

1 **WINERY AMENDMENTS**

2 2000 GENERAL SESSION

3 STATE OF UTAH

4 **Sponsor: Leonard M. Blackham**

5 AN ACT RELATING TO ALCOHOLIC BEVERAGES; PROHIBITING UNDER CERTAIN
6 CIRCUMSTANCES A REQUIREMENT THAT SMALL WINERIES PAY TO THE STATE A
7 STATUTORILY REQUIRED MARK UP; AND MAKING TECHNICAL CHANGES.

8 This act affects sections of Utah Code Annotated 1953 as follows:

9 AMENDS:

10 **32A-8-201**, as last amended by Chapter 277, Laws of Utah 1991

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

12 Section 1. Section **32A-8-201** is amended to read:

13 **32A-8-201. Authority and operational restrictions.**

14 (1) A winery license authorizes the licensee to:

15 (a) import, manufacture, store, transport, or export wines;

16 (b) sell wines at wholesale to the department and to out-of-state customers;

17 (c) purchase liquor for fortifying wine, if the department is notified of the purchase and
18 date of delivery; and

19 (d) warehouse on its premises liquor that has been manufactured or purchased for
20 manufacturing purposes.

21 (2) All wine, brandy, wine spirits, or other liquor imported under authority of a winery
22 license shall conform to the standards of identity and quality established in the Federal Alcohol
23 Administration regulations.

24 (3) If considered necessary, the commission or department may:

25 (a) require certain alterations to the plant, equipment, or premises;

26 (b) require the alteration or removal of any unsuitable wine-making equipment or material;

27 (c) require a licensee to clean, disinfect, ventilate, or otherwise improve the sanitary and

28 working conditions of any plant, premises, and wine-making equipment;

29 (d) demand that any marc, pomace, or fruit considered unfit for wine making, or producing
30 or likely to produce an unsanitary condition, be destroyed, denatured, or removed from the
31 premises;

32 (e) require a licensee to distill or cause to be distilled or disposed of under the department's
33 supervision, any unsound, poor quality finished wine, or unfinished wine that will not be
34 satisfactory when finished; or

35 (f) demand that all books, records, or data pertaining to the grapes and other materials and
36 ingredients used in the manufacture of wine, are available to the commission or department upon
37 request.

38 (4) A winery licensee may not permit any wine to be consumed on its premises, except
39 under the [following] circumstances[:] described in Subsections (4)(a) through (c).

40 (a) A winery licensee may allow its employees to consume on the premises wine as the
41 wine maker may furnish to them without charge.

42 (b) A winery licensee may allow any person who can lawfully buy wine for wholesale or
43 retail distribution to consume bona fide samples of its product on the winery premises.

44 (c) A winery licensee may operate [~~on its manufacturing premises~~] a retail facility allowing
45 consumption[,:] of samples on premises[,:] of wine:

46 (i) as long as food is also available[. Any such retail facility located on the premises of
47 a winery licensee shall be operated or supervised by the winery licensee.]; and

48 (ii) the retail facility is located on its manufacturing premise.

49 (5) The federal definitions, standards of identity, and quality and labeling requirements for
50 wine, in the Federal Alcoholic Administration regulations, and amendments made to that
51 document, are adopted to the extent they are not contrary to or inconsistent with the laws of this
52 state.

53 (6) The commission or department may not require a winery licensee to pay the state any
54 portion of the mark up required under Section 32A-1-122 for wine sold:

55 (a) at a retail facility described in Subsection (4)(c); and

56 (b) by a winery licensee subject to the markup described in Subsection 32A-1-122(3).

Legislative Review Note

as of 1-28-00 5:02 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel