for a proposed location that does not meet the proximity requirements under Section 32B-1-202, if:

1036 (a)

(i) the proposed hotel is:

1037 [~~(i)~~] (A) located in a city classified as a city of the first class under Section 10-2-301;

1039 [~~(ii)~~] (B) within 650 feet of two community locations, as measured from the nearest patron entrance of the proposed hotel by following the shortest route of ordinary pedestrian travel to the property boundary of each community location;

1043 [~~(iii)~~] (C) not within 300 feet of a community location, as measured from the nearest patron entrance of the proposed hotel by following the shortest route of ordinary pedestrian travel to the property boundary of the community location; and

1047 [~~(iv)~~] (D) not within 200 feet of a community location, as measured in a straight line from the nearest patron entrance of the proposed hotel to the nearest property boundary of the community location; or

1050 (ii) the community location is not a school or church, a local authority:

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- 1051 (A) includes in the consent of the local authority an acknowledgment and authorization of the hotel's
1052 proximity to a community location; and
- 1053 (B) subject to Subsection (5), at least 30 days before the day on which the local authority issues the
1054 consent of the local authority, holds a public meeting in which the local authority shall give the
1055 public the opportunity to comment on the proposed location of the hotel;
- 1057 (b) the proposed sublicensed premises of a bar establishment sublicense under the hotel license:
- 1059 (i) is on the second or higher floor of a hotel;
- 1060 (ii) is not accessible at street level; and
- 1061 (iii) is only accessible to an individual who passes through another area of the hotel in which the bar
1062 establishment sublicense is located; and
- 1063 (c) the applicant meets all other criteria under this title for the hotel license.
- 1064 (3) The commission may issue authority to operate as a package agency to a hotel licensee who meets
1065 the requirements described in Subsection (2).
- 1066 (4)
- 1067 (a) The commission may issue an arena license for a proposed location that does not meet the
1068 proximity requirements described in Section 32B-1-202, if, on the day before the day on which the
1069 commission issues the license, each proposed sublicense of the arena license:
- 1070 (i) operates as an outlet or restaurant; and
- 1071 (ii)
- 1072 (A) operates on the proposed sublicense premises under a variance to one or more proximity
1073 requirements in accordance with Section 32B-1-202; or
- 1074 (B) has been in operation on the proposed sublicense premises for at least 10 years.
- 1075 (b) After the commission issues an arena license in accordance with Subsection (4)(a), the commission
1076 may not issue the arena licensee an additional sublicense.
- 1077 (5) In addition to the meeting requirement described in Subsection (2)(a)(ii)(B), if the community
1078 location is the Point of the Mountain State Land Authority created in Section 11-59-201, before
1079 the day on which a local authority holds the public meeting described in Subsection (2)(a)(ii)(B),
1080 the municipality in which the community location is located shall hold a separate public meeting in
1081 which the municipality shall give the public the opportunity to comment on the proposed location of
1082 the hotel.
- 1083 Section 4. Section **32B-1-407** is amended to read:

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1089 **32B-1-407. ~~{(Effective 05/06/26)}~~{Effective upon governor's approval} Verification of proof**
of age by applicable licensees.

1085 (1) As used in this section, "applicable licensee" means:

1086 ~~[(a) a dining club;]~~

1087 ~~[(b)] (a) a bar;~~

1088 ~~[(c)] (b) a tavern;~~

1089 ~~[(d)] (c) a full-service restaurant;~~

1090 ~~[(e)] (d) a limited-service restaurant;~~

1091 ~~[(f)] (e) a beer-only restaurant; or~~

1092 ~~[(g)] (f) an off-premise beer retailer selling, offering for sale, or furnishing beer as described in~~
 Subsection 32B-7-202(8).

1094 (2) Notwithstanding any other provision of this part, an applicable licensee shall require that an
 authorized person for the applicable licensee verify proof of age as provided in this section.

1097 (3)

(a) An authorized person is required to verify proof of age under this section before an individual who
appears to be 35 years old or younger[;]

1099 ~~[(a) gains admittance to the premises of a bar licensee or tavern;]~~

1100 ~~[(b) procures an alcoholic product on the premises of a dining club licensee; or]~~

1101 ~~[(c)] _procures an alcoholic product in a dispensing area in the premises of a full-service restaurant~~
 licensee, a limited-service restaurant licensee, or a beer-only restaurant licensee.

1104 (b) An authorized person is required to verify proof of age under this section before an individual:

1106 (i) gains admittance to the premises of a bar licensee or tavern; or

1107 (ii) purchases beer from an off-premise beer retailer as described in Subsection 32B-7-202(8).

1109 (c) When verifying proof of age under this Subsection (3), an authorized person shall verify that:

1111 (i) the individual's age on the proof of age is at least 21 years old;

1112 (ii) the picture on the proof of age matches the individual; and

1113 (iii) if the proof of age is a driver license issued by this state, that the individual is not an interdicted
person.

1115 (4) To comply with Subsection (3), an authorized person shall:

1116 (a) request that the individual present proof of age; and

1117 (b)

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- (i) verify the validity of the proof of age electronically under the verification program created in Subsection (5); or
- 1119 (ii) if the proof of age cannot be electronically verified as provided in Subsection (4)(b)(i), request that
the individual comply with a process established by the commission by rule.
- 1122 (5)
- [~~(A)~~] The commission shall establish by rule an electronic verification program that includes the following:
- 1124 [~~(i)~~] (a) the specifications for the technology used by the applicable licensee to electronically verify
proof of age, including that the technology display to the person described in Subsection (2) no
more than the following for the individual who presents the proof of age:
- 1128 [~~(A)~~] (i) the name;
- 1129 [~~(B)~~] (ii) the age;
- 1130 [~~(C)~~] (iii) the number assigned to the individual's proof of age by the issuing authority;
- 1131 [~~(D)~~] (iv) the birth date;
- 1132 [~~(E)~~] (v) the gender; and
- 1133 [~~(F)~~] (vi) the status and expiration date of the individual's proof of age; and
- 1134 [~~(i)~~] (b) the security measures that shall be used by an applicable licensee to ensure that
information obtained under this section is:
- 1136 [~~(A)~~] (i) used by the applicable licensee only for purposes of verifying proof of age in accordance with
this section; and
- 1138 [~~(B)~~] (ii) retained by the applicable licensee for seven days after the day on which the applicable
licensee obtains the information.
- 1140 [~~(b) The commission shall ensure that the electronic verification program described in Subsection (5)
(a) includes technology that recognizes every state's unique hidden security features located on state
issued identification cards to determine the validity of that particular card.]~~
- 1144 (6)
- (a) An applicable licensee may not disclose information obtained under this section except as provided
under this title.
- 1146 (b) Information obtained under this section is considered a record for any purpose under Chapter 5, Part
3, Retail Licensee Operational Requirements.
- 1154 Section 5. Section **32B-2-202** is amended to read:

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1155 **32B-2-202. Powers and duties of the commission.**

- 1151 (1) The commission shall:
- 1152 (a) consistent with the policy established by the Legislature by statute, act as a general policymaking
 body on the subject of alcoholic product control;
- 1154 (b) adopt and issue policies, rules, and procedures;
- 1155 (c) set policy by written rules that establish criteria and procedures for:
- 1156 (i) issuing, denying, not renewing, suspending, or revoking a package agency, license, permit, or
 certificate of approval; and
- 1158 (ii) determining the location of a state store, package agency, or retail licensee;
- 1159 (d) decide within the limits, and under the conditions imposed by this title, the number and location of
 state stores, package agencies, and retail licensees in the state;
- 1161 (e) issue, deny, suspend, revoke, or not renew the following package agencies, licenses, sublicenses,
 permits, or certificates of approval for the purchase, storage, sale, offer for sale, furnishing,
 consumption, manufacture, and distribution of an alcoholic product:
- 1165 (i) a package agency;
- 1166 (ii) a full-service restaurant license;
- 1167 (iii) a master full-service restaurant license;
- 1168 (iv) a limited-service restaurant license;
- 1169 (v) a master limited-service restaurant license;
- 1170 (vi) a bar establishment license;
- 1171 (vii) an airport lounge license;
- 1172 (viii) an on-premise banquet license;
- 1173 (ix) a resort license, which includes four or more sublicenses;
- 1174 (x) an on-premise beer retailer license;
- 1175 (xi) a reception center license;
- 1176 (xii) a beer-only restaurant license;
- 1177 (xiii) a hotel license, which includes three or more sublicenses;
- 1178 (xiv) an arena license, which includes three or more sublicenses;
- 1179 (xv) a hospitality amenity license;
- 1180 (xvi) subject to Subsection (5), a single event permit;
- 1181 (xvii) subject to Subsection (5), a temporary beer event permit;

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- 1182 (xviii) a special use permit;
- 1183 (xix) a manufacturing license;
- 1184 (xx) a liquor warehousing license;
- 1185 (xxi) a beer wholesaling license;
- 1186 (xxii) a liquor transport license;
- 1187 (xxiii) an off-premise beer retailer state license;
- 1188 (xxiv) a master off-premise beer retailer state license;
- 1189 (xxv) one of the following that holds a certificate of approval:
- 1190 (A) an out-of-state brewer;
- 1191 (B) an out-of-state importer of beer, heavy beer, or flavored malt beverages; and
- 1192 (C) an out-of-state supplier of beer, heavy beer, or flavored malt beverages; and
- 1193 (xxvi) a spa sublicense;
- 1194 (f) issue, deny, suspend, or revoke the following conditional licenses:
- 1195 (i) a conditional retail license as defined in Section 32B-5-205; and
- 1196 (ii) a conditional off-premise beer retailer state license as defined in Section 32B-7-406;
- 1198 (g) prescribe the duties of the department in assisting the commission in issuing a package agency, license, permit, or certificate of approval under this title;
- 1200 (h) to the extent a fee is not specified in this title, establish a fee allowed under this title in accordance with Section 63J-1-504;
- 1202 (i) subject to Section 32B-2-213, fix prices at which liquor is sold that are the same at all state stores, package agencies, and retail licensees;
- 1204 (j) issue and distribute price lists showing the price to be paid by a purchaser for each class, variety, or brand of liquor kept for sale by the department;
- 1206 (k)
- (i) require the director to follow sound management principles; and
- 1207 (ii) require periodic reporting from the director to ensure that:
- 1208 (A) sound management principles are being followed; and
- 1209 (B) policies established by the commission are being observed;
- 1210 (l)
- (i) receive, consider, and act in a timely manner upon the reports, recommendations, and matters submitted by the director to the commission; and

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- 1212 (ii) do the things necessary to support the department in properly performing the department's duties;
1214 (m) obtain temporarily and for special purposes the services of an expert or person engaged in the
practice of a profession, or a person who possesses a needed skill if:
- 1216 (i) considered expedient; and
1217 (ii) approved by the governor;
- 1218 (n) prescribe by rule the conduct, management, and equipment of premises upon which an alcoholic
product may be stored, sold, offered for sale, furnished, or consumed;
- 1220 (o) make rules governing the credit terms of beer sales within the state to retail licensees; and
1222 (p) in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, take disciplinary action
against a person subject to administrative action.
- 1224 (2) Consistent with the policy established by the Legislature by statute, the power of the commission to
do the following is plenary, except as otherwise provided by this title, and not subject to review:
- 1227 (a) establish a state store;
1228 (b) issue authority to act as a package agent or operate a package agency; and
1229 (c) issue, deny, or deem forfeit a license, permit, or certificate of approval.
- 1230 (3)
(a) Subject to Subsections (3)(b) and (c), the commission may [-]make rules permitting and establishing
the parameters of a late license renewal.
- 1232 (b) The commission may not allow for the late renewal of a license after the later of:
1233 (i) the tenth day of the month after the month in which the license type is required to be renewed; or
1235 (ii) if the tenth day of the month after the month in which the license type is required to be renewed falls
on a Saturday, Sunday, or state or federal holiday, the first business day after the Saturday, Sunday,
or holiday.
- 1238 (c) The fee for a late license renewal is \$300.
- 1239 (4) If the commission is authorized or required to make a rule under this title, the commission shall
make the rule in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 1242 (5) Notwithstanding Subsections (1)(e)(xvi) and (xvii), the director or deputy director may issue an
event permit in accordance with Chapter 9, Event Permit Act.

1250 Section 6. Section **32B-2-207** is amended to read:

1251 **32B-2-207. Department employees -- Requirements.**

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(1) [~~Upper~~] As used in this section, "upper management" means [~~the director,~~] a deputy director[, or other Schedule AD, AR, or AS employee of the department, as defined in Section 63A-17-301[; except for the director of internal audits and auditors hired by the director of internal audits under Section 32B-2-302.5].

1250

(2)

(a) Subject to this title, including the requirements of Chapter 1, Part 3, Qualifications and Background, the director may prescribe the qualifications of a department employee.

1253

(b) The director may hire an employee who is upper management only with the approval of four commissioners voting in an open meeting.

1255

(c) Except as provided in Section 32B-1-303, the [~~executive-~~]director may dismiss an employee who is upper management after consultation with the chair of the commission.

1258

(3)

(a) A person who seeks employment with the department shall file with the department an application under oath or affirmation in a form prescribed by the commission.

1261

(b) Upon receiving an application, the department shall determine whether the individual is:

1263

(i) of good moral character; and

1264

(ii) qualified for the position sought.

1265

(c) The department shall select an individual for employment or advancement with the department in accordance with Title 63A, Chapter 17, Utah State Personnel Management Act.

1268

(4) The following are not considered a department employee:

1269

(a) a package agent;

1270

(b) a licensee;

1271

(c) a staff member of a package agent; or

1272

(d) staff of a licensee.

1273

(5) The department may not employ a minor to:

1274

(a) work in:

1275

(i) a state store; or

1276

(ii) a department warehouse; or

1277

(b) engage in an activity involving the handling of an alcoholic product.

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(6) The department shall ensure that any training or certification required of a public official or public employee, as those terms are defined in Section 63G-22-102, complies with Title 63G, Chapter 22, State Training and Certification Requirements, if the training or certification is required:

- 1282 (a) under this title;
1283 (b) by the department; or
1284 (c) by an agency or division within the department.

1291 Section 7. Section **32B-2-213** is amended to read:

1292 **32B-2-213. Round up program -- Rounding for cash transactions.**

1288 (1) The department may:

1289 (a) ~~[-]~~establish a round up program under which an individual who makes a purchase at a state store may elect to round the purchase price up to the nearest dollar~~[-]~~ ; and

1291 (b) if necessary to make exact change for a cash purchase of liquor at a state store, round the total price of the liquor up or down to the nearest five cents after applicable taxes are applied.

1294 (2) The department shall deposit money the department collects under Subsection ~~[(1)]~~ (1)(a) into the Pamela Atkinson Homeless Account created in Section 35A-16-301.

1296 (3) If necessary to make exact change for a cash purchase of liquor, a package agency, a retail licensee, or a permittee may round the total price of the liquor up or down to the nearest five cents after applicable taxes are applied.

1305 Section 8. Section **32B-2-302.5** is amended to read:

1306 **32B-2-302.5. Internal audits.**

1301 (1) In accordance with Title 63I, Chapter 5, Utah Internal Audit Act, the department shall conduct various types of auditing procedures ~~[determined by the commission]~~through an internal audit division.

1304 ~~[(2)]~~

~~(a) The commission shall appoint an internal audit director who shall serve at the pleasure of the commission.]~~

1306 ~~[(b) The internal audit director shall hire auditors in the division with the approval of the commission.]~~

1308 ~~[(c) The internal audit director may dismiss an auditor with the approval of the commission.]~~

1310 (2) The internal audit division:

1311 (a) is placed directly under the director of the department;

1312 (b) shall report directly to the director of the department; and

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- 1313 (c) is responsible for:
- 1314 (i) conducting and verifying each internal audit and review within the department; and
- 1315 (ii) implementing audit procedures that meet or exceed generally accepted auditing standards.
- 1317 [~~(3) Notwithstanding Section 63I-5-301, the commission shall serve as the audit committee.~~]
- 1318 (3) The chair of the commission or the commission may:
- 1319 (a) propose internal auditing policies; or
- 1320 (b) recommend or make additions or modifications to the internal audit division's annual internal audit
plan.
- 1322 (4) Subject to [~~the other provisions of~~]this section, the [~~internal audit~~]director of the internal audit
division shall have the powers and duties described in Section 63I-5-401 or any other duty
prescribed by the chair of the commission or the director of the department. [~~The internal audit~~
~~director shall oversee and materially participate in internal audits conducted under this section.~~]
- 1327 (5)
- (a) Once an internal audit is completed, the internal audit director shall provide an internal audit report
to the director, the chair of the commission, and the other commissioners.
- 1330 (b) Within five business days of receipt of the internal audit, the director shall prepare a written
response and deliver it to the chair of the commission and the other commissioners.
- 1333 [~~(c) Within five business days of receipt of the director's written response under Subsection (5)(b), the~~
~~chair of the commission may prepare a separate response.~~]
- 1335 [~~(d) Within 12 business days of the internal audit being given to the director, chair of the commission,~~
~~and the other commissioners under Subsection (5)(a), the chair of the commission shall forward the~~
~~audit and any response to:~~]
- 1338 [(i) ~~the governor;~~]
- 1339 [(ii) ~~the legislative auditor general; and~~]
- 1340 [(iii) ~~the Legislative Management Committee.~~]
- 1341 [(e)] (c) Within 120 calendar days [of] after the day on which the director of the department
receives an internal audit under Subsection (5)(a),[~~being completed;~~] the [~~commission~~] director
of the department shall prepare a report to the [~~governor~~] chair of the commission and other
commissioners describing:
- 1345 (i) [~~-~~]steps taken to implement the recommendations of the internal audit; or
- 1346

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(ii) ~~[-]a detailed explanation of why recommendations have not been implemented.[–The chair of the commission shall forward the report to:]~~

1348 ~~[(i) the legislative auditor general; and]~~

1349 ~~[(ii) the Legislative Management Committee.]~~

1350 (d) After receiving a response or report under this Subsection (5), the chair of the commission or the commission may request that the director of the department or the director of the internal audit division provide additional information regarding the audit findings.

1354 (e) The director of the department shall make a response or report described in Subsections (5)(a) through (c) available to the following upon request:

1356 (i) the governor;

1357 (ii) the legislative auditor general; and

1358 (iii) the Legislative Management Committee.

1359 ~~[(f) The chair of the commission shall make such other reports as the governor requests.]~~

1366 Section 9. Section **32B-2-304** is amended to read:

1367 **32B-2-304. Liquor price -- Remittance of markup -- School lunch program.**

1363 (1) For purposes of this section:

1364 (a)

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

1365 (A) the cost of the product;

1366 (B) inbound shipping costs the department incurs; and

1367 (C) case handling costs the department incurs.

1368 (ii) "Landed case cost" does not include the outbound shipping cost from a warehouse of the department to a state store.

1370 (b) "Proof gallon" means the same as that term is defined in 26 U.S.C. Sec. 5002.

1371 (2) Except as provided in Subsections (3)~~[-and-]~~ .(4), and (7):

1372 (a) spirituous liquor 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;

1374 (b) wine 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;

1376 (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

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- 1378 (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.
- 1380 (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.
- 1382 (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:
- 1385 (i) the spirituous liquor is manufactured by a manufacturer producing less than 30,000 proof gallons of
spirituous liquor in a calendar year; and
- 1387 (ii) the manufacturer applies to the department for a reduced markup.
- 1388 (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:
- 1391 (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
- 1393 (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
- 1395 (ii) the manufacturer applies to the department for a reduced markup.
- 1396 (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:
- 1399 (i) a small brewer manufactures the heavy beer; and
- 1400 (ii) the small brewer applies to the department for a reduced markup.
- 1401 (e) The department shall:
- 1402 (i) for purposes of Subsections (3)(b) and (c), calculate the production amount of a manufacturer:
- 1404 (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
- 1408 (B) without considering the manufacturer's production of any other type of alcoholic product; and
- 1410

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- (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.
- 1413 (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.
- 1417 (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.
- 1420 (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% above the cost of the subscription for the interval in which the wine is purchased.
- 1423 (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.
- 1427 (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, 12.295% of the package agency's reported monthly revenue and deposit the money as follows:
- 1431 (i) 1.695% of the reported monthly revenue into the Alcoholic Beverage Control Act Enforcement Fund;
- 1433 (ii) 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
- 1436 (iii) 0.60% of the reported monthly revenue into the Underage Drinking Prevention Media and Education Campaign Restricted Account.
- 1438 (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.
- 1440 (7) This section does not prohibit the department from:
- 1441 (a) [-]selling discontinued items at a discount[-] ; or
- 1442 (b) rounding the price of liquor in accordance with Section 32B-2-213.

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- 1443 (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.
- 1452 Section 10. Section **32B-2-503** is amended to read:
- 1453 **32B-2-503. Operational requirements for a state store.**
- 1449 (1)
- (a) A state store shall display in a prominent place in the store a sign in large letters that consists of text
in the following order:
- 1451 (i) a header that reads: "WARNING";
- 1452 (ii) a warning statement that reads: "Drinking alcoholic beverages during pregnancy can cause birth
defects and permanent brain damage for the child.";
- 1454 (iii) a statement in smaller font that reads: "Call the Utah Department of Health and Human
Services at [insert most current toll-free number] with questions or for more information.";
- 1457 (iv) a header that reads: "WARNING"; and
- 1458 (v) a warning statement that reads: "Driving under the influence of alcohol or drugs is a serious
crime that is prosecuted aggressively in Utah."
- 1460 (b)
- (i) The text described in Subsections (1)(a)(i) through (iii) shall be in a different font style than the text
described in Subsections (1)(a)(iv) and (v).
- 1462 (ii) The warning statements in the sign described in Subsection (1)(a) shall be in the same font size.
- 1464 (c) The Department of Health and Human Services shall work with the commission and department to
facilitate consistency in the format of a sign required under this section.
- 1466 (2) [~~A~~] Except as provided in Section 32B-2-213, a state store [may not] shall sell, offer for sale, or
furnish liquor [~~except~~] at a price fixed by the commission.
- 1468 (3) A state store may not sell, offer for sale, or furnish liquor to:
- 1469 (a) a minor;
- 1470 (b) a person actually, apparently, or obviously intoxicated;
- 1471 (c) a known interdicted person; or
- 1472 (d) a known habitual drunkard.
- 1473 (4)
- (a) A state store employee may not:

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- 1474 (i) consume an alcoholic product on the premises of a state store; or
- 1475 (ii) allow any person to consume an alcoholic product on the premises of a state store.
- 1476 (b) A violation of this Subsection (4) is a class B misdemeanor.
- 1477 (5)
- (a) Sale or delivery of liquor may not be made on or from the premises of a state store, and a state store may not be kept open for the sale of liquor:
- 1479 (i) on Sunday; or
- 1480 (ii) on a state or federal legal holiday.
- 1481 (b) Sale or delivery of liquor may be made on or from the premises of a state store, and a state store may be open for the sale of liquor, only on a day and during hours that the commission directs by rule or order.
- 1484 (6)
- (a) A minor may not be admitted into, or be on the premises of, a state store unless accompanied by a person who is:
- 1486 (i) 21 years [~~of age~~] old or older; and
- 1487 (ii) the minor's parent, legal guardian, or spouse.
- 1488 (b) A state store employee that has reason to believe that a person who is on the premises of a state store is under [~~the age of 21~~] 21 years old and is not accompanied by a person described in Subsection (6)
- (a) may:
- 1491 (i) ask the suspected minor for proof of age;
- 1492 (ii) ask the person who accompanies the suspected minor for proof of age; and
- 1493 (iii) ask the suspected minor or the person who accompanies the suspected minor for proof of parental, guardianship, or spousal relationship.
- 1495 (c) A state store employee shall refuse to sell liquor to the suspected minor and to the person who accompanies the suspected minor into the state store if the suspected minor or person fails to provide information specified in Subsection (6)(b).
- 1498 (d) A state store employee shall require a suspected minor and the person who accompanies the suspected minor into the state store to immediately leave the premises of the state store if the suspected minor or person fails to provide information specified in Subsection (6)(b).
- 1502 (7)
- (a) A state store may not sell, offer for sale, or furnish liquor except in a sealed container.

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- 1504 (b) A person may not open a sealed container on the premises of a state store.
- 1505 (8) On or after October 1, 2011, a state store may not sell, offer for sale, or furnish heavy beer in a sealed container that exceeds two liters.
- 1507 (9) A state store may not sell, offer for sale, or furnish:
- 1508 (a) liquor that is intended to be frozen and consumed in a manner other than as a beverage, including liquor in the form of a freeze pop, popsicle, ice cream, or sorbet; or
- 1511 (b) liquor that contains more than 80% alcohol by volume.
- 1518 Section 11. Section **32B-2-605** is amended to read:
- 1519 **32B-2-605. Operational requirements for package agency.**
- 1515 (1)
- (a) A person may not operate a package agency until a package agency agreement is entered into by the package agent and the department.
- 1517 (b) A package agency agreement shall state the conditions of operation by which the package agent and the department are bound.
- 1519 (c)
- (i) If a package agent or staff of the package agent violates this title, rules under this title, or the package agency agreement, the department may take any action against the package agent that is allowed by the package agency agreement.
- 1522 (ii) An action against a package agent is governed solely by its package agency agreement and may include suspension or revocation of the package agency.
- 1524 (iii) A package agency agreement shall provide procedures to be followed if a package agent fails to pay money owed to the department including a procedure for replacing the package agent or operator of the package agency.
- 1527 (iv) A package agency agreement shall provide that the package agency is subject to covert investigations for selling an alcoholic product to a minor.
- 1529 (v) Notwithstanding that this part refers to "package agency" or "package agent," staff of the package agency or package agent is subject to the same requirement or prohibition.
- 1532 (2)
- (a) A package agency shall be operated by an individual who is either:
- 1533 (i) the package agent; or
- 1534 (ii) an individual designated by the package agent.

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- 1535 (b) An individual who is a designee under this Subsection (2) shall be:
- 1536 (i) an employee of the package agent; and
- 1537 (ii) responsible for the operation of the package agency.
- 1538 (c) The conduct of the designee is attributable to the package agent.
- 1539 (d) A package agent shall submit the name of the person operating the package agency to the
department for the department's approval.
- 1541 (e) A package agent shall state the name and title of a designee on the application for a package agency.
- 1543 (f) A package agent shall:
- 1544 (i) inform the department of a proposed change in the individual designated to operate a package
agency; and
- 1546 (ii) receive prior approval from the department before implementing the change described in this
Subsection (2)(f).
- 1548 (g) Failure to comply with the requirements of this Subsection (2) may result in the immediate
termination of a package agency agreement.
- 1550 (3)
- (a) A package agent shall display in a prominent place in the package agency the record issued by the
commission that designates the package agency.
- 1552 (b) A package agent that displays or stores liquor at a location visible to the public shall display in a
prominent place in the package agency a sign in large letters that consists of text in the following
order:
- 1555 (i) a header that reads: "WARNING";
- 1556 (ii) a warning statement that reads: "Drinking alcoholic beverages during pregnancy can cause birth
defects and permanent brain damage for the child.";
- 1558 (iii) a statement in smaller font that reads: "Call the Utah Department of Health and Human Services at
[insert most current toll-free number] with questions or for more information.";
- 1561 (iv) a header that reads: "WARNING"; and
- 1562 (v) a warning statement that reads: "Driving under the influence of alcohol or drugs is a serious crime
that is prosecuted aggressively in Utah."
- 1564 (c)
- (i) The text described in Subsections (3)(b)(i) through (iii) shall be in a different font style than the text
described in Subsections (3)(b)(iv) and (v).

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- 1566 (ii) The warning statements in the sign described in Subsection (3)(b) shall be in the same font size.
- 1568 (d) The Department of Health and Human Services shall work with the commission and department to facilitate consistency in the format of a sign required under this section.
- 1570 (4) A package agency may not display liquor or a price list in a window or showcase that is visible to passersby.
- 1572 (5)
- (a) A package agency may not purchase liquor from a person except from the department.
- 1574 (b) At the discretion of the department, the department may provide liquor to a package agency for sale on consignment.
- 1576 (6) A package agency may not store, sell, offer for sale, or furnish liquor in a place other than as designated in the package agent's application, unless the package agent first applies for and receives approval from the department for a change of location within the package agency premises.
- 1580 (7)
- (a) Except as provided in Subsection (7)(b) and Section 32B-2-213, a package agency [~~may not~~] shall sell, offer for sale, or furnish liquor [~~except~~] at a price fixed by the commission.
- 1583 (b) A package agency may provide as room service one alcoholic product free of charge per guest reservation, per guest room, if:
- 1585 (i) the package agency is the type of package agency that authorizes the package agency to sell, offer for sale, or furnish an alcoholic product as part of room service;
- 1588 (ii) staff of the package agency provides the alcoholic product:
- 1589 (A) in person; and
- 1590 (B) only to an adult guest in the guest room;
- 1591 (iii) staff of the package agency does not leave the alcoholic product outside a guest room for retrieval by a guest; and
- 1593 (iv) the alcoholic product:
- 1594 (A) is not a spirituous liquor; and
- 1595 (B) is in an unopened container not to exceed 750 milliliters.
- 1596 (8) A package agency may not sell, offer for sale, or furnish liquor to:
- 1597 (a) a minor;
- 1598 (b) a person actually, apparently, or obviously intoxicated;
- 1599 (c) a known interdicted person; or

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- 1600 (d) a known habitual drunkard.
- 1601 (9)
- (a) A package agency may not employ a minor to handle liquor.
- 1602 (b)
- (i) Staff of a package agency may not:
- 1603 (A) consume an alcoholic product on the premises of a package agency; or
- 1604 (B) allow any person to consume an alcoholic product on the premises of a package agency.
- 1606 (ii) Violation of this Subsection (9)(b) is a class B misdemeanor.
- 1607 (10)
- (a) A package agency may not close or cease operation for a period longer than 72 hours, unless:
- 1609 (i) the package agency notifies the department in writing at least seven days before the day on
which the package agency closes or ceases operation; and
- 1611 (ii) the closure or cessation of operation is first approved by the department.
- 1612 (b) Notwithstanding Subsection (10)(a), in the case of emergency closure, a package agency shall
immediately notify the department by telephone.
- 1614 (c)
- (i) The department may authorize a closure or cessation of operation for a period not to exceed 60 days.
- 1616 (ii) The department may extend the initial period described in Subsection (10)(c)(i) an additional 30
days upon written request of the package agency and upon a showing of good cause.
- 1619 (iii) A closure or cessation of operation may not exceed a total of 90 days without commission
approval.
- 1621 (d) The notice required by Subsection (10)(a) shall include:
- 1622 (i) the dates of closure or cessation of operation;
- 1623 (ii) the reason for the closure or cessation of operation; and
- 1624 (iii) the date on which the package agency will reopen or resume operation.
- 1625 (e) Failure of a package agency to provide notice and to obtain department authorization before closure
or cessation of operation results in an automatic termination of the package agency agreement
effective immediately.
- 1628 (f) Failure of a package agency to reopen or resume operation by the approved date results in an
automatic termination of the package agency agreement effective on that date.

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(11) A package agency may not transfer the package agency's operations from one location to another location without prior written approval of the commission.

1633 (12)

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

1636 (b) A package agency has no monetary value for any type of disposition.

1637 (13)

(a) Subject to the other provisions of this Subsection (13):

1638 (i) sale or delivery of liquor may not be made on or from the premises of a package agency, and a package agency may not be kept open for the sale of liquor:

1640 (A) on Sunday; or

1641 (B) on a state or federal legal holiday; and

1642 (ii) sale or delivery of liquor may be made on or from the premises of a package agency, and a package agency may be open for the sale of liquor, only on a day and during hours that the commission directs by rule or order.

1645 (b) A package agency located at a manufacturing facility is not subject to Subsection (13)(a) if:

1647 (i) the package agency is located at a manufacturing facility licensed in accordance with Chapter 11, Manufacturing and Related Licenses Act; and

1649 (ii) the package agency only sells an alcoholic product produced at the manufacturing facility.

1651 (c)

(i) Subsection (13)(a) does not apply to a package agency held by the following if the package agent that holds the package agency to sell liquor at a resort or hotel does not sell liquor in a manner similar to a state store:

1654 (A) a resort licensee; or

1655 (B) a hotel licensee.

1656 (ii) The commission may by rule define what constitutes a package agency that sells liquor "in a manner similar to a state store."

1658 (14)

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

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- 1661 (i) 21 years old or older; and
- 1662 (ii) the minor's parent, legal guardian, or spouse.
- 1663 (b) A package agent or staff of a package agency that has reason to believe that a person who is on the premises of a package agency is under 21 years old and is not accompanied by a person described in Subsection (14)(a) may:
- 1666 (i) ask the suspected minor for proof of age;
- 1667 (ii) ask the person who accompanies the suspected minor for proof of age; and
- 1668 (iii) ask the suspected minor or the person who accompanies the suspected minor for proof of parental, guardianship, or spousal relationship.
- 1670 (c) A package agent or staff of a package agency shall refuse to sell liquor to the suspected minor and to the person who accompanies the suspected minor into the package agency if the minor or person fails to provide any information specified in Subsection (14)(b).
- 1674 (d) A package agent or staff of a package agency shall require the suspected minor and the person who accompanies the suspected minor into the package agency to immediately leave the premises of the package agency if the minor or person fails to provide information specified in Subsection (14)(b).
- 1678 (15)
- (a) A package agency shall sell, offer for sale, or furnish liquor in a sealed container.
- 1679 (b) A person may not open a sealed container on the premises of a package agency.
- 1680 (c) Notwithstanding Subsection (15)(a), a package agency may sell, offer for sale, or furnish liquor in other than a sealed container:
- 1682 (i) if the package agency is the type of package agency that authorizes the package agency to sell, offer for sale, or furnish the liquor as part of room service;
- 1684 (ii) if the liquor is sold, offered for sale, or furnished as part of room service; and
- 1685 (iii) subject to:
- 1686 (A) staff of the package agency providing the liquor in person only to an adult guest in the guest room or privately owned dwelling unit;
- 1688 (B) staff of the package agency not leaving the liquor outside a guest room or privately owned dwelling unit for retrieval by a guest or resident; and
- 1690 (C) the same limits on the portions in which an alcoholic product may be sold by a retail licensee under Section 32B-5-304.
- 1692 (16) A package agency may not sell, offer for sale, or furnish:

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- 1693 (a) heavy beer in a sealed container that exceeds two liters; or
1694 (b) liquor that contains more than 80% alcohol by volume.
- 1695 (17) The department may pay or otherwise remunerate a package agent on any basis, including sales or
volume of business done by the package agency.
- 1697 (18) The commission may prescribe by policy or rule general operational requirements of a package
agency that are consistent with this title and relate to:
- 1699 (a) physical facilities;
1700 (b) conditions of operation;
1701 (c) hours of operation;
1702 (d) inventory levels;
1703 (e) payment schedules;
1704 (f) methods of payment;
1705 (g) premises security; and
1706 (h) any other matter considered appropriate by the commission.
- 1707 (19) A package agency may not maintain a minibar.
- 1714 Section 12. Section **32B-3-203** is amended to read:
1715 **32B-3-203. Initiating a disciplinary proceeding.**
Subject to Section 32B-3-202:
- 1711 (1) Subject to Subsection (3), the department shall initiate a disciplinary proceeding described in
Subsection (2) if the department:
- 1713 (a) receives a report from an investigator alleging that a person subject to administrative action violated
this title or the rules of the commission;
1715 (b) receives notice of criminal proceedings against a person subject to administrative action on the basis
of an alleged violation of this title;
1717 (c) receives notice of civil proceedings in accordance with Chapter 15, Alcoholic Product Liability Act,
against a person subject to administrative action on the basis of an alleged violation of this title; or
1720 (d) otherwise becomes aware that a person subject to administrative action on the basis of an alleged
violation of this title may have violated this title or commission rule.
- 1722 (2) Subject to Subsection (3), if a condition in Subsection (1) is met, the department shall:
- 1723 (a) initiate a disciplinary proceeding to determine:
1724 (i) whether a person subject to administrative action violated this title or rules of the commission; and

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- 1726 (ii) if a violation is found, the appropriate sanction to be imposed; and
1727 (b) refer the matter to the State Bureau of Investigation, created in Section 53-10-301.
1728 (3) The department is not required to initiate a disciplinary proceeding described in Subsection (2) if
after reviewing the information described in Subsection (1), the department determines:
1731 (a) that there is no basis for initiating a disciplinary proceeding; or
1732 (b) in consultation with the prosecutor, law enforcement, or plaintiff's counsel, as applicable, that
initiating a disciplinary proceeding would pose a significant risk of interfering with a criminal or
civil proceeding.
- 1735 (4)
(a) Unless waived by the respondent, a disciplinary proceeding shall be held:
1736 (i) if required by law;
1737 (ii) before revoking or suspending a license, permit, or certificate of approval issued under this title;
or
1739 (iii) before imposing a fine against a person subject to administrative action.
1740 (b) Inexcusable failure of a respondent to appear at a scheduled disciplinary proceeding hearing after
receiving proper notice is an admission of the charged violation.
1742 (c) The validity of a disciplinary proceeding is not affected by the failure of a person to attend or remain
in attendance.

1744 ~~{Section 13. Section 32B-4-403 is amended to read: }~~

32B-4-403. Unlawful sale, offer for sale, or furnishing to minor.

- 1747 (1) ~~Ĥ~~ → [A] **Except as provided in Subsection (3), a** ← ~~Ĥ~~ person may not ~~Ĥ~~ → **knowingly** ← ~~Ĥ~~ sell,
offer for sale, or furnish an alcoholic product to a minor.
- 1748 ~~Ĥ~~ → [(2) ← ~~Ĥ~~
- (a)
(i) ~~Ĥ~~ → **Except as provided in Subsection (3), a person is guilty of a class [B]A misdemeanor**
if: [~~the person who violates Subsection (1) negligently or recklessly~~] [~~fails to determine~~
~~whether the recipient of the alcoholic product is a minor.~~]
- 1751 [(a) ~~the person who violates Subsection (1) negligently or recklessly fails to determine~~
] ← ~~Ĥ~~ ~~Ĥ~~ → [~~whether the recipient of the alcoholic product is a minor; or~~]
- 1753 [(b) ~~the person who violates Subsection (1) knows the recipient of the alcoholic product~~
] ← ~~Ĥ~~ ~~Ĥ~~ → [~~is a minor.~~] ← ~~Ĥ~~

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- 1755 [(ii) ~~Ĥ~~ → (e) **As used in this Subsection [(2)(a)](2), "negligently" means with simple**
negligence.] ← Ĥ
- 1757 [(b) ~~Ĥ~~ → **[Except as provided in Subsection (3), a person is guilty of a class A misdemeanor if]**[the
person who violates Subsection (1) knows the recipient of the alcoholic product is]**[a minor.]**]
- 1759a **(2) A violation of Subsection (1) is a class A misdemeanor.** ← Ĥ
- 1760 (3) This section does not apply to the furnishing of an alcoholic product to a minor in accordance with
this title:
- 1762 (a) for medicinal purposes by:
- 1763 (i) the parent or guardian of the minor; or
- 1764 (ii) the health care practitioner of the minor, if the health care practitioner is authorized by law to write
a prescription; or
- 1766 (b) as part of a religious organization's religious services.
- 1750 Section 13. Section **32B-4-405** is amended to read:
- 1751 **32B-4-405. Unlawful sale, offer for sale, or furnishing to interdicted person.**
- 1770 (1) A person may not sell, offer for sale, or furnish an alcoholic product to a known interdicted person.
- 1772 [~~(2) Prior to any sale or furnishing of an alcohol product, a person shall verify whether the person is
an interdicted person through examination of the person's identification card or license certificate
issued pursuant to Title 53, Chapter 3, Uniform Driver License Act, or proof of age issued by
another state or country.]~~]
- 1776 [~~(3)~~ (2) This section does not apply to the sale, offer for sale, or furnishing of an alcoholic product to
an interdicted person:
- 1778 (a) under an order of a health care practitioner who is authorized by law to write a prescription; or
- 1780 (b) administered by a hospital or health care practitioner authorized by law to administer the alcoholic
product for medicinal purposes.
- 1765 Section 14. Section **32B-5-201** is amended to read:
- 1766 **32B-5-201. Application requirements for retail license.**
- 1784 (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.

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- 1788 (b) Violation of this Subsection (1) is a class B misdemeanor.
- 1789 (2) To obtain a retail license under this title, a person shall submit to the department:
- 1790 (a) a written application in a form prescribed by the department;
- 1791 (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;
- 1793 (c) an initial license fee:
- 1794 (i) in the amount specified in the relevant chapter or part for the type of retail license for which the
person is applying; and
- 1796 (ii) that is refundable if a retail license is not issued;
- 1797 (d) written consent of the local authority, including, if applicable, consent for each proposed sublicense;
- 1799 (e) a copy of:
- 1800 (i) every license the local authority requires, including the person's current business license; and
- 1802 (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;
- 1806 (f) evidence of the proposed retail licensee's proximity to any community location, with proximity
requirements being governed by Section 32B-1-202;
- 1808 (g) a bond as specified by Section 32B-5-204;
- 1809 (h) a floor plan, and boundary map where applicable, of the premises of the retail license and each, if
any, accompanying sublicense, including any:
- 1811 (i) consumption area; and
- 1812 (ii) area where the person proposes to store, sell, offer for sale, or furnish an alcoholic beverage;
- 1814 (i) evidence that the retail licensee carries public liability insurance in an amount and form satisfactory
to the department;
- 1816 (j) evidence that the retail licensee carries dramshop insurance coverage of at least:
- 1817 (i) \$1,000,000 per occurrence and \$2,000,000 in the aggregate;
- 1818 (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
- 1821 (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;
- 1824

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- (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:
- 1827 (i) the premises of the retail licensee; and
- 1828 (ii) if applicable, the premises of each of the retail licensee's accompanying sublicenses;
- 1830 (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;
- 1832 (m) a responsible alcohol service plan;
- 1833 (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
- 1836 (o) any other information the commission or department may require.
- 1837 (3) The commission may not issue a retail license to a person who:
- 1838 (a) is disqualified under Section 32B-1-304; or
- 1839 (b) is not lawfully present in the United States.
- 1840 (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.
- 1844 (5) 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:
- 1847 (a) the applicant satisfies the requirements of this chapter and Chapter 6, Specific Retail License Act; and
- 1849 (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.
- 1853 (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:
- 1856 (i) [-]that the applicant's violation history warrants the denial~~[-]~~ ; or
- 1857

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(ii) after considering a factor described in Subsections 32B-5-203(2)(c) through (f) or (3), a denial of the application is warranted.

1859 (b) The commission, when making a determination under this Subsection (6), shall:

1860 (i) ~~[-]treat applicants with substantially similar violation histories consistently[-] ; and~~

1861 (ii) consider the factors described in Subsections 32B-5-203(2)(c) through (f) or (3) consistently.

1846 Section 15. Section **32B-5-303** is amended to read:

1847 **32B-5-303. Purchase and storage of an alcoholic product by a retail licensee.**

1866 (1)

(a) A retail licensee may not purchase liquor except from a state store or package agency.

1868 (b) A retail licensee may transport liquor purchased from a state store or package agency from the place of purchase to the licensed premises.

1870 (c) A retail licensee shall pay for liquor in accordance with rules ~~[established by]~~the commission establishes.

1872 (2)

(a)

(i) A retail licensee may not purchase, acquire, possess for the purpose of resale, or sell beer except beer that the retail licensee purchases from:

1874 (A) a beer wholesaler licensee; or

1875 (B) a small brewer that manufactures the beer.

1876 (ii) ~~[Violation]~~ A violation of this Subsection (2)(a) is a class A misdemeanor.

1877 (b)

(i) If a retail licensee purchases beer under Subsection (2)(a) from a beer wholesaler licensee, the retail licensee shall purchase beer only from a beer wholesaler licensee that the manufacturer designates~~[who is designated by the manufacturer]~~ to sell beer in the geographical area in which the retail licensee is located, unless the department authorizes an alternate wholesaler ~~[is authorized by the department]~~to sell to the retail licensee as provided in Section 32B-13-301.

1883 (ii) ~~[Violation]~~ A violation of Subsection (2)(b) is a class B misdemeanor.

1884 (3) A retail licensee may not store, sell, offer for sale, or furnish an alcoholic product in a place other than as designated in the retail licensee's application, unless the retail licensee first applies for and receives approval from the department for a change of location within the licensed premises.

1888 ~~[(4) A liquor storage area shall remain locked at all times except when:]~~

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- 1889 [~~(a) liquor sales are authorized by law; or]~~
1890 [~~(b) the licensee;~~]
1891 [~~(i) inventories or restocks the alcoholic product in the liquor storage area; or]~~
1892 [~~(ii) repairs or cleans the liquor storage area.]~~
- 1876 Section 16. Section **32B-5-304** is amended to read:
1877 **32B-5-304. Portions in which alcoholic product may be sold.**
1896 (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.
- 1900 (b) A retail license is not required to dispense spirituous liquor through a calibrated metered dispensing system if the spirituous liquor is:
- 1902 (i) a secondary flavoring ingredient;
1903 (ii) used as a flavoring on a dessert;
1904 (iii) used to set aflame a food dish, drink, or dessert;
1905 (iv) in a beverage that:
1906 (A) is served to a patron in the original~~[, sealed]~~ container;
1907 (B) is not more than 12 ounces;
1908 (C) contains no more than 10% alcohol by volume or 8% by weight; and
1909 (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
- 1911 (v) in a beverage that:
1912 (A) is served to a patron by pouring the beverage from the original sealed container, into a different container as required under Subsection 32B-8d-104(5)(b);
1915 (B) is not more than 12 ounces;
1916 (C) contains no more than 10% alcohol by volume or 8% by weight; and
1917 (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.
- 1919 (c) A retail licensee that dispenses spirituous liquor that is a secondary flavoring ingredient shall:
1921

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- (i) designate a location where the retail licensee stores secondary flavoring ingredients on the floor plan the retail licensee submits to the department; and
- 1923 (ii) clearly and conspicuously label each secondary flavoring ingredient's container
["flavorings".] "flavorings."
- 1925 (d)
- (i) A patron may have no more than 2.5 ounces of spirituous liquor at a time.
- 1926 (ii) Subsection (1)(d)(i) does not apply to a beverage described in Subsection (1)(b)(iv).
- 1928 (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.
- 1930 (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.
- 1933 (b)
- (i) [A] Except as provided in Subsection (6), 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.
- 1936 (ii) [A] Except as provided in Subsection (6), 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.
- 1939 (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.
- 1942 (3)
- (a) [A] Except as provided in Subsection (6), 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.
- 1945 (4) [A] Except as provided in Subsection (6), 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.
- 1948 (5)

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(a)

(i) Subject to Subsection (5)(a)(ii), a retail licensee may sell, offer for sale, or furnish beer for on-premise consumption:

1950 (A) in an open original container; and

1951 (B) in a container on draft.

1952 (ii) A retail licensee may not sell, offer for sale, or furnish beer under Subsection (5)(a)(i):

1954 (A) in a size of container that exceeds two liters; or

1955 (B) to an individual patron in a size of container that exceeds one liter.

1956 (b) A retail licensee may sell, offer for sale, or furnish beer for off-premise consumption:

1957 (i) in a sealed container; and

1958 (ii) in a size of container that does not exceed two liters.

1959 (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.

1961 (6) This section does not prohibit a retail licensee from rounding the price of liquor in accordance with Section 32B-2-213.

1946 Section 17. Section **32B-5-305** is amended to read:

1947 **32B-5-305. Pricing of alcoholic product -- Other charge.**

1966 (1)

~~[(a) A]~~ Except as provided in Section 32B-2-213, a retail licensee:

1967 (a) [-] may sell, offer for sale, or furnish liquor only at a price fixed by the commission[-] ; and

1969 (b) [~~A retail licensee~~] may not sell an alcoholic product at a discount price on any date or at any time.

1971 (2)

(a) A retail licensee may not sell, offer for sale, or furnish an alcoholic product at less than the cost of the alcoholic product to the retail licensee.

1973 (b) A retail licensee may not sell, offer for sale, or furnish an alcoholic product at a special or reduced price that encourages overconsumption or intoxication.

1975 (c) A retail licensee may not sell, offer for sale, or furnish an alcoholic product at a special or reduced price for only certain hours of the retail licensee's business day, such as a "happy hour."

1978 (d) A retail licensee may not sell, offer for sale, or furnish more than one alcoholic product for the price of a single alcoholic product.

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- 1980 (e) A retail licensee may not sell, offer for sale, or furnish an indefinite or unlimited number of alcoholic products during a set period for a fixed price.
- 1982 (f) A retail licensee may not engage in a promotion involving or offering a free alcoholic product to the general public.
- 1984 (3) As authorized by commission rule, a retail licensee may charge a patron for providing:
- 1985 (a) a service related to liquor purchased at the licensed premises; or
- 1986 (b) wine service performed for wine carried in by a patron in accordance with Section 32B-5-307.
- 1971 Section 18. Section **32B-5-306** is amended to read:
- 1972 **32B-5-306. Purchasing or selling alcoholic product.**
- 1990 (1)
- [~~(a)~~] A retail licensee may not sell, offer for sale, or furnish an alcoholic product to:
- 1991 [~~(i)~~] (a) a minor;
- 1992 [~~(ii)~~] (b) a person actually, apparently, or obviously intoxicated;
- 1993 [~~(iii)~~] (c) a known interdicted person; or
- 1994 [~~(iv)~~] (d) a known habitual drunkard.
- 1995 [~~(b) Prior to any sale or furnishing of an alcohol product, a retail licensee shall verify whether the person is a minor or an interdicted person through examination of the person's identification card or license certificate issued pursuant to Title 53, Chapter 3, Uniform Driver License Act, or proof of age issued by another state or country.~~]
- 1999 (2)
- (a) A patron may only purchase an alcoholic product in the licensed premises of a retail licensee from and be served by an individual who is:
- 2001 (i) staff of the retail licensee; and
- 2002 (ii) designated and trained by the retail licensee to sell and serve an alcoholic product.
- 2003 (b) An individual may sell, offer for sale, or furnish an alcoholic product to a patron only if the individual is:
- 2005 (i) staff of the retail licensee; and
- 2006 (ii) designated and trained by the retail licensee to sell and serve an alcoholic product.
- 2007 (c) Notwithstanding Subsection (2)(a) or (b), a patron who purchases bottled wine from staff of the retail licensee or carries bottled wine onto the retail licensee's premises [~~pursuant to~~] in accordance

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with Section 32B-5-307 may thereafter serve wine from the bottle to the patron or others at the patron's table.

- 2011 (3) The following may not purchase an alcoholic product for a patron:
- 2012 (a) a retail licensee; or
- 2013 (b) staff of a retail licensee.
- 2014 (4) After a retail licensee closes the retail licensee's business at the licensed premises, the retail licensee may transfer the retail licensee's inventory of alcoholic product from that premises to another premises licensed under this chapter that is owned by the same retail licensee.
- 2001 Section 19. Section **32B-5-307** is amended to read:
- 2002 **32B-5-307. Bringing alcoholic product onto or removing alcoholic product from premises.**
- 2021 (1) Except as provided in Subsections (3), (4), [~~and~~](6), and (7):
- 2022 (a) an individual may not bring onto the licensed premises of a retail licensee an alcoholic product for on-premise consumption;
- 2024 (b) a retail licensee may not allow a person to:
- 2025 (i) bring onto licensed premises an alcoholic product for on-premise consumption; or
- 2026 (ii) consume an alcoholic product brought onto the licensed premises by a person other than the retail licensee; and
- 2028 (c) a retail licensee may not sell, offer for sale, or furnish an alcoholic product through a window or door to a location off the licensed premises or to a vehicular traffic area.
- 2030 (2) Except as provided in Subsections (3), (4), [~~and~~](6), and (7) and Subsection 32B-4-415(5):
- 2032 (a) an individual may not carry from the licensed premises of a retail licensee an open container that:
- 2034 (i) is used primarily for drinking purposes; and
- 2035 (ii) contains an alcoholic product;
- 2036 (b) a retail licensee may not permit a patron to carry from the licensed premises an open container described in Subsection (2)(a); and
- 2038 (c)
- (i) an individual may not carry from the licensed premises of a retail licensee a sealed container of liquor that has been purchased from the retail licensee; and
- 2040 (ii) a retail licensee may not permit a patron to carry from the licensed premises of the retail licensee a sealed container of liquor that has been purchased from the retail licensee.
- 2043 (3)

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- (a) A patron may bring a bottled wine onto the premises of a retail licensee for on-premise consumption if:
- 2045 (i) permitted by the retail licensee; and
- 2046 (ii) the retail licensee is authorized to sell, offer for sale, or furnish wine.
- 2047 (b) If a patron carries bottled wine onto the licensed premises of a retail licensee, the patron shall deliver the bottled wine to a server or other representative of the retail licensee upon entering the licensed premises.
- 2050 (c) A retail licensee authorized to sell, offer for sale, or furnish wine, may provide a wine service for a bottled wine carried onto the licensed premises in accordance with this Subsection (3) or a bottled wine purchased at the licensed premises.
- 2053 (d) A patron may remove from a licensed premises the unconsumed contents of a bottle of wine purchased at the licensed premises, or brought onto the licensed premises in accordance with this Subsection (3), only if before removal the bottle is recorked or recapped.
- 2057 (4) Neither a patron nor a retail licensee violates this section if:
- 2058 (a) the patron is in shared seating; and
- 2059 (b) the patron purchased the patron's alcoholic beverage from a restaurant licensee whose licensed premises include the shared seating area the patron is in.
- 2061 (5)
- (a) A patron may carry from a retail licensee's licensed premises a sealed container of beer that has been purchased from the retail licensee.
- 2063 (b) A retail licensee may permit a patron to carry from the retail licensee's licensed premises a sealed container of beer that has been purchased from the retail licensee.
- 2065 (6) A patron may transport beer between the licensed areas of a facility with both an on-premise beer retailer license and an on-premise banquet license if the patron transports the beer to and from an area of each licensed premises:
- 2068 (a) if the premises are contiguous; and
- 2069 (b) where the consumption of beer is permitted.
- 2070 (7) A patron may transport an alcoholic beverage from a bar establishment licensee to a restaurant licensee if:
- 2072 (a) the bar establishment licensee is adjacent to the restaurant licensee;
- 2073 (b) the distance between the bar and the restaurant licensee is no more than 30 feet;

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- 2074 (c) the bar establishment licensee and the restaurant licensee are under the same ownership;
2076 (d) an employee of the bar establishment licensee escorts the patron to the restaurant licensee; and
2078 (e) the patron does not enter, cross, or otherwise use a public walkway to transport the alcoholic beverage to the restaurant licensee.

2063 Section 20. Section **32B-6-203** is amended to read:

2064 **32B-6-203. Commission's power to issue full-service restaurant license.**

- 2083 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of an alcoholic product on [its] the person's premises as a full-service restaurant, the person shall first obtain a full-service restaurant license from the commission in accordance with this part.
- 2087 (2) The commission may issue a full-service restaurant license to establish full-service restaurant licensed premises at places and in numbers the commission considers proper for the storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on premises operated as a full-service restaurant.
- 2091 (3) Subject to Section 32B-1-201:
- 2092 (a) the commission may not issue a total number of full-service restaurant licenses that at any time exceeds the sum of:
- 2094 (i) 30; and
- 2095 (ii) the number determined by dividing the population of the state by:
- 2096 (A) before July 1, 2024, 4,467;
- 2097 (B) in fiscal year 2025, 4,281;
- 2098 (C) in fiscal year 2026, 4,095;
- 2099 (D) in fiscal year 2027, 3,909;
- 2100 (E) in fiscal year 2028, 3,723;
- 2101 (F) in fiscal year 2029, 3,537;
- 2102 (G) in fiscal year 2030, 3,351; and
- 2103 (H) in fiscal year 2031, and in each fiscal year thereafter, 3,167;
- 2104 (b) the commission may issue a seasonal full-service restaurant license in accordance with Section 32B-5-206; and
- 2106 (c)
- (i) if the location, design, and construction of a hotel may require more than one full-service restaurant sales location within the hotel to serve the public convenience, the commission may authorize the

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sale, offer for sale, or furnishing of an alcoholic product at as many as three full-service restaurant locations within the hotel under one full-service restaurant license if:

- 2111 (A) the hotel has a minimum of 150 guest rooms; and
- 2112 (B) the locations under the full-service restaurant license are:
- 2113 (I) within the same hotel; and
- 2114 (II) on premises that are managed or operated, and owned or leased, by the full-service restaurant licensee; and
- 2116 (ii) except for a hotel, a facility shall have a separate full-service restaurant license for each full-service restaurant where an alcoholic product is sold, offered for sale, or furnished.
- 2119 (4) Except as otherwise provided in Section 32B-1-202, the commission may not issue a full-service restaurant license for premises that do not meet the proximity requirements of Subsection 32B-1-202(2).
- 2122 (5)
- (a) To be licensed as a full-service restaurant, a person shall maintain at least 70% of the person's gross revenues from the sale of food.
- 2124 (b) A person complies with Subsection (5)(a) if the percentage calculated by dividing the person's annual markup cost by the sum of the person's annual gross revenues from food sales and the person's annual markup cost does not exceed 30%.
- 2127 [~~(5) To be licensed as a full-service restaurant, a person shall maintain at least 70% of the restaurant's gross revenues from the sale of food, which does not include:~~]
- 2129 [~~(a) mix for an alcoholic product; or]~~
- 2130 [~~(b) a service charge.~~]
- 2114 Section 21. Section **32B-6-303** is amended to read:
- 2115 **32B-6-303. Commission's power to issue limited-service restaurant license.**
- 2134 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of wine, heavy beer, or beer on its premises as a limited-service restaurant, the person shall first obtain a limited-service restaurant license from the commission in accordance with this part.
- 2138 (2)
- (a) The commission may issue a limited-service restaurant license to establish limited-service restaurant licensed premises at places and in numbers the commission considers proper for the storage, sale,

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offer for sale, furnishing, and consumption of wine, heavy beer, or beer on premises operated as a limited-service restaurant.

- 2142 (b) A person may not sell, offer for sale, furnish, or allow the consumption of the following on the
licensed premises of a limited-service restaurant licensee:
- 2144 (i) spirituous liquor; or
- 2145 (ii) a flavored malt beverage.
- 2146 (3) Subject to Section 32B-1-201:
- 2147 (a) The commission may not issue a total number of limited-service restaurant licenses that at any time
exceeds the number determined by dividing the population of the state by 6,817.
- 2150 (b) The commission may issue a seasonal limited-service restaurant license in accordance with Section
32B-5-206.
- 2152 (c)
- (i) If the location, design, and construction of a hotel may require more than one limited-service
restaurant sales location within the hotel to serve the public convenience, the commission may
authorize the sale of wine, heavy beer, and beer at as many as three limited-service restaurant
locations within the hotel under one limited-service restaurant license if:
- 2157 (A) the hotel has a minimum of 150 guest rooms; and
- 2158 (B) the locations under the limited-service restaurant license are:
- 2159 (I) within the same hotel; and
- 2160 (II) on premises that are managed or operated, and owned or leased, by the limited-service restaurant
licensee.
- 2162 (ii) A facility other than a hotel shall have a separate limited-service restaurant license for each limited-
service restaurant where wine, heavy beer, or beer is sold, offered for sale, or furnished.
- 2165 (4) Except as otherwise provided in Section 32B-1-202, the commission may not issue a limited-
service restaurant license for premises that do not meet the proximity requirements of Subsection
32B-1-202(2).
- 2168 [~~(5) To be licensed as a limited-service restaurant, a person shall maintain at least 70% of the
restaurant's gross revenues from the sale of food, which does not include:]~~
- 2170 [~~(a) mix for an alcoholic product; or]~~
- 2171 [~~(b) a service charge.]~~
- 2172 (5)

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(a) To be licensed as a limited-service restaurant, a person shall maintain at least 70% of the person's gross revenues from the sale of food.

2174 (b) A person complies with Subsection (5)(a) if the percentage calculated by dividing the person's annual markup cost by the sum of the person's annual gross revenues from food sales and the person's annual markup cost does not exceed 30%.

2160 Section 22. Section **32B-6-605** is amended to read:

2161 **32B-6-605. Specific operational requirements for on-premise banquet license.**

2180 (1)

(a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, an on-premise banquet licensee and staff of the on-premise banquet licensee shall comply with this section.

2183 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2185 (i) an on-premise banquet licensee;

2186 (ii) individual staff of an on-premise banquet licensee; or

2187 (iii) both an on-premise banquet licensee and staff of the on-premise banquet licensee.

2188 (2) An on-premise banquet licensee shall comply with Subsections 32B-5-301(4) and (5) for the entire premises of the hotel, resort facility, sports center, convention center, performing arts facility, arena, restaurant venue, or amphitheater that is the basis for the on-premise banquet license.

2192 (3)

(a) For the purpose described in Subsection (3)(b), an on-premise banquet licensee shall provide the department with advance notice of a scheduled banquet in accordance with rules made by the commission.

2195 (b) Any of the following may conduct a random inspection of a banquet:

2196 (i) an authorized representative of the commission or the department; or

2197 (ii) a law enforcement officer.

2198 (4)

(a) An on-premise banquet licensee is not subject to Subsection 32B-5-302(1), but shall make and maintain the records described in Subsection 32B-5-302(2) and the records the commission or department requires.

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- (b) Section 32B-1-205 applies to a record required to be made or maintained in accordance with this Subsection (4).
- 2203 (5)
- (a) Except as otherwise provided in this title, an on-premise banquet licensee may sell, offer for sale, or furnish an alcoholic product at a banquet only for consumption at the location of the banquet.
- 2206 (b) Notwithstanding Section 32B-5-307 and except as otherwise provided in this title:
- 2207 (i) a person at a banquet other than the on-premise banquet licensee or staff of the on-premise banquet licensee, may not remove an alcoholic product from the premises of the banquet; and
- 2210 (ii) a patron at a banquet may not bring an alcoholic product into or onto the premises of the banquet.
- 2212 (6)
- (a) An on-premise banquet licensee may not leave an unsold alcoholic product at the banquet following the conclusion of the banquet.
- 2214 (b) At the conclusion of a banquet, an on-premise banquet licensee shall:
- 2215 (i) destroy an opened and unused alcoholic product that is not saleable, under conditions [~~established by~~]the department establishes; and
- 2217 (ii) return to the on-premise banquet licensee's approved [~~locked~~]storage area any:
- 2218 (A) opened and unused alcoholic product that is saleable; and
- 2219 (B) unopened container of an alcoholic product.
- 2220 (c) Except as provided in Subsection (6)(b) with regard to an open or sealed container of an alcoholic product not sold or consumed at a banquet, an on-premise banquet licensee:
- 2223 (i) shall store the alcoholic product in the on-premise banquet licensee's approved [~~locked~~]storage area; and
- 2225 (ii) may use the alcoholic product at more than one banquet.
- 2226 (7) Notwithstanding Section 32B-5-308, an on-premise banquet licensee may not employ a minor to sell, furnish, or dispense an alcoholic product in connection with the on-premise banquet licensee's banquet and room service activities.
- 2229 (8) An on-premise banquet licensee:
- 2230 (a) may provide room service in portions described in Section 32B-5-304;
- 2231 (b) may not sell, offer for sale, or furnish an alcoholic product at a banquet or in connection with room service any day during a period that:
- 2233 (i) begins at 1 a.m.; and

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- 2234 (ii) ends at 9:59 a.m.; and
- 2235 (c) notwithstanding Section 32B-5-305, may provide as room service one alcoholic product free of charge per guest reservation, per guest room, if the alcoholic product:
- 2237 (i) is not a spirituous liquor; and
- 2238 (ii) is in an unopened container not to exceed 750 milliliters.
- 2239 (9)
- (a) Subject to the other provisions of this Subsection (9), a patron may not have more than two alcoholic products of any kind at a time before the patron.
- 2241 (b) A patron may not have more than one spirituous liquor drink at a time before the patron.
- 2243 (c) An individual portion of wine is considered to be one alcoholic product under Subsection (9)(a).
- 2245 (10)
- (a) An on-premise banquet licensee shall supervise and direct a person involved in the sale, offer for sale, or furnishing of an alcoholic product.
- 2247 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product shall complete an alcohol training and education seminar.
- 2249 (11) A staff person of an on-premise banquet licensee shall remain at the banquet at all times when an alcoholic product is sold, offered for sale, furnished, or consumed at the banquet.
- 2252 (12)
- (a) Room service of an alcoholic product to a guest room or privately owned dwelling unit of a hotel or resort facility shall be provided in person by staff of an on-premise banquet licensee only to an adult guest in the guest room or privately owned dwelling unit.
- 2256 (b) An alcoholic product may not be left outside a guest room or privately owned dwelling unit for retrieval by a guest or resident.
- 2258 (13) An on-premise banquet licensee may not maintain a minibar.
- 2242 Section 23. Section **32B-6-803** is amended to read:
- 2243 **32B-6-803. Commission's power to issue reception center license.**
- 2262 (1) Before a person may store, sell, offer for sale, or furnish an alcoholic product on the person's premises as a reception center, the person shall first obtain a reception center license from the commission in accordance with this part.

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- (2) The commission may issue a reception center license to establish reception center licensed premises at places and in numbers the commission considers proper for the storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on premises operated as a reception center.
- 2269 (3) Subject to Section 32B-1-201, the commission may not issue a total number of reception center licenses that at any time exceeds the sum of:
- 2271 (a) a number determined by dividing the population of the state by 251,693[-] ; and
- 2272 (b) 4.
- 2273 (4) The commission may not issue a reception center license for premises that do not meet the proximity requirements of Section 32B-1-202.
- 2275 (5)
- (a) To be licensed as a reception center, a person shall maintain at least 70% of the person's gross revenues from the sale of food.
- 2277 (b) A person complies with Subsection (5)(a) if the percentage calculated by dividing the person's annual markup cost by the sum of the person's annual gross revenues from food sales and the person's annual markup cost does not exceed 30%.
- 2280 [~~(5)~~
- (a) ~~To be licensed as a reception center, a person may not maintain more than 30% of the person's total annual gross receipts from the sale of alcoholic products.]~~
- 2282 [~~(b) For purposes of Subsection (5)(a):]~~
- 2283 [~~(i) an alcoholic product includes:]~~
- 2284 [~~(A) mix for an alcoholic product; and]~~
- 2285 [~~(B) a charge in connection with the furnishing of an alcoholic product; and]~~
- 2286 [~~(ii) gross receipts do not include any charge for renting a room or facility.]~~
- 2287 [~~(c) A reception center licensee shall report the information necessary to show compliance with this Subsection (5) to the department on an annual basis.]~~
- 2272 Section 24. Section **32B-6-805** is amended to read:
- 2273 **32B-6-805. Specific operational requirements for a reception center license.**
- 2292 (1)
- (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, a reception center licensee and staff of the reception center licensee shall comply with this section.
- 2295

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- (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
- 2297 (i) a reception center licensee;
- 2298 (ii) individual staff of a reception center licensee; or
- 2299 (iii) both a reception center licensee and staff of the reception center licensee.
- 2300 (2) In addition to complying with Section 32B-5-303, a reception center licensee shall store an alcoholic product in a storage area described in Subsection (14)(a).
- 2302 (3)
- (a) For the purpose described in Subsection (3)(b), a reception center licensee shall provide the following with advance notice of a scheduled event in accordance with rules [~~made by~~]the commission makes:
- 2305 (i) the department; and
- 2306 (ii) the local law enforcement agency responsible for the enforcement of this title in the jurisdiction where the reception center is located.
- 2308 (b) Any of the following may conduct a random inspection of an event:
- 2309 (i) an authorized representative of the commission or the department; or
- 2310 (ii) a law enforcement officer.
- 2311 (4)
- (a) Except as otherwise provided in this title, a reception center licensee may sell, offer for sale, or furnish an alcoholic product at an event only for consumption at the reception center's licensed premises.
- 2314 (b) A host of an event, a patron, or a person other than the reception center licensee or staff of the reception center licensee, may not remove an alcoholic product from the reception center's licensed premises.
- 2317 (c) Notwithstanding Section 32B-5-307, a patron at an event may not bring an alcoholic product into or onto, or remove an alcoholic product from, the reception center.
- 2319 (5)
- (a) A reception center licensee may not leave an unsold alcoholic product at an event following the conclusion of the event.
- 2321 (b) At the conclusion of an event, a reception center licensee shall:
- 2322

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- (i) destroy an opened and unused alcoholic product that is not saleable, under conditions [~~established by~~
]the department establishes; and
- 2324 (ii) return to the reception center licensee's approved [~~locked~~]storage area any:
- 2325 (A) opened and unused alcoholic product that is saleable; and
- 2326 (B) unopened container of an alcoholic product.
- 2327 (c) Except as provided in Subsection (5)(b) with regard to an open or sealed container of an alcoholic
product not sold or consumed at an event, a reception center licensee:
- 2329 (i) shall store the alcoholic product in accordance with Subsection (2); and
- 2330 (ii) may use the alcoholic product at more than one event.
- 2331 (6) Notwithstanding Section 32B-5-308, a reception center licensee may not employ a minor in
connection with an event at the reception center at which food is not made available.
- 2334 (7) A person's willingness to serve an alcoholic product may not be made a condition of employment as
a server with a reception center licensee.
- 2336 (8) A reception center licensee may not sell, offer for sale, or furnish an alcoholic product at the
licensed premises on any day during the period that:
- 2338 (a) begins at 1 a.m.; and
- 2339 (b) ends at 9:59 a.m.
- 2340 (9) A reception center licensee may not sell, offer for sale, or furnish an alcoholic product at an event at
which a minor is present unless the reception center licensee makes food available at all times when
an alcoholic product is sold, offered for sale, furnished, or consumed during the event.
- 2344 (10)
- (a) Subject to the other provisions of this Subsection (10), a patron may not have more than two
alcoholic products of any kind at a time before the patron.
- 2346 (b) An individual portion of wine is considered to be one alcoholic product under Subsection (10)(a).
- 2348 (11)
- (a) A reception center licensee shall supervise and direct a person involved in the sale, offer for sale, or
furnishing of an alcoholic product.
- 2350 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product shall complete an
alcohol training and education seminar.
- 2352 (12) A staff person of a reception center licensee shall remain at an event at all times when an alcoholic
product is sold, offered for sale, furnished, or consumed at the event.

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- 2354 (13) A reception center licensee may not sell, offer for sale, or furnish an alcoholic product to a patron,
and a patron may not consume an alcoholic product at a bar structure.
- 2356 (14) Except as provided in Subsection (15), a reception center licensee may dispense an alcoholic
product only if:
- 2358 (a) the alcoholic product is dispensed from an area that is:
- 2359 (i) separated from an area for the consumption of food by a patron by a solid, translucent, permanent
structural barrier such that the facilities for the storage or dispensing of an alcoholic product are:
- 2362 (A) not readily visible to a patron; and
- 2363 (B) not accessible by a patron; and
- 2364 (ii) apart from an area used:
- 2365 (A) for staging; or
- 2366 (B) as a lobby or waiting area;
- 2367 (b) the reception center licensee uses an alcoholic product that is:
- 2368 (i) stored in an area described in Subsection (14)(a); or
- 2369 (ii) in an area not described in Subsection (14)(a) on the licensed premises and:
- 2370 (A) immediately before the alcoholic product is dispensed it is in an unopened container;
- 2372 (B) the unopened container is taken to an area described in Subsection (14)(a) before it is opened; and
- 2374 (C) once opened, the container is stored in an area described in Subsection (14)(a); and
- 2376 (c) any instrument or equipment used to dispense an alcoholic product is located in an area described in
Subsection (14)(a).
- 2378 (15) A reception center licensee may dispense an alcoholic product from a mobile serving area that:
- 2380 (a) is moved only by staff of the reception center licensee;
- 2381 (b) is capable of being moved by only one individual; and
- 2382 (c) is no larger than [6] six feet long and 30 inches wide.
- 2383 (16)
- (a) A reception center licensee may not have an event on the licensed premises unless the event:
- 2385 (i) is [~~pursuant to~~] in accordance with a contract between a third party host of the event and the
reception center licensee under which the reception center licensee provides an alcoholic
product sold, offered for sale, or furnished at an event; or
- 2388 (ii) is a private event.
- 2389 (b) At an event, a reception center licensee may furnish an alcoholic product:

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- 2390 (i) without charge to a patron, except that the third party host of the event shall pay for an alcoholic product furnished at the event; or
- 2392 (ii) with a charge to a patron at the event.
- 2393 (c) The commission may by rule define what constitutes a "third-party host" for purposes of this Subsection (16) so that a reception center licensee and the third-party host are not owned by or operated by the same persons, except that the rule shall permit a reception center licensee to host an event for an immediate family member of the reception center licensee.
- 2398 (17) A reception center licensee shall have culinary facilities that are:
- 2399 (a) adequate to prepare a full meal; and
- 2400 (b)
- 2401 (i) located on the licensed premises; or
- 2402 (ii) under the same control as the reception center licensee.
- 2402 (18)
- 2404 (a) Except as provided in Subsection (18)(b), a reception center licensee may not operate an event:
- 2405 (i) that is open to the general public; and
- 2406 (ii) at which an alcoholic product is sold or offered for sale.
- 2408 (b) A reception center licensee may operate an event described in Subsection (18)(a) if the event is hosted:
- 2409 (i) at the reception center no more frequently than once a calendar year; and
- 2409 (ii) by a nonprofit organization that is organized and qualified under Section 501(c), Internal Revenue Code.
- 2394 Section 25. Section **32B-6-903** is amended to read:
- 2395 **32B-6-903. Commission's power to issue beer-only restaurant license.**
- 2414 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of beer on its premises as a beer-only restaurant, the person shall first obtain a beer-only restaurant license from the commission in accordance with this part.
- 2417 [~~2~~] (a)
- [~~a~~] (i) The commission may issue a beer-only restaurant license to establish beer-only restaurant licensed premises at places and in numbers the commission considers proper for the storage, sale, offer for sale, furnishing, and consumption of beer on premises operated as a beer-only restaurant.
- 2421

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[~~(b)~~] (ii) A person may not sell, offer for sale, furnish, or allow the consumption of liquor on the licensed premises of a beer-only restaurant licensee.

2423 [~~(3)~~] (b)

[~~(a)~~] (i) Only one beer-only restaurant license is required for each building or resort facility owned or leased by the same person.

2425 [~~(b)~~] (ii) A separate license is not required for each beer-only restaurant license dispensing location in the same building or on the same resort premises owned or operated by the same person.

2428 [~~(4)~~] (c) Except as otherwise provided in Section 32B-1-202, the commission may not issue a beer-only restaurant license for premises that do not meet the proximity requirements of Subsection 32B-1-202(2).

2431 [~~(5)~~ To be licensed as a beer-only restaurant, a person shall maintain at least 70% of the restaurant's gross revenues from the sale of food, which does not include a service charge.]

2434 (2)

(a) To be licensed as a beer-only restaurant, a person shall maintain at least 70% of the person's gross revenues from the sale of food.

2436 (b) A person complies with Subsection (2)(a) if the percentage calculated by dividing the person's annual markup cost by the sum of the person's annual gross revenues from food sales and the person's annual markup cost does not exceed 30%.

2422 Section 26. Section **32B-7-202** is amended to read:

2423 **32B-7-202. General operational requirements for off-premise beer retailer.**

2442 (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.

2444 [~~(2)~~] (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.

2447 [~~(3)~~] (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:

2450 (A) a beer wholesaler licensee; or

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- 2451 (B) a small brewer that manufactures the beer.
- 2452 (ii) A violation of Subsection [~~(2)(a)~~] (2)(a)(i) is a class A misdemeanor.
- 2453 (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.
- 2459 (ii) A violation of Subsection [~~(2)(b)~~] (2)(b)(i) is a class B misdemeanor.
- 2460 [~~(4)~~] (3) An off-premise beer retailer may not possess, sell, offer for sale, or furnish beer in a container larger than two liters.
- 2462 [~~(5)~~] (4)
- (a) Staff of an off-premise beer retailer, while on duty, may not:
- 2463 (i) consume an alcoholic product; or
- 2464 (ii) be intoxicated.
- (b) A minor may not sell beer on the licensed premises of an off-premise beer retailer unless:
- 2467 (i) the sale is done under the supervision of a person 21 years old or older who is on the licensed premises; and
- 2469 (ii) the minor is at least 16 years old.
- 2470 [~~(6)~~] (5) An off-premise beer retailer may not sell, offer for sale, or furnish an alcoholic product to:
- 2472 (a) a minor;
- 2473 (b) a person actually, apparently, or obviously intoxicated;
- 2474 (c) a known interdicted person; or
- 2475 (d) a known habitual drunkard.
- 2476 [~~(7)~~] (6)
- (a) Subject to the other provisions of this Subsection (6), an off-premise beer retailer shall:
- 2478 (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:
- 2480 (A) a display cabinet, cooler, aisle, floor display, or room where beer is the only beverage displayed; and
- 2482

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- (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 of nonalcoholic beverages by a display of one or more nonbeverage products or another physical divider; and
- 2486 (ii) display a sign in the area described in Subsection (6)(a)(i) that:
- 2487 (A) is prominent;
- 2488 (B) is easily readable by a consumer;
- 2489 (C) meets the requirements for format {~~established by the commission~~} ~~that the commission establishes~~ by rule; and
- 2491 (D) ~~{reads in print that is no smaller than .5 inches, bold type, "These beverages contain alcohol. Please read the label carefully."}~~ ~~meets the requirements the department establishes by rule in accordance with Subsection (12).~~
- 2494 (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.
- 2496 (c) The requirements of this Subsection (6) apply to beer notwithstanding that it is labeled, packaged, or advertised as:
- 2498 (i) a malt cooler; or
- 2499 (ii) a beverage that may provide energy.
- 2500 (d) A violation of this Subsection (6) is an infraction.
- 2501 (e)
- (i) Except as provided in Subsection (6)(e)(ii), the provisions of Subsection (6)(a)(i) apply on and after May 9, 2017.
- 2503 (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.
- 2505 [~~8~~] (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:
- 2508 (i) on the front of the staff's clothing;
- 2509 (ii) visible above the waist;
- 2510 (iii) bearing the staff's:

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- 2511 (A) first or last name;
- 2512 (B) initials; or
- 2513 (C) unique identification in letters or numbers; and
- 2514 (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.
- 2517 (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:
- 2520 (i) full name;
- 2521 (ii) address; and
- 2522 (iii)
- (A) driver license number; or
- 2523 (B) similar identification number.
- 2524 (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:
- 2526 (i) a peace officer;
- 2527 (ii) a representative of the local authority that issues the off-premise beer retailer license; or
- 2529 (iii) for an off-premise beer retailer state license, a representative of the commission or department.
- 2531 (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).
- 2533 [~~(9)~~] (8)
- (a) An off-premise beer retailer may sell, offer for sale, or furnish beer:
- 2534 (i) at a drive-through window;
- 2535 (ii) at a drive-up loading area, if the drive-up loading area is contiguous to the off-premise beer
retailer's licensed premises; or
- 2537 (iii) subject to Subsection (8)(b), at a designated parking stall.
- 2538 (b)
- (i) An off-premise beer retailer shall ensure that a parking stall described in Subsection (8)(a)(iii) is:
- 2540 (A) located on property that the off-premise beer retailer owns or has a legal right to occupy;
- 2542 (B) designated for picking up pre-ordered items from the off-premise beer retailer; and
- 2544 (C) labeled in a conspicuous manner that communicates the purpose described in Subsection [~~(8)(b)~~
~~(ii)~~] (8)(b)(i)(B).

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- 2546 (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)(iii) unless:
- 2548 (A) the off-premise beer retailer ensures that the individual purchasing the beer purchases the beer before parking in the designated parking stall;
- 2550 (B) the off-premise beer retailer delivers the beer directly from the off-premise beer retailer's licensed premises to the designated parking stall;
- 2552 (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; and
- 2554 (D) the off-premise beer retailer maintains video surveillance of the designated parking stall.
- 2556 (c) Nothing in this Subsection (8) modifies the other requirements of this section.
- 2557 (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 32B-1-703.
- 2560 ~~[(10)]~~ (9) An off-premise beer retailer may not on the licensed premises:
- 2561 (a) engage in or permit any form of:
- 2562 (i) gambling, as defined in Section 76-9-1401; or
- 2563 (ii) fringe gambling, as defined in Section 76-9-1401;
- 2564 (b) have any fringe gaming device, video gaming device, or gambling device or record as defined in Section 76-9-1401; or
- 2566 (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.
- 2571 ~~[(11)]~~ (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 Title 58, Chapter 37a, Utah Drug Paraphernalia Act:
- 2574 (a) sell, distribute, possess, or use a controlled substance, as defined in Section 58-37-2; or
- 2576 (b) use, deliver, or possess, with the intent to deliver, drug paraphernalia, as defined in Section 58-37a-3.
- 2578 ~~[(12)]~~ (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.

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- 2581 ~~{(12)}~~
 ~~{(a) Subject to Subsection (12)(b), the department shall establish, by rule, the language that a sign described in Subsection (6)(a)(ii) shall contain.}~~
- 2583 ~~{(b) The department shall require that a sign described in Subsection (6)(a)(ii) contain at least the following:}~~
- 2585 ~~{(i) the words, in no smaller than .5 inches, in bold font, "These beverages contain alcohol. Please read the label carefully.";}~~
- 2587 ~~{(ii) a notice of the risk an individual incurs by operating a motor vehicle while under the influence of alcohol;}~~
- 2589 ~~{(iii) a notice of the general health risks associated with consuming alcohol; and}~~
- 2590 ~~{(iv) any other language the department deems necessary.}~~
- 2591 ~~{(e) Once during each even-numbered year, the department shall submit a report to the Legislative Management Committee that states:}~~
- 2593 ~~{(i) the current language the department requires in accordance with this Subsection (12);}~~
- 2595 ~~{(ii) each change the department has made to the language since the department's immediately preceding report; and}~~
- 2597 ~~{(iii) any legislative changes that the department recommends that relate to Subsection (6).}~~
- 2562 Section 27. Section **32B-8-401** is amended to read:
- 2563 **32B-8-401. Specific operational requirements for resort license.**
- 2602 (1)
- (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, a resort licensee, staff of the resort licensee, and a sublicensee or a person otherwise operating under a sublicense shall comply with this section.
- 2605 (b) Subject to Section 32B-8-502, failure to comply as provided in Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
- 2608 (i) the resort licensee;
- 2609 (ii) individual staff of the resort licensee;
- 2610 (iii) a sublicensee or person otherwise operating under a sublicense of the resort licensee;
- 2612 (iv) individual staff of a sublicensee or person otherwise operating under a sublicense of the resort licensee; or

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- 2614 (v) any combination of the persons listed in Subsections (1)(b)(i) through (iv).
2615 (2)
(a) A resort licensee may not sell, offer for sale, or furnish an alcoholic product except:
2617 (i) on sublicensed premises;
2618 (ii) pursuant to a permit issued under this title;
2619 (iii) under a package agency agreement with the department, subject to Chapter 2, Part 6, Package
Agency; or
2621 (iv) through room service.
2622 (b) A resort licensee who sells, offers for sale, or furnishes an alcoholic product as provided in
Subsection (2)(a), shall sell, offer for sale, or furnish the alcoholic product:
2625 (i) if on a sublicense premises, in accordance with the operational requirements described in Section
32B-8d-104;
2627 (ii) if under a permit issued under this title, in accordance with the operational requirements under the
provisions applicable to the permit;
2629 (iii) if as a package agency, in accordance with the contract with the department and Chapter 2, Part 6,
Package Agency; and
2631 (iv) if through room service, in accordance with Subsection (6).
2632 [~~(3) A resort licensee shall operate in a manner so that at least 70% of the annual aggregate of the gross
receipts related to the sale of food or beverages for the resort license and each of the resort licensee's
sublicenses is from the sale of food, not including:~~]
2635 [~~(a) mix for an alcoholic product; and~~]
2636 [~~(b) a charge in connection with the service of an alcoholic product.~~]
2637 (3)
(a) To be licensed as a resort licensee, a person shall maintain at least 70% of the person's gross
revenues related to the sale of food or beverages for the resort licensee and each of the resort
licensee's sublicenses from the sale of food.
2640 (b) A person complies with Subsection (3)(a) if the percentage calculated by dividing the person's
annual markup cost by the sum of the person's annual gross revenues from food sales and the
person's annual markup cost does not exceed 30%.
2643 (4)

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- (a) A resort licensee shall supervise and direct a person involved in the sale, offer for sale, or furnishing of an alcoholic product under a resort license.
- 2645 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product under a resort license shall complete the alcohol training and education seminar.
- 2647 (5) A resort licensee shall:
- 2648 (a) in accordance with commission rule, establish and maintain signage that clearly identifies each designated conveyance area and conspicuously states that a patron may not take an alcoholic beverage beyond the designated conveyance area except as otherwise provided in this chapter;
- 2652 (b) ensure that an alcoholic beverage is not left unattended in a designated conveyance area; and
- 2654 (c) ensure that each patron complies with the requirements of Subsection 32B-8d-104(5)(b)(ii).
- 2656 (6)
- (a) Staff of the resort licensee shall provide room service of an alcoholic product to a lodging accommodation of a resort licensee in person only to an adult occupant in the lodging accommodation.
- 2659 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval by an occupant.
- 2624 Section 28. Section **32B-8b-102** is amended to read:
- 2625 **32B-8b-102. Definitions.**
- As used in this chapter:
- 2664 (1) "Boundary of a hotel" means the physical boundary of one or more contiguous parcels of real property owned or managed by the same person and on which a hotel is located.
- 2666 (2) "Designated conveyance area" means a route within a hotel or resort:
- 2667 (a) that connects one or more of the following by the most direct route possible:
- 2668 (i) the premises of a bar establishment sublicensee;
- 2669 (ii) the premises of a hospitality amenity sublicensee;
- 2670 (iii) the premises of an on-premise banquet sublicensee; or
- 2671 (iv) a guest's room; and
- 2672 (b) does not begin, end, or pass through a pool area or other recreation area, a designated business center, or a sublicensed premises not described in Subsection (2)(a).
- 2674 (3) "Hotel" means one or more buildings that:
- 2675 (a) comprise a hotel, as defined by the commission;
- 2676

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(b) are owned or managed by the same person or by a person who has a majority interest in or can direct or exercise control over the management or policy of the person who owns or manages any other building under the hotel license within the boundary of the hotel;

2680 (c) primarily operate to provide lodging accommodations;

2681 (d) have on-premise banquet space and provide on-premise banquet service within the boundary of the hotel meeting the requirements of this title;

2683 (e) have a restaurant or bar establishment within the boundary of the hotel meeting the requirements of this title; and

2685 (f) have at least [40] 30 rooms as temporary sleeping accommodations for compensation.

2649 Section 29. Section **32B-8b-301** is amended to read:

2650 **32B-8b-301. Specific operational requirements for hotel license.**

2689 (1)

(a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, a hotel licensee, staff of the hotel licensee, and a sublicensee or person otherwise operating under a sublicense shall comply with this section.

2692 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2694 (i) the hotel licensee;

2695 (ii) individual staff of the hotel licensee;

2696 (iii) a sublicensee or person otherwise operating under a sublicense of the hotel licensee;

2698 (iv) individual staff of a sublicensee or person otherwise operating under a sublicense of the hotel licensee; or

2700 (v) any combination of the persons listed in this Subsection (1)(b).

2701 (2)

(a) A hotel licensee may not sell, offer for sale, or furnish an alcoholic product except:

2702 (i) on sublicensed premises;

2703 (ii) [~~pursuant to~~] in accordance with a permit issued under this title;

2704 (iii) under a package agency agreement with the department, subject to Chapter 2, Part 6, Package Agency; or

2706 (iv) through room service.

2707

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- (b) A hotel licensee who sells, offers for sale, or furnishes an alcoholic product as provided in Subsection (2)(a) shall sell, offer for sale, or furnish the alcoholic product:
- 2709 (i) if on sublicensed premises, in accordance with the operational requirements described in Section 32B-8d-104;
- 2711 (ii) if under a permit issued under this title, in accordance with the operational requirements under the provisions applicable to the permit;
- 2713 (iii) if as a package agency, in accordance with the contract with the department and Chapter 2, Part 6, Package Agency; and
- 2715 (iv) if through room service, in accordance with Subsection (5).
- 2716 (c) Notwithstanding the other provisions of this Subsection (2) and except as provided in Section 32B-8d-104, a hotel licensee may not permit a patron to carry an alcoholic product off the premises of a sublicense in violation of Section 32B-5-307, off an area designated under a permit, or off a designated conveyance area.
- 2720 (3) A hotel licensee shall supervise and direct a person involved in the sale, offer for sale, or furnishing of an alcoholic product under a hotel license.
- 2722 (4)
- (a) A hotel licensee shall:
- 2723 (i) in accordance with commission rule, establish and maintain signage that clearly identifies each designated conveyance area and conspicuously states that a patron may not take an alcoholic beverage beyond the designated conveyance area except as otherwise provided in this chapter;
- 2727 (ii) ensure that an alcoholic beverage is not left unattended in a designated conveyance area; and
- 2729 (iii) ensure that each patron complies with the requirements of Subsection 32B-8d-104(5)(b)(ii).
- 2731 (b) In accordance with Subsection (2), a hotel licensee may not sell, offer for sale, or furnish an alcoholic product in a designated conveyance area.
- 2733 (5)
- (a) Staff of the hotel licensee shall provide room service of an alcoholic product to a lodging accommodation of a hotel licensee in person only to an adult occupant in the lodging accommodation.
- 2736 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval by an occupant.
- 2738 (6)

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- (a) To be licensed as a hotel licensee, a person shall maintain at least 70% of the person's gross revenues related to the sale of food or beverages for the hotel licensee and each of the hotel licensee's sublicenses from the sale of food.
- 2741 (b) A person complies with Subsection (6)(a) if the percentage calculated by dividing the hotel's and each of the hotel's sublicense's annual markup cost by the sum of the the hotel's and each of the hotel's sublicense's annual gross revenues from food sales and the hotel's and each of the hotel's sublicense's annual markup cost does not exceed 30%
- 2746 [~~(6) A hotel licensee shall operate in a manner so that at least 70% of the annual aggregate of the gross receipts related to the sale of food or beverages for the hotel license and each of the hotel license's sublicenses is from the sale of food, not including:~~]
- 2749 [~~(a) mix for an alcoholic product; and~~]
- 2750 [~~(b) a charge in connection with the service of an alcoholic product.]~~]
- 2714 Section 30. Section **32B-8c-301** is amended to read:
- 2715 **32B-8c-301. Specific operational requirements for arena license.**
- 2754 (1)
- (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, an arena licensee, staff of the arena licensee, and a sublicensee or person otherwise operating under a sublicense shall comply with this section.
- 2757 (b) Failure to comply as provided in Subjection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
- 2759 (i) the arena licensee;
- 2760 (ii) individual staff of the arena licensee;
- 2761 (iii) a sublicensee or person otherwise operating under a sublicense of the arena licensee;
- 2763 (iv) individual staff of a sublicensee or person otherwise operating under a sublicense; or
- 2765 (v) any combination of the persons listed in Subsections (1)(b)(i) through (iv).
- 2766 (2)
- (a) An arena licensee may not sell, offer for sale, or furnish an alcoholic product except:
- 2768 (i) on sublicensed premises;
- 2769 (ii) [~~pursuant to~~] in accordance with a permit issued under this title; or
- 2770 (iii) under a package agency agreement with the department, subject to Chapter 2, Part 6, Package Agency.

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- 2772 (b) An arena licensee who sells, offers for sale, or furnishes an alcoholic product as provided in
Subsection (2)(a) shall sell, offer for sale, or furnish the alcoholic product:
- 2774 (i) if on sublicensed premises, in accordance with the operational requirements described in Section
32B-8d-104;
- 2776 (ii) if under a permit issued under this title, in accordance with the operational requirements under the
provisions applicable to the permit; and
- 2778 (iii) if as a package agency, in accordance with the contract with the department and Chapter 2, Part 6,
Package Agency.
- 2780 [~~(3) An arena licensee shall operate in a manner so that at least 70% of the annual aggregate of the gross
receipts related to the sale of food and beverages for the arena license and each of the arena licensee's
sublicenses is from the sale of food, not including:~~]
- 2783 [~~(a) mix for an alcoholic product; and]~~
- 2784 [~~(b) a charge in connection with the service of an alcoholic product.]~~
- 2785 (3)
- (a) To be licensed as an arena licensee, a person shall maintain at least 70% of the person's gross
revenues related to the sale of food or beverages for the arena licensee and each of the arena
licensee's sublicenses from the sale of food.
- 2788 (b) A person complies with Subsection (3)(a) if the percentage calculated by dividing the arena's and
each of the arena's sublicense's annual markup cost by the sum of the the arena's and each of the
arena's sublicense's annual gross revenues from food sales and the arena's and each of the arena's
sublicense's annual markup cost does not exceed 30%.
- 2793 (4) An arena licensee shall, directly or indirectly, supervise and direct a person involved in the sale,
offer for sale, or furnishing of an alcoholic product under an arena license.
- 2758 Section 31. Section **32B-9-201** is amended to read:
- 2759 **32B-9-201. Application requirements for event permit.**
- 2797 (1) To obtain an event permit, a person shall submit to the department:
- 2798 (a) a written application in a form that the department prescribes;
- 2799 (b) an event permit fee:
- 2800 (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
- 2802 (ii) that is refundable if an event permit is not issued;

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- 2803 (c) written consent of the local authority;
- 2804 (d) a bond as specified by Section 32B-9-203;
- 2805 (e) the times, dates, location, estimated attendance, nature, and purpose of the event;
- 2806 (f) a description or floor plan designating:
- 2807 (i) the area in which the person proposes that an alcoholic product be stored;
- 2808 (ii) the site from which the person proposes that an alcoholic product be sold, offered for sale, or
furnished; and
- 2810 (iii) the area in which the person proposes that an alcoholic product be allowed to be consumed;
- 2812 (g) a signed consent form stating that the event permittee will permit any authorized representative of
the commission, department, or any law enforcement officer to have unrestricted right to enter the
premises during the event;
- 2815 (h) 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; and
- 2817 (i) any other information as the commission or department may require.
- 2818 (2) If a person substantially changes the person's application under Subsection (1) after the person
initially submits the application, the person shall pay to the department a fee:
- 2820 (a) in an amount the department prescribes in accordance with Section 63J-1-504; and
- 2821 (b) that is nonrefundable, regardless of whether the department issues an event permit.
- 2822 (3) An entity applying for a permit need not meet the requirements of Subsections (1)(b), (c), and (d) if
the entity is:
- 2824 (a) a state agency; or
- 2825 (b) a political subdivision of the state.
- 2826 (4) The director may not issue an event permit to a person who is disqualified under Section 32B-1-304.
- 2828 (5)
- (a) The proximity requirements of Section 32B-1-202 do not apply to an event permit.
- 2829 (b) Notwithstanding Subsection (5)(a), nothing in this section prevents the director~~[, the Compliance,
Licensing, and Enforcement Subcommittee,]~~ or the commission from considering the proximity of
an educational, religious, or recreational facility, or any other relevant factor in deciding whether to
issue an event permit.
- 2796 Section 32. Section **32B-9-202** is amended to read:
- 2797 **32B-9-202. Duties before issuing event permit.**

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- 2835 (1)
- (a) Before the director may issue an event permit, the department shall conduct an investigation and may hold public hearings to gather information and make recommendations to the director as to whether the director should issue an event permit.
- 2839 (b) The department shall provide the information and recommendations described in Subsection (1)(a) to the director to aid in the director's determination.
- 2841 (2) Before issuing an event permit, the director shall:
- 2842 (a) determine that the person filed a complete application and is in compliance with:
- 2843 (i) Section 32B-9-201; and
- 2844 (ii) the relevant part under this chapter for the type of event permit for which the person is applying;
- 2846 (b) determine that the person is not disqualified under Section 32B-1-304;
- 2847 (c) consider the purpose of the organization or its local lodge, chapter, or other local unit;
- 2848 (d) consider the times, dates, location, estimated attendance, nature, and purpose of the event;
- 2850 (e) to minimize the risk of minors being sold or furnished alcohol or adults being overserved alcohol at the event, determine that adequate and appropriate control measures and adequate and appropriate enforcement measures are in place at the event to assure that minors will not be sold or furnished alcohol and that adults will not be overserved, except that adequate and appropriate control and enforcement measures may be different for small, large, indoor, or outdoor events;
- 2856 (f) determine that the event permit is not being sought by the person as a means to circumvent other applicable requirements of this title, notwithstanding that the applicant may hold one or more licenses issued under this title;
- 2859 (g) consider, for the period of three years before the date of the event, the violation history of:
- 2861 (i) the applicant; and
- 2862 (ii) the venue where the event will be held; and
- 2863 [~~h) provide the information and recommendations described in Subsection (1) to, and obtain the approval of, the Compliance, Licensing, and Enforcement Subcommittee;~~]
- 2865 [~~i) notify each commissioner before the director issues the event permit in accordance with Subsection (3); and~~]
- 2867 [~~j) (h) consider any other factor the director considers necessary.~~]
- 2868 (3)

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- [~~(a) Except as provided in Subsections (3)(d) and (e), the director shall notify each commissioner of the director's preliminary decision to issue or deny the issuance of an event permit three business days before the day on which the decision is to be final.~~]
- 2872 [~~(b) The preliminary decision becomes a final decision of the director unless:~~]
- 2873 [~~(i) within three business days after the day on which the notice is received at least three of the~~
~~commissioners request a meeting to discuss whether the event permit should be issued; or]~~]
- 2876 [~~(ii) the director modifies or revokes the preliminary decision to issue or deny issuance of the event~~
~~permit.]~~]
- 2878 [~~(c) If three or more of the commissioners request a meeting:~~]
- 2879 [~~(i) the applicant for the event permit shall be notified; and]~~]
- 2880 [~~(ii) the commission shall:~~]
- 2881 [~~(A) hold a meeting on the application for an event permit no later than the next regularly scheduled~~
~~meeting of the commission; and]~~]
- 2883 [~~(B) issue the event permit if the applicant meets the requirements of this chapter or deny issuance of~~
~~the event permit if the applicant fails to meet the requirements of this chapter.]~~]
- 2886 [~~(d) The commission may waive the three business day notice period described in Subsection (3)(a) on~~
~~behalf of a commissioner.]~~]
- 2888 [~~(e)~~] (a)
- (i) The director may at any time refer an application for an event permit directly to the commission for a determination as to whether an event permit should be issued or denied.
- 2891 (ii) For purposes of this title, an event permit issued by the commission is to be treated the same as an event permit issued by the director.
- 2893 [~~(f)~~] (b) If the commission finds that an event permit was improperly issued or that the permittee has violated this chapter, the commission may take any action permitted under this title.
- 2896 (4) Once the director issues an event permit, the department shall send a copy of the approved application and the event permit by written or electronic means to the state and local law enforcement authorities at least three days before the event.
- 2899 (5) The director shall provide the commission a monthly report of the actions taken by the director under this part.
- 2901 (6) If authorized by the director, the deputy director may act on behalf of the director for purposes of issuing an event permit under this chapter.

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2866 Section 33. Section **32B-9-204** is amended to read:

2867 **32B-9-204. General operational requirements for an event permit.**

2906 (1)

(a) An event permittee and a person involved in the storage, sale, offer for sale, or furnishing of an alcoholic product at an event for which an event permit is issued, shall comply with this title and rules of the commission.

2909 (b) Failure to comply as provided in Subsection (1)(a):

2910 (i) may result in:

2911 (A) disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2913 (I) an event permittee;

2914 (II) a person involved in the storage, sale, offer for sale, or furnishing of an alcoholic product at the event; or

2916 (III) any combination of the persons listed in this Subsection (1)(b);

2917 (B) immediate revocation of the event permit;

2918 (C) forfeiture of a bond; or

2919 (D) immediate seizure of an alcoholic product present at the event; and

2920 (ii) if the event permit is revoked, disqualifies the event permittee from applying for an event permit for a period of three years from the date of revocation of the event permit.

2923 (c) An alcoholic product seized under this Subsection (1) shall be returned to the event permittee after an event if forfeiture proceedings are not instituted under Section 32B-4-206.

2926 (2)

(a) If there is a conflict between this part and the relevant part under this chapter for the specific type of special use permit held by the special use permittee, the relevant part governs.

2929 (b) Notwithstanding that this part may refer to "liquor" or an "alcoholic product," an event permittee may only sell, offer for sale, or furnish an alcoholic product specified in the relevant part under this chapter for the type of event permit that is held by the event permittee.

2933 (c) Notwithstanding that this part or the relevant part under this chapter for the type of event permit held by an event permittee refers to "event permittee," a person involved in the storage, sale, offer for sale, or furnishing of an alcoholic product at the event for which the event permit is issued is subject to the same requirement or prohibition.

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- 2937 (3) An event permittee shall display a copy of the event permit in a prominent place in the area in which
an alcoholic product is sold, offered for sale, furnished, and consumed.
- 2939 (4) An event permittee may not on the premises of the event:
- 2940 (a) engage in or allow any form of gambling, as defined in Section 76-9-1401, or fringe gambling, as
defined in Section 76-9-1401;
- 2942 (b) have any fringe gaming device, video gaming device, or gambling device or record as defined in
Section 76-9-1401; or
- 2944 (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.
- 2949 (5) An event permittee may not knowingly allow a person at an event to, in violation of Title 58,
Chapter 37, Utah Controlled Substances Act, or Title 58, Chapter 37a, Utah Drug Paraphernalia Act:
- 2952 (a) sell, distribute, possess, or use a controlled substance, as defined in Section 58-37-2; or
- 2954 (b) use, deliver, or possess with the intent to deliver drug paraphernalia, as defined in Section 58-37a-3.
- 2956 (6) An event permittee may not sell, offer for sale, or furnish beer except beer purchases from:
- 2958 (a) a beer wholesaler licensee;
- 2959 (b) a beer retailer; or
- 2960 (c) a small brewer.
- 2961 (7) An event permittee may not store, sell, offer for sale, furnish, or allow the consumption of an
alcoholic product purchased for an event in a location other than that described in the application
and designated on the event permit unless the event permittee first applies for and receives
approval from the director [~~with the approval of the Compliance, Licensing, and Enforcement
Subcommittee,~~] for a change of location.
- 2966 (8)
- (a) Subject to Subsection (8)(b), an event permittee may sell, offer for sale, or furnish beer for on-
premise consumption:
- 2968 (i) in an open original container; and
- 2969 (ii) in a container on draft.
- 2970 (b) An event permittee may not sell, offer for sale, or furnish beer sold [~~pursuant to~~] in accordance with
Subsection (8)(a):

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- 2972 (i) in a size of container that exceeds two liters; or
- 2973 (ii) to an individual patron in a size of container that exceeds one liter.
- 2974 (9)
- (a) An event permittee may not sell or offer for sale an alcoholic product at less than the cost of the alcoholic product to the event permittee.
- 2976 (b) An event permittee may not sell an alcoholic product at a discount price on any date or at any time.
- 2978 (c) An event permittee may not sell or offer for sale an alcoholic product at a price that encourages overconsumption or intoxication.
- 2980 (d) An event permittee may not sell or offer for sale an alcoholic product at a special or reduced price for only certain hours of the day of an event.
- 2982 (e) An event permittee may not sell, offer for sale, or furnish more than one alcoholic product at the price of a single alcoholic product.
- 2984 (f) An event permittee, or a person operating, selling, offering, or furnishing an alcoholic product under an event permit, may not sell, offer for sale, or furnish an indefinite or unlimited number of alcoholic products during a set period for a fixed price, unless:
- 2987 (i) the alcoholic product is served to a patron at a seated event;
- 2988 (ii) food is available whenever the alcoholic product is sold, offered for sale, or furnished; and
- 2990 (iii) no person advertises that at the event a person may be sold or furnished an indefinite or unlimited number of alcoholic products during a set period for a fixed price.
- 2993 (g) An event permittee may not engage in a public promotion involving or offering a free alcoholic product to the general public.
- 2995 (10) An event permittee may not sell, offer for sale, or furnish an alcoholic product to:
- 2996 (a) a minor;
- 2997 (b) a person actually, apparently, or obviously intoxicated;
- 2998 (c) a known interdicted person; or
- 2999 (d) a known habitual drunkard.
- 3000 (11)
- (a) An alcoholic product is considered under the control of the event permittee during an event.
- 3002 (b) A patron at an event may not bring an alcoholic product onto the premises of the event.
- 3004 (12) An event permittee may not permit a patron to carry from the premises an open container that:
- 3006 (a) is used primarily for drinking purposes; and

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- 3007 (b) contains an alcoholic product.
- 3008 (13)
- (a) A person involved in the storage, sale, or furnishing of an alcoholic product at an event is considered under the supervision and direction of the event permittee.
- 3010 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product at an event may not, while on duty:
- 3012 (i) consume an alcoholic product; or
- 3013 (ii) be intoxicated.
- 3014 (14) A minor may not handle, sell, offer for sale, or furnish an alcoholic product at an event.
- 3015 (15) The location specified in an event permit may not be changed without prior written approval of the commission.
- 3017 (16) An event permittee may not sell, transfer, assign, exchange, barter, give, or attempt in any way to dispose of the event permit to another person whether for monetary gain or not.
- 3020 (17)
- (a) An event permittee may not sell, offer for sale, furnish, or allow the consumption of an alcoholic product during a period that:
- 3022 (i) begins at 1 a.m.; and
- 3023 (ii) ends at 9:59 a.m.
- 3024 (b) This Subsection (17) does not preclude a local authority from being more restrictive with respect to the hours of sale, offer for sale, furnishing, or consumption of an alcoholic product at an event.
- 3027 (18) A patron may have no more than one alcoholic product of any kind at a time before the patron.
- 3029 (19)
- (a) An event permittee shall display, in a prominent place, a sign in large letters that consists of text in the following order:
- 3031 (i) a header that reads: "WARNING";
- 3032 (ii) a warning statement that reads: "Drinking alcoholic beverages during pregnancy can cause birth defects and permanent brain damage for the child.";
- 3034 (iii) a statement in smaller font that reads: "Call the Utah Department of Health and Human Services at [insert most current toll-free number] with questions or for more information.";
- 3037 (iv) a header that reads: "WARNING"; and
- 3038

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(v) a warning statement that reads: "Driving under the influence of alcohol or drugs is a serious crime that is prosecuted aggressively in Utah."

3040

(b)

(i) The text described in Subsections (19)(a)(i) through (iii) shall be in a different font style than the text described in Subsections (19)(a)(iv) and (v).

3042

(ii) The warning statements in the sign described in Subsection (19)(a) shall be in the same font size.

3044

(c) The Department of Health and Human Services shall work with the commission and department to facilitate consistency in the format of a sign required under this section.

3009

Section 34. Section **32B-9-305** is amended to read:

3010

32B-9-305. Specific operational requirements for single event permit.

3049

(1)

(a) In addition to complying with Section 32B-9-204, a single event permittee or a person involved in the storage, sale, offer for sale, or furnishing of an alcoholic product at the event shall comply with this section.

3052

(b) Failure to comply as provided in Subsection (1)(a):

3053

(i) may result in:

3054

(A) disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

3056

(I) a single event permittee;

3057

(II) a person involved in the storage, sale, offer for sale, or furnishing of an alcoholic product at the event; or

3059

(III) any combination of persons listed in this Subsection (1)(b);

3060

(B) immediate revocation of the single event permit;

3061

(C) forfeiture of a bond; or

3062

(D) immediate seizure of an alcoholic product present at the event; and

3063

(ii) if the single event permit is revoked, disqualifies the single event permittee from applying for a single event permit or temporary beer event permit for a period of three years from the date of revocation of the single event permit.

3066

(c) An alcoholic product seized under this Subsection (1) shall be returned to the single event permittee after an event if forfeiture proceedings are not instituted under Section 32B-4-206.

3069

(2)

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- 3071 (a) A single event permittee shall make and maintain an expense and revenue ledger or record showing:
- 3072 (i) expenditures made for:
- 3073 (A) liquor;
- 3074 (B) beer;
- 3075 (C) set-ups; and
- 3076 (D) an ingredient or component of an alcoholic product other than a set-up; and
- 3077 (ii) the revenue from the sale of an alcoholic product.
- 3079 (b) Section 32B-1-205 applies to a record required to be made or maintained in accordance with this Subsection (2).
- 3081 (3) A single event permittee shall purchase liquor stored, sold, offered for sale, furnished, or consumed at an event from a state store or package agency.
- 3081 (4)
- (a) A single event permittee may not sell, offer for sale, or furnish a primary spirituous liquor in a quantity that exceeds 1.5 ounces per beverage, except that additional spirituous liquor may be used in a beverage if:
- 3084 (i) used as a secondary flavoring ingredient;
- 3085 (ii) used in conjunction with the primary spirituous liquor;
- 3086 (iii) the secondary ingredient is not the only spirituous liquor in the beverage; and
- 3087 (iv) subject to Subsection 32B-9-204(18):
- 3088 (A) a patron has no more than 2.5 ounces of spirituous liquor at a time before the patron; and
- 3090 (B) a patron has no more than one spirituous liquor drink at a time before the patron.
- 3092 (b) Spirituous liquor need not be dispensed through a calibrated metered dispensing system.
- 3094 (5)
- (a) A single event permittee may sell, offer for sale, or furnish wine by the glass or an individual portion, except that a glass or individual portion may not exceed five ounces.
- 3097 (b) A single event permittee may furnish an individual portion served to a patron in more than one glass if the total amount of wine does not exceed five ounces.
- 3099 (c) An individual portion of wine is considered to be one alcoholic product under Subsection 32B-9-204(18).
- 3101 (d) ~~[A]~~ Except as provided in Subsection (10), a single event permittee may sell, offer for sale, or furnish wine in a container not exceeding 1.5 liters at a price fixed by the commission.

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- 3104 (6) [A] Except as provided in Subsection (10), a single event permittee 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.
- 3107 (7) [A] Except as provided in Subsection (10), a single event permittee 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.
- 3110 (8) [A] Except as provided in Subsection (10), a single event permittee may sell liquor only at a price fixed by the commission.
- 3112 (9) A single event permittee may perform a service and assess a service charge as authorized by commission rule for liquor purchased at an event.
- 3114 (10) This section does not prohibit a single event permittee from rounding the price of liquor in accordance with Section 32B-2-213.
- 3079 Section 35. Section **63I-5-201** is amended to read:
- 3080 **63I-5-201. Internal auditing programs -- State agencies.**
- 3118 (1)
- (a) The departments of Government Operations, Agriculture, Alcoholic Beverage Services, Commerce, Cultural and Community Engagement, Corrections, Workforce Services, Environmental Quality, Health[-] and Human Services, Natural Resources, Public Safety, and Transportation, and the State Tax Commission shall conduct various types of auditing procedures as determined by the agency head or governor.
- 3123 (b) The governor may, by executive order, require a state agency not described in Subsection (1)(a) to establish an internal audit program.
- 3125 (c) The governor shall ensure that each state agency that reports to the governor has adequate internal audit coverage.
- 3127 (2)
- (a) The Administrative Office of the Courts shall establish an internal audit program under the direction of the Judicial Council, including auditing procedures for courts not of record.
- 3130 (b) The Judicial Council may, by rule, require other judicial agencies to establish an internal audit program.
- 3132 (3)

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(a) Utah Tech University, the University of Utah, Utah State University, Salt Lake Community College, Southern Utah University, Utah Valley University, Weber State University, and Snow College shall establish an internal audit program under the direction of the Utah Board of Higher Education.

3136 (b) The Utah Board of Higher Education may issue policies requiring other higher education entities or programs to establish an internal audit program.

3138 (4) The State Board of Education shall establish an internal audit program that provides internal audit services for each program administered by the State Board of Education.

3140 [~~(5) Subject to Section 32B-2-302.5, the internal audit division of the Department of Alcoholic Beverage Services shall establish an internal audit program under the direction of the Alcoholic Beverage Services Commission.~~]

3106 Section 36. **Effective date.**

Effective Date.

3144 (1) Except as provided in Subsection (2), this bill takes effect May 6, 2026.

3145 (2)

(a) The actions affecting sections described in Subsection (2)(b) take effect:

3146 (i) except as provided in Subsection (2)(a)(ii), May 6, 2026; or

3147 (ii) if approved by two-thirds of all members elected to each house:

3148 (A) upon approval by the governor;

3149 (B) without the governor's signature, the day following the constitutional time limit of Utah Constitution, Article VII, Section 8; or

3151 (C) in the case of a veto, the date of veto override.

3152 (b) Subsection (2)(a) applies to the actions affecting the following sections:

3116 (i) Section 32B-1-407 (Effective upon governor's approval);

3153 (i)(ii) Section 32B-2-202 (Effective upon governor's approval);

3154 (ii)(iii) Section 32B-2-213 (Effective upon governor's approval);

3155 (iii)(iv) Section 32B-2-304 (Effective upon governor's approval);

3156 (iv)(v) Section 32B-2-503 (Effective upon governor's approval);

3157 (v)(vi) Section 32B-2-605 (Effective upon governor's approval);

3158 (vi)(vii) Section 32B-5-304 (Effective upon governor's approval);

3159 (vii)(viii) Section 32B-5-305 (Effective upon governor's approval); and

3160 (viii)(ix) Section 32B-9-305 (Effective upon governor's approval).

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