

Part 3

Operational Requirements for Beer Wholesaling License

32B-13-301 General operational requirements for beer wholesaling license.

- (1)
 - (a) A beer wholesaler licensee and staff of the beer wholesaler licensee shall comply with this title and the rules of the commission.
 - (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:
 - (i) a beer wholesaler licensee;
 - (ii) individual staff of a beer wholesaler licensee; or
 - (iii) both a beer wholesaler licensee and staff of the beer wholesaler licensee.
- (2)
 - (a) A beer wholesaler licensee shall make and maintain the records required by the department.
 - (b) Section 32B-1-205 applies to a record required to be made or maintained in accordance with this Subsection (2).
- (3) A beer wholesaler licensee may not employ a minor to handle an alcoholic product.
- (4) A beer wholesaler licensee may not sell, transfer, assign, exchange, barter, give, or attempt in any way to dispose of the beer wholesaling license to a person, whether for monetary gain or not, unless it is done:
 - (a) in accordance with the commission rules; and
 - (b) after written consent is given by the commission.
- (5) A beer wholesaler licensee may not wholesale a beer manufactured within the state by a brewer who is not licensed by the commission as a brewery manufacturing licensee.
- (6) A beer wholesaler licensee may not wholesale a beer manufactured out of state by a brewer who has not obtained a certificate of approval from the department.
- (7)
 - (a) A beer wholesaler licensee may not sell or distribute beer to a person within the state except to:
 - (i) a retail licensee;
 - (ii) an off-premise beer retailer; or
 - (iii) an event permittee.
 - (b) A violation of this Subsection (7) is a class A misdemeanor.
- (8)
 - (a) A beer wholesaler licensee may not sell or distribute a beer to a person who sells the beer at retail outside of a sales territory designated on its application and authorized by an agreement described in Subsection 32B-13-202(8), except that if a beer wholesaler licensee is temporarily unable to supply a person within the beer wholesaler licensee's authorized sales territory, the department may grant temporary authority to another beer wholesaler licensee who distributes the same brand in another sales territory to supply:
 - (i) a retail licensee; or
 - (ii) an off-premise beer retailer.
 - (b) A violation of this Subsection (8) is a class B misdemeanor.
- (9)
 - (a) A beer wholesaler licensee shall own, lease, or otherwise control and maintain a warehouse facility located in this state for the receipt, storage, and further distribution of beer sold by the beer wholesaler licensee to a person within the state.

- (b) A beer wholesaler licensee may not sell beer to a person in this state, other than the department, unless the beer is first:
 - (i) physically removed from the vehicle used to transport the beer from the supplier to the beer wholesaler licensee; and
 - (ii) delivered into the actual possession and control of the beer wholesaler licensee in its warehouse or other facility.
- (10) A beer wholesaler licensee may not sell or distribute an alcoholic product that has not had its label and packaging approved by the department in accordance with Chapter 1, Part 6, Malted Beverage Act.
- (11) The commission may prescribe by policy or rule, consistent with this title, the general operational requirements of a beer wholesaling licensee relating to:
 - (a) physical facilities; and
 - (b) the conditions of importation, purchase, storage, sale, offering for sale, distribution, or transportation of beer within the state.

Amended by Chapter 334, 2011 General Session

32B-13-302 Notifying the department of a change of ownership.

The commission may suspend or revoke a beer wholesaling license if a beer wholesaler licensee does not immediately notify the department of change in:

- (1) ownership of the beer wholesaler licensee;
- (2) for a corporate owner, the:
 - (a) corporate officers or directors; or
 - (b) shareholders holding at least 20% of the total issued and outstanding stock of the corporation; or
- (3) for a limited liability company:
 - (a) managers; or
 - (b) members owning at least 20% of the limited liability company.

Enacted by Chapter 276, 2010 General Session