

**ALCOHOLIC BEVERAGE CONTROL ACT AND MASTER
LICENSES**

2013 GENERAL SESSION

STATE OF UTAH

LONG TITLE

General Description:

This bill modifies the Alcoholic Beverage Control Act to create certain master licenses.

Highlighted Provisions:

This bill:

- ▶ modifies the definition of "retail license";
- ▶ addresses the powers of the commission;
- ▶ creates a master full-service restaurant license;
- ▶ creates a master limited-service restaurant license; and
- ▶ makes technical and conforming amendments.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

32B-1-102, as last amended by Laws of Utah 2011, Second Special Session, Chapter 2

32B-2-202, as last amended by Laws of Utah 2012, Chapter 365

ENACTS:

32B-6-206, Utah Code Annotated 1953

32B-6-306, Utah Code Annotated 1953

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

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

32B-1-102. Definitions.

As used in this title:

- 32 (1) "Airport lounge" means a business location:
- 33 (a) at which an alcoholic product is sold at retail for consumption on the premises; and
- 34 (b) that is located at an international airport with a United States Customs office on the
- 35 premises of the international airport.
- 36 (2) "Airport lounge license" means a license issued in accordance with Chapter 5,
- 37 Retail License Act, and Chapter 6, Part 5, Airport Lounge License.
- 38 (3) "Alcoholic beverage" means the following:
- 39 (a) beer; or
- 40 (b) liquor.
- 41 (4) (a) "Alcoholic product" means a product that:
- 42 (i) contains at least .5% of alcohol by volume; and
- 43 (ii) is obtained by fermentation, infusion, decoction, brewing, distillation, or other
- 44 process that uses liquid or combinations of liquids, whether drinkable or not, to create alcohol
- 45 in an amount equal to or greater than .5% of alcohol by volume.
- 46 (b) "Alcoholic product" includes an alcoholic beverage.
- 47 (c) "Alcoholic product" does not include any of the following common items that
- 48 otherwise come within the definition of an alcoholic product:
- 49 (i) except as provided in Subsection (4)(d), an extract;
- 50 (ii) vinegar;
- 51 (iii) cider;
- 52 (iv) essence;
- 53 (v) tincture;
- 54 (vi) food preparation; or
- 55 (vii) an over-the-counter medicine.
- 56 (d) "Alcoholic product" includes an extract containing alcohol obtained by distillation
- 57 when it is used as a flavoring in the manufacturing of an alcoholic product.
- 58 (5) "Alcohol training and education seminar" means a seminar that is:
- 59 (a) required by Chapter 5, Part 4, Alcohol Training and Education Act; and
- 60 (b) described in Section 62A-15-401.
- 61 (6) "Banquet" means an event:
- 62 (a) that is held at one or more designated locations approved by the commission in or

- 63 on the premises of a:
- 64 (i) hotel;
- 65 (ii) resort facility;
- 66 (iii) sports center; or
- 67 (iv) convention center;
- 68 (b) for which there is a contract:
- 69 (i) between a person operating a facility listed in Subsection (6)(a) and another person;
- 70 and
- 71 (ii) under which the person operating a facility listed in Subsection (6)(a) is required to
- 72 provide an alcoholic product at the event; and
- 73 (c) at which food and alcoholic products may be sold, offered for sale, or furnished.
- 74 (7) (a) "Bar" means a surface or structure:
- 75 (i) at which an alcoholic product is:
- 76 (A) stored; or
- 77 (B) dispensed; or
- 78 (ii) from which an alcoholic product is served.
- 79 (b) "Bar structure" means a surface or structure on a licensed premises if on or at any
- 80 place of the surface or structure an alcoholic product is:
- 81 (i) stored; or
- 82 (ii) dispensed.
- 83 (8) (a) Subject to Subsection (8)(d), "beer" means a product that:
- 84 (i) contains at least .5% of alcohol by volume, but not more than 4% of alcohol by
- 85 volume or 3.2% by weight; and
- 86 (ii) is obtained by fermentation, infusion, or decoction of malted grain.
- 87 (b) "Beer" may or may not contain hops or other vegetable products.
- 88 (c) "Beer" includes a product that:
- 89 (i) contains alcohol in the percentages described in Subsection (8)(a); and
- 90 (ii) is referred to as:
- 91 (A) beer;
- 92 (B) ale;
- 93 (C) porter;

- 94 (D) stout;
- 95 (E) lager; or
- 96 (F) a malt or malted beverage.
- 97 (d) "Beer" does not include a flavored malt beverage.
- 98 (9) "Beer-only restaurant license" means a license issued in accordance with Chapter 5,
- 99 Retail License Act, and Chapter 6, Part 9, Beer-only Restaurant License.
- 100 (10) "Beer retailer" means a business:
- 101 (a) that is engaged, primarily or incidentally, in the retail sale of beer to a patron,
- 102 whether for consumption on or off the business premises; and
- 103 (b) to whom a license is issued:
- 104 (i) for an off-premise beer retailer, in accordance with Chapter 7, Part 2, Off-premise
- 105 Beer Retailer Local Authority; or
- 106 (ii) for an on-premise beer retailer, in accordance with Chapter 5, Retail License Act,
- 107 and Chapter 6, Part 7, On-premise Beer Retailer License.
- 108 (11) "Beer wholesaling license" means a license:
- 109 (a) issued in accordance with Chapter 13, Beer Wholesaling License Act; and
- 110 (b) to import for sale, or sell beer in wholesale or jobbing quantities to one or more
- 111 retail licensees or off-premise beer retailers.
- 112 (12) "Billboard" means a public display used to advertise, including:
- 113 (a) a light device;
- 114 (b) a painting;
- 115 (c) a drawing;
- 116 (d) a poster;
- 117 (e) a sign;
- 118 (f) a signboard; or
- 119 (g) a scoreboard.
- 120 (13) "Brewer" means a person engaged in manufacturing:
- 121 (a) beer;
- 122 (b) heavy beer; or
- 123 (c) a flavored malt beverage.
- 124 (14) "Brewery manufacturing license" means a license issued in accordance with

125 Chapter 11, Part 5, Brewery Manufacturing License.

126 (15) "Certificate of approval" means a certificate of approval obtained from the
127 department under Section 32B-11-201.

128 (16) "Chartered bus" means a passenger bus, coach, or other motor vehicle provided by
129 a bus company to a group of persons pursuant to a common purpose:

130 (a) under a single contract;

131 (b) at a fixed charge in accordance with the bus company's tariff; and

132 (c) to give the group of persons the exclusive use of the passenger bus, coach, or other
133 motor vehicle, and a driver to travel together to one or more specified destinations.

134 (17) "Church" means a building:

135 (a) set apart for worship;

136 (b) in which religious services are held;

137 (c) with which clergy is associated; and

138 (d) that is tax exempt under the laws of this state.

139 (18) (a) "Club license" means a license issued in accordance with Chapter 5, Retail
140 License Act, and Chapter 6, Part 4, Club License.

141 (b) "Club license" includes:

142 (i) a dining club license;

143 (ii) an equity club license;

144 (iii) a fraternal club license; or

145 (iv) a social club license.

146 (19) "Commission" means the Alcoholic Beverage Control Commission created in
147 Section 32B-2-201.

148 (20) "Commissioner" means a member of the commission.

149 (21) "Community location" means:

150 (a) a public or private school;

151 (b) a church;

152 (c) a public library;

153 (d) a public playground; or

154 (e) a public park.

155 (22) "Community location governing authority" means:

- 156 (a) the governing body of the community location; or
157 (b) if the commission does not know who is the governing body of a community
158 location, a person who appears to the commission to have been given on behalf of the
159 community location the authority to prohibit an activity at the community location.
- 160 (23) "Container" means a receptacle that contains an alcoholic product, including:
161 (a) a bottle;
162 (b) a vessel; or
163 (c) a similar item.
- 164 (24) "Convention center" means a facility that is:
165 (a) in total at least 30,000 square feet; and
166 (b) otherwise defined as a "convention center" by the commission by rule.
- 167 (25) (a) Subject to Subsection (25)(b), "counter" means a surface or structure in a
168 dining area of a licensed premises where seating is provided to a patron for service of food.
169 (b) "Counter" does not include a surface or structure if on or at any point of the surface
170 or structure an alcoholic product is:
171 (i) stored; or
172 (ii) dispensed.
- 173 (26) "Department" means the Department of Alcoholic Beverage Control created in
174 Section 32B-2-203.
- 175 (27) "Department compliance officer" means an individual who is:
176 (a) an auditor or inspector; and
177 (b) employed by the department.
- 178 (28) "Department sample" means liquor that is placed in the possession of the
179 department for testing, analysis, and sampling.
- 180 (29) "Dining club license" means a license issued in accordance with Chapter 5, Retail
181 License Act, and Chapter 6, Part 4, Club License, that is designated by the commission as a
182 dining club license.
- 183 (30) "Director," unless the context requires otherwise, means the director of the
184 department.
- 185 (31) "Disciplinary proceeding" means an adjudicative proceeding permitted under this
186 title:

- 187 (a) against a person subject to administrative action; and
188 (b) that is brought on the basis of a violation of this title.
- 189 (32) (a) Subject to Subsection (32)(b), "dispense" means:
190 (i) drawing of an alcoholic product:
191 (A) from an area where it is stored; or
192 (B) as provided in Subsection 32B-6-205(12)(b)(ii), 32B-6-305(12)(b)(ii),
193 32B-6-805(15)(b)(ii), or 32B-6-905(12)(b)(ii); and
194 (ii) using the alcoholic product described in Subsection (32)(a)(i) on the premises of
195 the licensed premises to mix or prepare an alcoholic product to be furnished to a patron of the
196 retail licensee.
- 197 (b) The definition of "dispense" in this Subsection (32) applies only to:
198 (i) a full-service restaurant license;
199 (ii) a limited-service restaurant license;
200 (iii) a reception center license; and
201 (iv) a beer-only restaurant license.
- 202 (33) "Distillery manufacturing license" means a license issued in accordance with
203 Chapter 11, Part 4, Distillery Manufacturing License.
- 204 (34) "Distressed merchandise" means an alcoholic product in the possession of the
205 department that is saleable, but for some reason is unappealing to the public.
- 206 (35) "Educational facility" includes:
207 (a) a nursery school;
208 (b) an infant day care center; and
209 (c) a trade and technical school.
- 210 (36) "Equity club license" means a license issued in accordance with Chapter 5, Retail
211 License Act, and Chapter 6, Part 4, Club License, that is designated by the commission as an
212 equity club license.
- 213 (37) "Event permit" means:
214 (a) a single event permit; or
215 (b) a temporary beer event permit.
- 216 (38) "Exempt license" means a license exempt under Section 32B-1-201 from being
217 considered in determining the total number of a retail license that the commission may issue at

218 any time.

219 (39) (a) "Flavored malt beverage" means a beverage:

220 (i) that contains at least .5% alcohol by volume;

221 (ii) that is treated by processing, filtration, or another method of manufacture that is not
222 generally recognized as a traditional process in the production of a beer as described in 27
223 C.F.R. Sec. 25.55;

224 (iii) to which is added a flavor or other ingredient containing alcohol, except for a hop
225 extract; and

226 (iv) (A) for which the producer is required to file a formula for approval with the
227 federal Alcohol and Tobacco Tax and Trade Bureau pursuant to 27 C.F.R. Sec. 25.55; or

228 (B) that is not exempt under Subdivision (f) of 27 C.F.R. Sec. 25.55.

229 (b) "Flavored malt beverage" is considered liquor for purposes of this title.

230 (40) "Fraternal club license" means a license issued in accordance with Chapter 5,
231 Retail License Act, and Chapter 6, Part 4, Club License, that is designated by the commission
232 as a fraternal club license.

233 (41) "Full-service restaurant license" means a license issued in accordance with
234 Chapter 5, Retail License Act, and Chapter 6, Part 2, Full-service Restaurant License.

235 (42) (a) "Furnish" means by any means to provide with, supply, or give an individual
236 an alcoholic product, by sale or otherwise.

237 (b) "Furnish" includes to:

238 (i) serve;

239 (ii) deliver; or

240 (iii) otherwise make available.

241 (43) "Guest" means an individual who meets the requirements of Subsection
242 32B-6-407(9).

243 (44) "Health care practitioner" means:

244 (a) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;

245 (b) an optometrist licensed under Title 58, Chapter 16a, Utah Optometry Practice Act;

246 (c) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;

247 (d) a physical therapist licensed under Title 58, Chapter 24b, Physical Therapy Practice

248 Act;

- 249 (e) a nurse or advanced practice registered nurse licensed under Title 58, Chapter 31b,
250 Nurse Practice Act;
- 251 (f) a recreational therapist licensed under Title 58, Chapter 40, Recreational Therapy
252 Practice Act;
- 253 (g) an occupational therapist licensed under Title 58, Chapter 42a, Occupational
254 Therapy Practice Act;
- 255 (h) a nurse midwife licensed under Title 58, Chapter 44a, Nurse Midwife Practice Act;
- 256 (i) a mental health professional licensed under Title 58, Chapter 60, Mental Health
257 Professional Practice Act;
- 258 (j) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act;
- 259 (k) an osteopath licensed under Title 58, Chapter 68, Utah Osteopathic Medical
260 Practice Act;
- 261 (l) a dentist or dental hygienist licensed under Title 58, Chapter 69, Dentist and Dental
262 Hygienist Practice Act; and
- 263 (m) a physician assistant licensed under Title 58, Chapter 70a, Physician Assistant Act.
- 264 (45) (a) "Heavy beer" means a product that:
- 265 (i) contains more than 4% alcohol by volume; and
- 266 (ii) is obtained by fermentation, infusion, or decoction of malted grain.
- 267 (b) "Heavy beer" is considered liquor for the purposes of this title.
- 268 (46) "Hotel" is as defined by the commission by rule.
- 269 (47) "Identification card" means an identification card issued under Title 53, Chapter 3,
270 Part 8, Identification Card Act.
- 271 (48) "Industry representative" means an individual who is compensated by salary,
272 commission, or other means for representing and selling an alcoholic product of a
273 manufacturer, supplier, or importer of liquor.
- 274 (49) "Industry representative sample" means liquor that is placed in the possession of
275 the department for testing, analysis, and sampling by a local industry representative on the
276 premises of the department to educate the local industry representative of the quality and
277 characteristics of the product.
- 278 (50) "Interdicted person" means a person to whom the sale, offer for sale, or furnishing
279 of an alcoholic product is prohibited by:

- 280 (a) law; or
- 281 (b) court order.
- 282 (51) "Intoxicated" means that a person:
- 283 (a) is significantly impaired as to the person's mental or physical functions as a result of
- 284 the use of:
- 285 (i) an alcoholic product;
- 286 (ii) a controlled substance;
- 287 (iii) a substance having the property of releasing toxic vapors; or
- 288 (iv) a combination of Subsections (51)(a)(i) through (iii); and
- 289 (b) exhibits plain and easily observed outward manifestations of behavior or physical
- 290 signs produced by the over consumption of an alcoholic product.
- 291 (52) "Investigator" means an individual who is:
- 292 (a) a department compliance officer; or
- 293 (b) a nondepartment enforcement officer.
- 294 (53) "Invitee" is as defined in Section 32B-8-102.
- 295 (54) "License" means:
- 296 (a) a retail license;
- 297 (b) a license issued in accordance with Chapter 11, Manufacturing and Related
- 298 Licenses Act;
- 299 (c) a license issued in accordance with Chapter 12, Liquor Warehousing License Act;
- 300 or
- 301 (d) a license issued in accordance with Chapter 13, Beer Wholesaling License Act.
- 302 (55) "Licensee" means a person who holds a license.
- 303 (56) "Limited-service restaurant license" means a license issued in accordance with
- 304 Chapter 5, Retail License Act, and Chapter 6, Part 3, Limited-service Restaurant License.
- 305 (57) "Limousine" means a motor vehicle licensed by the state or a local authority, other
- 306 than a bus or taxicab:
- 307 (a) in which the driver and a passenger are separated by a partition, glass, or other
- 308 barrier;
- 309 (b) that is provided by a business entity to one or more individuals at a fixed charge in
- 310 accordance with the business entity's tariff; and

311 (c) to give the one or more individuals the exclusive use of the limousine and a driver
312 to travel to one or more specified destinations.

313 (58) (a) (i) "Liquor" means a liquid that:

314 (A) is:

315 (I) alcohol;

316 (II) an alcoholic, spirituous, vinous, fermented, malt, or other liquid;

317 (III) a combination of liquids a part of which is spirituous, vinous, or fermented; or

318 (IV) other drink or drinkable liquid; and

319 (B) (I) contains at least .5% alcohol by volume; and

320 (II) is suitable to use for beverage purposes.

321 (ii) "Liquor" includes:

322 (A) heavy beer;

323 (B) wine; and

324 (C) a flavored malt beverage.

325 (b) "Liquor" does not include beer.

326 (59) "Liquor Control Fund" means the enterprise fund created by Section 32B-2-301.

327 (60) "Liquor warehousing license" means a license that is issued:

328 (a) in accordance with Chapter 12, Liquor Warehousing License Act; and

329 (b) to a person, other than a licensed manufacturer, who engages in the importation for
330 storage, sale, or distribution of liquor regardless of amount.

331 (61) "Local authority" means:

332 (a) for premises that are located in an unincorporated area of a county, the governing
333 body of a county; or

334 (b) for premises that are located in an incorporated city or a town, the governing body
335 of the city or town.

336 (62) "Lounge or bar area" is as defined by rule made by the commission.

337 (63) "Manufacture" means to distill, brew, rectify, mix, compound, process, ferment, or
338 otherwise make an alcoholic product for personal use or for sale or distribution to others.

339 (64) "Member" means an individual who, after paying regular dues, has full privileges
340 in an equity club licensee or fraternal club licensee.

341 (65) (a) "Military installation" means a base, air field, camp, post, station, yard, center,

342 or homeport facility for a ship:

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

344 (B) of the National Guard;

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

346 (iii) including a leased facility.

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

348 (i) civil works;

349 (ii) a rivers and harbors project; or

350 (iii) a flood control project.

351 (66) "Minor" means an individual under the age of 21 years.

352 (67) "Nondepartment enforcement agency" means an agency that:

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

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

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

356 (68) "Nondepartment enforcement officer" means an individual who is:

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

358 (b) employed by a nondepartment enforcement agency.

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

360 (i) licensed in accordance with Chapter 7, Part 2, Off-premise Beer Retailer Local

361 Authority; and

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

363 premises.

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

365 (70) "On-premise banquet license" means a license issued in accordance with Chapter

366 5, Retail License Act, and Chapter 6, Part 6, On-premise Banquet License.

367 (71) "On-premise beer retailer" means a beer retailer who is:

368 (a) authorized to sell, offer for sale, or furnish beer under a license issued in

369 accordance with Chapter 5, Retail License Act, and Chapter 6, Part 7, On-premise Beer

370 Retailer License; and

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

372 premises:

- 373 (i) regardless of whether the beer retailer sells beer for consumption off the licensed
374 premises; and
- 375 (ii) on and after March 1, 2012, operating:
- 376 (A) as a tavern; or
- 377 (B) in a manner that meets the requirements of Subsection 32B-6-703(2)(e)(i).
- 378 (72) "Opaque" means impenetrable to sight.
- 379 (73) "Package agency" means a retail liquor location operated:
- 380 (a) under an agreement with the department; and
- 381 (b) by a person:
- 382 (i) other than the state; and
- 383 (ii) who is authorized by the commission in accordance with Chapter 2, Part 6, Package
384 Agency, to sell packaged liquor for consumption off the premises of the package agency.
- 385 (74) "Package agent" means a person who holds a package agency.
- 386 (75) "Patron" means an individual to whom food, beverages, or services are sold,
387 offered for sale, or furnished, or who consumes an alcoholic product including:
- 388 (a) a customer;
- 389 (b) a member;
- 390 (c) a guest;
- 391 (d) an attendee of a banquet or event;
- 392 (e) an individual who receives room service;
- 393 (f) a resident of a resort;
- 394 (g) a public customer under a resort spa sublicense, as defined in Section 32B-8-102;
- 395 or
- 396 (h) an invitee.
- 397 (76) "Permittee" means a person issued a permit under:
- 398 (a) Chapter 9, Event Permit Act; or
- 399 (b) Chapter 10, Special Use Permit Act.
- 400 (77) "Person subject to administrative action" means:
- 401 (a) a licensee;
- 402 (b) a permittee;
- 403 (c) a manufacturer;

- 404 (d) a supplier;
- 405 (e) an importer;
- 406 (f) one of the following holding a certificate of approval:
- 407 (i) an out-of-state brewer;
- 408 (ii) an out-of-state importer of beer, heavy beer, or flavored malt beverages; or
- 409 (iii) an out-of-state supplier of beer, heavy beer, or flavored malt beverages; or
- 410 (g) staff of:
- 411 (i) a person listed in Subsections (77)(a) through (f); or
- 412 (ii) a package agent.
- 413 (78) "Premises" means a building, enclosure, or room used in connection with the
- 414 storage, sale, furnishing, consumption, manufacture, or distribution, of an alcoholic product,
- 415 unless otherwise defined in this title or rules made by the commission.
- 416 (79) "Prescription" means an order issued by a health care practitioner when:
- 417 (a) the health care practitioner is licensed under Title 58, Occupations and Professions,
- 418 to prescribe a controlled substance, other drug, or device for medicinal purposes;
- 419 (b) the order is made in the course of that health care practitioner's professional
- 420 practice; and
- 421 (c) the order is made for obtaining an alcoholic product for medicinal purposes only.
- 422 (80) (a) "Private event" means a specific social, business, or recreational event:
- 423 (i) for which an entire room, area, or hall is leased or rented in advance by an identified
- 424 group; and
- 425 (ii) that is limited in attendance to people who are specifically designated and their
- 426 guests.
- 427 (b) "Private event" does not include an event to which the general public is invited,
- 428 whether for an admission fee or not.
- 429 (81) (a) "Proof of age" means:
- 430 (i) an identification card;
- 431 (ii) an identification that:
- 432 (A) is substantially similar to an identification card;
- 433 (B) is issued in accordance with the laws of a state other than Utah in which the
- 434 identification is issued;

- 435 (C) includes date of birth; and
436 (D) has a picture affixed;
437 (iii) a valid driver license certificate that:
438 (A) includes date of birth;
439 (B) has a picture affixed; and
440 (C) is issued:
441 (I) under Title 53, Chapter 3, Uniform Driver License Act; or
442 (II) in accordance with the laws of the state in which it is issued;
443 (iv) a military identification card that:
444 (A) includes date of birth; and
445 (B) has a picture affixed; or
446 (v) a valid passport.
447 (b) "Proof of age" does not include a driving privilege card issued in accordance with
448 Section 53-3-207.
- 449 (82) (a) "Public building" means a building or permanent structure that is:
450 (i) owned or leased by:
451 (A) the state; or
452 (B) a local government entity; and
453 (ii) used for:
454 (A) public education;
455 (B) transacting public business; or
456 (C) regularly conducting government activities.
457 (b) "Public building" does not include a building owned by the state or a local
458 government entity when the building is used by a person, in whole or in part, for a proprietary
459 function.
- 460 (83) "Public conveyance" means a conveyance to which the public or a portion of the
461 public has access to and a right to use for transportation, including an airline, railroad, bus,
462 boat, or other public conveyance.
- 463 (84) "Reception center" means a business that:
464 (a) operates facilities that are at least 5,000 square feet; and
465 (b) has as its primary purpose the leasing of the facilities described in Subsection

- 466 (84)(a) to a third party for the third party's event.
- 467 (85) "Reception center license" means a license issued in accordance with Chapter 5,
468 Retail License Act, and Chapter 6, Part 8, Reception Center License.
- 469 (86) (a) "Record" means information that is:
- 470 (i) inscribed on a tangible medium; or
- 471 (ii) stored in an electronic or other medium and is retrievable in a perceivable form.
- 472 (b) "Record" includes:
- 473 (i) a book;
- 474 (ii) a book of account;
- 475 (iii) a paper;
- 476 (iv) a contract;
- 477 (v) an agreement;
- 478 (vi) a document; or
- 479 (vii) a recording in any medium.
- 480 (87) "Residence" means a person's principal place of abode within Utah.
- 481 (88) "Resident," in relation to a resort, is as defined in Section 32B-8-102.
- 482 (89) "Resort" is as defined in Section 32B-8-102.
- 483 (90) "Resort facility" is as defined by the commission by rule.
- 484 (91) "Resort license" means a license issued in accordance with Chapter 5, Retail
485 License Act, and Chapter 8, Resort License Act.
- 486 (92) "Restaurant" means a business location:
- 487 (a) at which a variety of foods are prepared;
- 488 (b) at which complete meals are served to the general public; and
- 489 (c) that is engaged primarily in serving meals to the general public.
- 490 (93) "Retail license" means one of the following licenses issued under this title:
- 491 (a) a full-service restaurant license;
- 492 (b) a master full-service restaurant license;
- 493 ~~(b)~~ (c) a limited-service restaurant license;
- 494 (d) a master limited-service restaurant license;
- 495 ~~(c)~~ (e) a club license;
- 496 ~~(d)~~ (f) an airport lounge license;

497 ~~(e)~~ (g) an on-premise banquet license;

498 ~~(f)~~ (h) an on-premise beer license;

499 ~~(g)~~ (i) a reception center license; or

500 ~~(h)~~ (j) a beer-only restaurant license.

501 (94) "Room service" means furnishing an alcoholic product to a person in a guest room

502 of a:

503 (a) hotel; or

504 (b) resort facility.

505 (95) "Serve" means to place an alcoholic product before an individual.

506 (96) (a) "School" means a building used primarily for the general education of minors.

507 (b) "School" does not include an educational facility.

508 (97) "Sell" or "offer for sale" means a transaction, exchange, or barter whereby, for
509 consideration, an alcoholic product is either directly or indirectly transferred, solicited, ordered,
510 delivered for value, or by a means or under a pretext is promised or obtained, whether done by
511 a person as a principal, proprietor, or as staff, unless otherwise defined in this title or the rules
512 made by the commission.

513 (98) "Sexually oriented entertainer" means a person who while in a state of seminudity
514 appears at or performs:

515 (a) for the entertainment of one or more patrons;

516 (b) on the premises of:

517 (i) a social club licensee; or

518 (ii) a tavern;

519 (c) on behalf of or at the request of the licensee described in Subsection (98)(b);

520 (d) on a contractual or voluntary basis; and

521 (e) whether or not the person is designated as:

522 (i) an employee;

523 (ii) an independent contractor;

524 (iii) an agent of the licensee; or

525 (iv) a different type of classification.

526 (99) "Single event permit" means a permit issued in accordance with Chapter 9, Part 3,
527 Single Event Permit.

528 (100) "Small brewer" means a brewer who manufactures less than 60,000 barrels of
529 beer, heavy beer, and flavored malt beverages per year.

530 (101) "Social club license" means a license issued in accordance with Chapter 5, Retail
531 License Act, and Chapter 6, Part 4, Club License, that is designated by the commission as a
532 social club license.

533 (102) "Special use permit" means a permit issued in accordance with Chapter 10,
534 Special Use Permit Act.

535 (103) (a) "Spirituous liquor" means liquor that is distilled.

536 (b) "Spirituous liquor" includes an alcoholic product defined as a "distilled spirit" by
537 27 U.S.C. Sec. 211 and 27 C.F.R. Sec. 5.11 through 5.23.

538 (104) "Sports center" is as defined by the commission by rule.

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

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

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

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

546 (b) "Staff" includes:

547 (i) an officer;

548 (ii) a director;

549 (iii) an employee;

550 (iv) personnel management;

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

552 (vi) an operator; or

553 (vii) a representative.

554 (106) "State of nudity" means:

555 (a) the appearance of:

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

557 (ii) a human genital;

558 (iii) a human pubic area; or

- 559 (iv) a human anus; or
- 560 (b) a state of dress that fails to opaquely cover:
- 561 (i) the nipple or areola of a female human breast;
- 562 (ii) a human genital;
- 563 (iii) a human pubic area; or
- 564 (iv) a human anus.
- 565 (107) "State of seminudity" means a state of dress in which opaque clothing covers no
- 566 more than:
- 567 (a) the nipple and areola of the female human breast in a shape and color other than the
- 568 natural shape and color of the nipple and areola; and
- 569 (b) the human genitals, pubic area, and anus:
- 570 (i) with no less than the following at its widest point:
- 571 (A) four inches coverage width in the front of the human body; and
- 572 (B) five inches coverage width in the back of the human body; and
- 573 (ii) with coverage that does not taper to less than one inch wide at the narrowest point.
- 574 (108) (a) "State store" means a facility for the sale of packaged liquor:
- 575 (i) located on premises owned or leased by the state; and
- 576 (ii) operated by a state employee.
- 577 (b) "State store" does not include:
- 578 (i) a package agency;
- 579 (ii) a licensee; or
- 580 (iii) a permittee.
- 581 (109) (a) "Storage area" means an area on licensed premises where the licensee stores
- 582 an alcoholic product.
- 583 (b) "Store" means to place or maintain in a location an alcoholic product from which a
- 584 person draws to prepare an alcoholic product to be furnished to a patron, except as provided in
- 585 Subsection 32B-6-205(12)(b)(ii), 32B-6-305(12)(b)(ii), 32B-6-805(15)(b)(ii), or
- 586 32B-6-905(12)(b)(ii).
- 587 (110) "Sublicense" is as defined in Section 32B-8-102.
- 588 (111) "Supplier" means a person who sells an alcoholic product to the department.
- 589 (112) "Tavern" means an on-premise beer retailer who is:

590 (a) issued a license by the commission in accordance with Chapter 5, Retail License
591 Act, and Chapter 6, Part 7, On-premise Beer Retailer License; and

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

594 (113) "Temporary beer event permit" means a permit issued in accordance with
595 Chapter 9, Part 4, Temporary Beer Event Permit.

596 (114) "Temporary domicile" means the principal place of abode within Utah of a
597 person who does not have a present intention to continue residency within Utah permanently or
598 indefinitely.

599 (115) "Translucent" means a substance that allows light to pass through, but does not
600 allow an object or person to be seen through the substance.

601 (116) "Unsaleable liquor merchandise" means a container that:

602 (a) is unsaleable because the container is:

603 (i) unlabeled;

604 (ii) leaky;

605 (iii) damaged;

606 (iv) difficult to open; or

607 (v) partly filled;

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

609 (ii) has contents that are:

610 (A) cloudy;

611 (B) spoiled; or

612 (C) chemically determined to be impure; or

613 (iii) contains:

614 (A) sediment; or

615 (B) a foreign substance; or

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

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

620 (b) "Wine" is considered liquor for purposes of this title, except as otherwise provided

621 in this title.

622 (118) "Winery manufacturing license" means a license issued in accordance with
623 Chapter 11, Part 3, Winery Manufacturing License.

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

625 **32B-2-202. Powers and duties of the commission.**

626 (1) The commission shall:

627 (a) consistent with the policy established by the Legislature by statute, act as a general
628 policymaking body on the subject of alcoholic product control;

629 (b) adopt and issue policies, rules, and procedures;

630 (c) set policy by written rules that establish criteria and procedures for:

631 (i) issuing, denying, not renewing, suspending, or revoking a package agency, license,
632 permit, or certificate of approval; and

633 (ii) determining the location of a state store, package agency, or retail licensee;

634 (d) decide within the limits, and under the conditions imposed by this title, the number
635 and location of state stores, package agencies, and retail licensees in the state;

636 (e) issue, deny, suspend, revoke, or not renew the following package agencies, licenses,
637 permits, or certificates of approval for the purchase, storage, sale, offer for sale, furnishing,
638 consumption, manufacture, and distribution of an alcoholic product:

639 (i) a package agency;

640 (ii) a full-service restaurant license;

641 (iii) a master full-service restaurant license;

642 [~~(iii)~~] (iv) a limited-service restaurant license;

643 (v) a master limited-service restaurant license;

644 [~~(iv)~~] (vi) a club license;

645 [~~(v)~~] (vii) an airport lounge license;

646 [~~(vi)~~] (viii) an on-premise banquet license;

647 [~~(vii)~~] (ix) a resort license, under which four or more sublicenses may be included;

648 [~~(viii)~~] (x) an on-premise beer retailer license;

649 [~~(ix)~~] (xi) a reception center license;

650 [~~(x)~~] (xii) a beer-only restaurant license;

651 [~~(xi)~~] (xiii) subject to Subsection (4), a single event permit;

- 652 [~~(xii)~~] (xiv) subject to Subsection (4), a temporary beer event permit;
- 653 [~~(xiii)~~] (xv) a special use permit;
- 654 [~~(xiv)~~] (xvi) a manufacturing license;
- 655 [~~(xv)~~] (xvii) a liquor warehousing license;
- 656 [~~(xvi)~~] (xviii) a beer wholesaling license; and
- 657 [~~(xvii)~~] (xix) one of the following that holds a certificate of approval:
- 658 (A) an out-of-state brewer;
- 659 (B) an out-of-state importer of beer, heavy beer, or flavored malt beverages; and
- 660 (C) an out-of-state supplier of beer, heavy beer, or flavored malt beverages;
- 661 (f) in accordance with Section 32B-5-205, issue, deny, suspend, or revoke one of the
- 662 following conditional licenses for the purchase, storage, sale, furnishing, consumption,
- 663 manufacture, and distribution of an alcoholic product:
- 664 (i) a conditional full-service restaurant license; or
- 665 (ii) a conditional limited-service restaurant license;
- 666 (g) prescribe the duties of the department in assisting the commission in issuing a
- 667 package agency, license, permit, or certificate of approval under this title;
- 668 (h) to the extent a fee is not specified in this title, establish a fee allowed under this title
- 669 in accordance with Section 63J-1-504;
- 670 (i) fix prices at which liquor is sold that are the same at all state stores, package
- 671 agencies, and retail licensees;
- 672 (j) issue and distribute price lists showing the price to be paid by a purchaser for each
- 673 class, variety, or brand of liquor kept for sale by the department;
- 674 (k) (i) require the director to follow sound management principles; and
- 675 (ii) require periodic reporting from the director to ensure that:
- 676 (A) sound management principles are being followed; and
- 677 (B) policies established by the commission are being observed;
- 678 (l) (i) receive, consider, and act in a timely manner upon the reports, recommendations,
- 679 and matters submitted by the director to the commission; and
- 680 (ii) do the things necessary to support the department in properly performing the
- 681 department's duties;
- 682 (m) obtain temporarily and for special purposes the services of an expert or person

683 engaged in the practice of a profession, or a person who possesses a needed skill if:

684 (i) considered expedient; and

685 (ii) approved by the governor;

686 (n) prescribe the conduct, management, and equipment of premises upon which an
687 alcoholic product may be stored, sold, offered for sale, furnished, or consumed;

688 (o) make rules governing the credit terms of beer sales within the state to retail
689 licensees; and

690 (p) in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, take
691 disciplinary action against a person subject to administrative action.

692 (2) Consistent with the policy established by the Legislature by statute, the power of the
693 commission to do the following is plenary, except as otherwise provided by this title, and not
694 subject to review:

695 (a) establish a state store;

696 (b) issue authority to act as a package agent or operate a package agency; and

697 (c) issue or deny a license, permit, or certificate of approval.

698 (3) If the commission is authorized or required to make a rule under this title, the
699 commission shall make the rule in accordance with Title 63G, Chapter 3, Utah Administrative
700 Rulemaking Act.

701 (4) Notwithstanding Subsections (1)(e)(xi) and (xii), the director or deputy director
702 may issue an event permit in accordance with Chapter 9, Event Permit Act.

703 Section 3. Section **32B-6-206** is enacted to read:

704 **32B-6-206. Master full-service restaurant license.**

705 (1) The commission may issue a master full-service restaurant license that authorizes a
706 person to store, sell, offer for sale, furnish, or allow the consumption of an alcoholic product on
707 premises at multiple locations as full-service restaurants if the person applying for the master
708 full-service restaurant license:

709 (a) owns each of the full-service restaurants; and

710 (b) except for the fee requirements, establishes to the satisfaction of the commission
711 that each location of a full-service restaurant under the master full-service restaurant license
712 separately meets the requirements of this part.

713 (2) Notwithstanding Subsection (1)(b), a master full-service restaurant license is

714 considered a single full-service restaurant license for purposes of Subsection 32B-6-203(3)(a).

715 (3) (a) A master full-service restaurant license expires on October 31 of each year.

716 (b) To renew a person's full-service restaurant license, a person shall comply with the

717 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than

718 September 30.

719 (4) (a) The nonrefundable application fee for a master full-service restaurant license is

720 \$330.

721 (b) The initial license fee for a master full-service restaurant license is \$1,500 plus a

722 separate initial license fee for each newly licensed full-service restaurant license under the

723 master full-service restaurant license determined in accordance with Section 32B-6-204(3)(b).

724 (c) The renewal fee for a master full-service restaurant license is \$100 plus a separate

725 renewal fee for each full-service license under the master full-service restaurant license

726 determined in accordance with Subsection 32B-6-204(3)(c).

727 (5) A new location may be added to a master full-service restaurant license after the

728 master full-service restaurant license is issued if:

729 (a) the master full-service restaurant licensee pays a nonrefundable application fee of

730 \$330; and

731 (b) including payment of the initial license fee, the location separately meets the

732 requirements of this part.

733 (6) If there is a violation of Section 32B-6-205 at any location covered by a master

734 full-service restaurant license, the violation may result in disciplinary action in accordance with

735 Chapter 3, Disciplinary Actions and Enforcement Act, against:

736 (a) a master full-service restaurant licensee;

737 (b) a single location under a master full-service restaurant license;

738 (c) individual staff of a master full-service restaurant licensee or location under the

739 master full-service restaurant license; or

740 (d) a combination of persons or locations described in Subsections (5)(a) through (c).

741 (7) The commission may make rules, in accordance with Title 63G, Chapter 3, Utah

742 Administrative Rulemaking Act, to establish how a person may apply for a master full-service

743 restaurant license under this section.

744 (8) Subject to this section, for purposes of this title, a master full-service restaurant

745 license shall be treated as a full-service restaurant license at each location covered by the
746 master full-service restaurant license.

747 Section 4. Section **32B-6-306** is enacted to read:

748 **32B-6-306. Master limited-service restaurant license.**

749 (1) The commission may issue a master limited-service restaurant license that
750 authorizes a person to store, sell, offer for sale, furnish, or allow the consumption of an
751 alcoholic product on premises at multiple locations as limited-service restaurants if the person
752 applying for the master limited-service restaurant license:

753 (a) owns each of the limited-service restaurants; and

754 (b) except for the fee requirements, establishes to the satisfaction of the commission
755 that each location of a limited-service restaurant under the master limited-service restaurant
756 license separately meets the requirements of this part.

757 (2) Notwithstanding Subsection (1)(b), a master limited-service restaurant license is
758 considered a single limited-service restaurant license for purposes of Subsection
759 32B-6-303(3)(a).

760 (3) (a) A master limited-service restaurant license expires on October 31 of each year.

761 (b) To renew a person's master limited-service restaurant license, a person shall comply
762 with the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
763 September 30.

764 (4) (a) The nonrefundable application fee for a master limited-service restaurant license
765 is \$330.

766 (b) The initial license fee for a master limited-service restaurant license is \$750 plus a
767 separate initial license fee for each newly licensed limited-service restaurant license under the
768 master limited-service restaurant license determined in accordance with Section
769 32B-6-304(3)(b).

770 (c) The renewal fee for a master limited-service restaurant license is \$50 plus a
771 separate renewal fee for each limited-service license under the master limited-service restaurant
772 license determined in accordance with Subsection 32B-6-304(3)(c).

773 (5) A new location may be added to a master limited-service restaurant license after the
774 master limited-service restaurant license is issued if:

775 (a) the master limited-service restaurant licensee pays a nonrefundable application fee

776 of \$330; and

777 (b) including payment of the initial license fee, the location separately meets the
778 requirements of this part.

779 (6) If there is a violation of Section 32B-6-305 at any location covered by a master
780 limited-service restaurant license, the violation may result in disciplinary action in accordance
781 with Chapter 3, Disciplinary Actions and Enforcement Act, against:

782 (a) a master limited-service restaurant licensee;

783 (b) a single location under a master limited-service restaurant license;

784 (c) individual staff of a master limited-service restaurant licensee or location under the
785 master limited-service restaurant licence; or

786 (d) a combination of persons or locations described in Subsections (5)(a) through (c).

787 (7) The commission may make rules, in accordance with Title 63G, Chapter 3, Utah
788 Administrative Rulemaking Act, to establish how a person may apply for a master
789 limited-service restaurant license under this section.

790 (8) Subject to this section, for purposes of this title, a master limited-service restaurant
791 license shall be treated as a limited-service restaurant license at each location covered by the
792 master limited-service restaurant license.