Alcoholic Beverages

Common Myths and Constituent Questions

Bagels and Briefings

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“The Smiths”

A couple with two children, recently moved to Utah from California.

Today’s discussion uses possible questions by the Smiths as a backdrop.
Direct Shipping

The Smiths want to order on the Internet a case of wine from their favorite boutique winery for an upcoming party.

Is direct shipping legal?
Direct Shipping

- Not Allowed
- Special Orders – May order online
- Limitations
Utah Legislature’s Vote Ends Prohibition
Control State

Utah is 1 of 18 States

Source: NABCA: http://www.nabca.org/systems/index.php (visited 2/6/08)(some local jurisdictions in MD are also control jurisdictions)
Control State

DABC Statement of Advantages

A major source of income for the state . . . .
Support of alcohol programs . . . .
Promote moderation . . . .
Education and enforcement . . . .

Distribution of dollars for FY 2007

Net Profit → OVER $50M

Cost of Liquor Sold

Total Expenses

School Lunch Fee

Sales Tax

Source: DABC 2007 annual report and http://www.abc.utah.gov/Background/regulate.html (visited 2/6/08)
Control State

ABC Commission
(5 member/part-time)

Director
Department of Alcoholic Beverage Control

State Stores • Package Agencies
Licenses
Special Use Permits
Event Permits
Miscellaneous

Control State

Source: Utah Code Ann. § 32A-1-105
Control State

Policies

- Nonpartisan and free of partisan political influence
- Public business using sound management principles and practices to service public demand
- Not promote or encourage sale or consumption
- Act in a manner and at prices that:
  - reasonably satisfy public demand and protect public interest, including rights of citizens who do not wish to be involved with alcoholic products
  - promotes reduction of harmful effects of over consumption by adults and consumption by minors

Source: Utah Code Ann. § 32A-1-104
Special Events

The couple’s daughter sings in the community choir, which performs at an annual “New Year’s Eve Charity Concert.”

Mrs. Smith is in charge of the bar.

How are special events treated?
Special Events

- **Permit** - If general public may attend or alcohol is sold
- **Types** - Single event permit or temporary special event beer permit
- **Process** - Issued by commission upon application
- **Limitations**
- **Operations**

Source: Utah Code Ann., Title 32A, Chapter 7, Single Event Permits, Chapter 10, Part 3, Temporary Special Event Beer Permits, § 32A-12-301
Mr. Smith is interested in investing in a new restaurant in Park City. The owners only want to serve beer and wine with dinner. What is required for licensing?
**Licensing**

- **License** - Sells or allows consumption on premises
- **Types** - Restaurant, limited restaurant, airport lounge, on-premise banquet, private club, on-premise beer retailer (including taverns), off-premise beer retailer*

- **Process** - Granted by commission upon application
- **Limitations**
- **Operations**

* Regulated on a local level

Source: Utah Code Ann., Title 32A, Chapters 4, 5, and 10
Private Clubs

The Smiths’ friends visit for a ski weekend. After attending a symphony, they decide to have drinks at a private club.

How are guests and visitors addressed?
Private Clubs

- **Types** — Member, visitor, or guest

- **Visitor** — Purchase a card that admits card holder + 7 for 3 weeks in 1 club

- **Guest** — Hosting required and no fee

Local Variances

The Smiths’ visit their nephew in Logan and take him on Sunday to stock up on groceries. They are surprised that they cannot buy beer at the grocery store.

When are there local differences?
Local Variances

- **Licenses & Permits** - Limited dual regulation, written consent of local authority required
- **Process** - Local authority may be more restrictive on certain provisions
- **Limitations**
Questions

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