

ALCOHOLIC BEVERAGES ON ELECTION DAY

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Scott D. McCoy

House Sponsor: Gregory H. Hughes

LONG TITLE

General Description:

This bill modifies provisions related to when alcoholic beverages may be sold, delivered, offered, served, or otherwise furnished.

Highlighted Provisions:

This bill:

- ▶ addresses operational restrictions related to certain package agencies, permits, and licenses imposed on the basis that an action occurs on an election day; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

32A-3-106, as last amended by Laws of Utah 2007, Chapter 329

32A-4-106, as last amended by Laws of Utah 2007, Chapters 284, 329, and 341

32A-4-307, as last amended by Laws of Utah 2007, Chapters 284, 329, and 341

32A-4-406, as last amended by Laws of Utah 2007, Chapters 284, and 341

32A-5-107, as last amended by Laws of Utah 2007, Chapters 284, 329, and 341

32A-7-106, as last amended by Laws of Utah 2007, Chapters 284, and 341



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

Section 1. Section **32A-3-106** is amended to read:

32A-3-106. Operational restrictions.

(1) (a) A package agency may not be operated until a package agency agreement has been entered into by the package agent and the department.

(b) The agreement shall state the conditions of operation by which the package agent and the department are bound.

(c) If the package agent violates the conditions, terms, or covenants contained in the agreement[;] or violates any provisions of this title, the department may take whatever action against the agent that is allowed by the package agency agreement.

(d) Actions against the package agent are governed solely by the agreement and may include suspension or revocation of the agency.

(2) (a) A package agency may not purchase liquor from any person except from the department.

(b) At the discretion of the department, liquor may be provided by the department to a package agency for sale on consignment.

(3) The department may pay or otherwise remunerate a package agent on any basis including sales or volume of business done by the agency.

(4) Liquor may not be sold from any package agency except in a sealed package. The package may not be opened on the premises of a package agency.

(5) All liquor sold shall be in packages that are properly marked and labeled in accordance with the rules adopted under this title.

(6) A package agency may not display liquor or price lists in windows or showcases visible to passersby.

(7) (a) An officer, agent, clerk, or employee of a package agency may not consume or allow to be consumed by any person any alcoholic beverage on the premises of a package agency.

(b) Violation of this Subsection (7) is a class B misdemeanor.

(8) Liquor may not be sold except at prices fixed by the commission.

(9) Liquor may not be sold, delivered, or furnished to any:

- 59 (a) minor;
- 60 (b) person actually, apparently, or obviously intoxicated;
- 61 (c) known habitual drunkard; or
- 62 (d) known interdicted person.
- 63 (10) (a) Subject to Subsection (10)(b), sale or delivery of liquor may not be made on or
- 64 from the premises of any package agency nor may any package agency be kept open for the sale
- 65 of liquor:
- 66 (i) ~~(A)~~ on Sunday; or
- 67 ~~[(ii)] (B)~~ on ~~[any]~~ a state or federal legal holiday; and
- 68 ~~[(iii) on any day on which any regular general election, regular primary election, or~~
- 69 ~~statewide special election is held until after the polls are closed;]~~
- 70 ~~[(iv) on any day on which any municipal, local district, special service district, or~~
- 71 ~~school election is held until after the polls are closed, but only within the boundaries of the~~
- 72 ~~municipality, local district, special service district, or school district holding the election and~~
- 73 ~~only if the municipality, local district, special service district, or school district in which the~~
- 74 ~~election is being held notifies the department at least 30 days prior to the date of the election;~~
- 75 ~~or]~~
- 76 ~~[(v)] (ii)~~ except on days and during hours as the commission may direct by rule or
- 77 order.
- 78 (b) The restrictions in ~~[Subsections]~~ Subsection (10)(a)(i) ~~[and (ii)]~~ govern unless:
- 79 (i) the package agency is located at a winery licensed under Chapter 8, Manufacturing
- 80 Licenses;
- 81 (ii) the winery licensed under Chapter 8, Manufacturing Licenses, holds:
- 82 (A) a restaurant liquor license under Chapter 4, Part 1, Restaurant Liquor Licenses; or
- 83 (B) a limited restaurant license under Chapter 4, Part 3, Limited Restaurant Licenses;
- 84 (iii) the restaurant described in Subsection (10)(b)(ii) is located at the winery;
- 85 (iv) the restaurant described in Subsection (10)(b)(ii) sells wines produced at the
- 86 winery;
- 87 (v) the winery described in Subsection (10)(b)(i):
- 88 (A) owns the restaurant; or
- 89 (B) operates the restaurant;

90 (vi) the package agency only sells wine produced at the winery; and
91 (vii) the package agency's days and hours of sale are the same as the days and hours of
92 sale at the restaurant described in Subsection (10)(b)(ii).

93 (c) (i) In addition to the requirements of Subsection (10)(a), the sale or delivery of
94 liquor may not be made on or from the premises of a package agency described in Subsection
95 (10)(c)(ii) and a package agency described in Subsection (10)(c)(ii) may not be open for the
96 sale of liquor until after the polls are closed:

97 (A) on a day on which is held:

98 (I) a regular general election;

99 (II) a regular primary election; or

100 (III) a statewide special election; or

101 (B) on a day on which is held a municipal, local district, special service district, or
102 school election if:

103 (I) the package agency is within the boundaries of the municipality, local district,
104 special service district, or school district holding the election; and

105 (II) the municipality, local district, special service district, or school district in which
106 the election is held notifies the department at least 30 days before the day on which the election
107 is held.

108 (ii) This Subsection (10)(c) applies to a package agency that contracts with the
109 department to sell liquor in a manner similar to a state store, whether or not the operator of the
110 package agency has a source of income that is not from the sale of liquor.

111 (iii) The commission may by rule made in accordance with Title 63, Chapter 46a, Utah
112 Administrative Rulemaking Act, define what constitutes a package agency that sells liquor "in
113 a manner similar to a state store."

114 (11) The package agency certificate issued by the commission shall be permanently
115 posted in a conspicuous place in the package agency.

116 (12) Each package agent shall display in a prominent place in the package agency a
117 sign in large letters stating: "Warning: Driving under the influence of alcohol or drugs is a
118 serious crime that is prosecuted aggressively in Utah."

119 (13) (a) A package agency may not close or cease operation for a period longer than 72
120 hours, unless:

121 (i) the package agency notifies the department in writing at least seven days before the
122 closing; and

123 (ii) the closure or cessation of operation is first approved by the department.

124 (b) Notwithstanding Subsection (13)(a), in the case of emergency closure, immediate
125 notice of closure shall be made to the department by telephone.

126 (c) (i) The department may authorize a closure or cessation of operation for a period
127 not to exceed 60 days.

128 (ii) The department may extend the initial period an additional 30 days upon written
129 request of the package agency and upon a showing of good cause.

130 (iii) A closure or cessation of operation may not exceed a total of 90 days without
131 commission approval.

132 (d) The notice required by Subsection (13)(a) shall include:

133 (i) the dates of closure or cessation of operation;

134 (ii) the reason for the closure or cessation of operation; and

135 (iii) the date on which the agency will reopen or resume operation.

136 (e) Failure of the agency to provide notice and to obtain department authorization prior
137 to closure or cessation of operation shall result in an automatic termination of the package
138 agency contract effective immediately.

139 (f) Failure of the agency to reopen or resume operation by the approved date shall
140 result in an automatic termination of the package agency contract effective on that date.

141 (14) Liquor may not be stored or sold in any place other than as designated in the
142 package agent's application, unless the package agent first applies for and receives approval
143 from the department for a change of location within the package agency premises.

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

147 (i) 21 years of age or older; and

148 (ii) the minor's parent, legal guardian, or spouse.

149 (b) Any package agent or employee of the package agency that has reason to believe
150 that a person who is on the premises of a package agency store is under the age of 21 and is not
151 accompanied by a person described in Subsection (15)(a) may:

152 (i) ask the suspected minor for proof of age;
153 (ii) ask the person who accompanied the suspected minor for proof of age; and
154 (iii) ask the suspected minor or the person who accompanied the suspected minor for
155 proof of parental, guardianship, or spousal relationship.

156 (c) Any package agent or employee of a package agency shall refuse to sell liquor to
157 the suspected minor and to the person who accompanied the suspected minor into the package
158 agency if they fail to provide any of the information specified in Subsection (15)(b).

159 (d) Any package agent or employee of a package agency shall require the suspected
160 minor and the person who accompanied the suspected minor into the package agency to
161 immediately leave the premises of the package agency if they fail to provide any of the
162 information specified in Subsection (15)(b).

163 (16) A package agency may not transfer its operations from one location to another
164 without prior written approval of the commission.

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

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

169 Section 2. Section **32A-4-106** is amended to read:

170 **32A-4-106. Operational restrictions.**

171 Each person granted a restaurant liquor license and the employees and management
172 personnel of the restaurant shall comply with the following conditions and requirements.
173 Failure to comply may result in a suspension or revocation of the license or other disciplinary
174 action taken against individual employees or management personnel.

175 (1) (a) Liquor may not be purchased by a restaurant liquor licensee except from state
176 stores or package agencies.

177 (b) Liquor purchased may be transported by the restaurant liquor licensee from the
178 place of purchase to the licensed premises.

179 (c) Payment for liquor shall be made in accordance with rules established by the
180 commission.

181 (2) A restaurant liquor licensee may sell or provide a primary spirituous liquor only in
182 a quantity not to exceed one ounce per beverage dispensed through a calibrated metered

183 dispensing system approved by the department in accordance with commission rules adopted
184 under this title, except that:

185 (a) spirituous liquor need not be dispensed through a calibrated metered dispensing
186 system if used as a secondary flavoring ingredient in a beverage subject to the following
187 restrictions:

188 (i) the secondary ingredient may be dispensed only in conjunction with the purchase of
189 a primary spirituous liquor;

190 (ii) the secondary ingredient is not the only spirituous liquor in the beverage;

191 (iii) the restaurant liquor licensee shall designate a location where flavorings are stored
192 on the floor plan provided to the department; and

193 (iv) all flavoring containers shall be plainly and conspicuously labeled "flavorings";

194 (b) spirituous liquor need not be dispensed through a calibrated metered dispensing
195 system if used:

196 (i) as a flavoring on desserts; and

197 (ii) in the preparation of flaming food dishes, drinks, and desserts;

198 (c) each restaurant patron may have no more than 2.75 ounces of spirituous liquor at a
199 time; and

200 (d) each restaurant patron may have no more than one spirituous liquor drink at a time
201 before the patron.

202 (3) (a) (i) Wine may be sold and served by the glass or in an individual portion not to
203 exceed five ounces per glass or individual portion.

204 (ii) An individual portion of wine may be served to a patron in more than one glass as
205 long as the total amount of wine does not exceed five ounces.

206 (iii) An individual portion of wine is considered to be one alcoholic beverage under
207 Subsection (7)(e).

208 (b) (i) Wine may be sold and served in containers not exceeding 1.5 liters at prices
209 fixed by the commission to tables of four or more persons.

210 (ii) Wine may be sold and served in containers not exceeding 750 milliliters at prices
211 fixed by the commission to tables of less than four persons.

212 (c) A wine service may be performed and a service charge assessed by the restaurant as
213 authorized by commission rule for wine purchased at the restaurant.

214 (4) (a) Heavy beer may be served in original containers not exceeding one liter at prices
215 fixed by the commission.

216 (b) A service charge may be assessed by the restaurant as authorized by commission
217 rule for heavy beer purchased at the restaurant.

218 (5) (a) (i) Subject to Subsection (5)(a)(ii), a restaurant licensed to sell liquor may sell
219 beer for on-premise consumption:

220 (A) in an open container; and

221 (B) on draft.

222 (ii) Beer sold pursuant to Subsection (5)(a)(i) shall be in a size of container that does
223 not exceed two liters, except that beer may not be sold to an individual patron in a size of
224 container that exceeds one liter.

225 (b) A restaurant licensed under this chapter that sells beer pursuant to Subsection
226 (5)(a):

227 (i) may do so without obtaining a separate on-premise beer retailer license from the
228 commission; and

229 (ii) shall comply with all appropriate operational restrictions under Chapter 10, Beer
230 Retailer Licenses, that apply to on-premise beer retailers except when those restrictions are
231 inconsistent with or less restrictive than the operational restrictions under this part.

232 (c) Failure to comply with the operational restrictions under Chapter 10, Beer Retailer
233 Licenses, required by Subsection (5)(b) may result in a suspension or revocation of the
234 restaurant's:

235 (i) state liquor license; and

236 (ii) alcoholic beverage license issued by the local authority.

237 (6) Alcoholic beverages may not be stored, served, or sold in any place other than as
238 designated in the licensee's application, unless the licensee first applies for and receives
239 approval from the department for a change of location within the restaurant.

240 (7) (a) (i) A patron may only make alcoholic beverage purchases in the restaurant from
241 and be served by a person employed, designated, and trained by the licensee to sell and serve
242 alcoholic beverages.

243 (ii) Notwithstanding Subsection (7)(a)(i), a patron who has purchased bottled wine
244 from an employee of the restaurant or has carried bottled wine onto the premises of the

245 restaurant pursuant to Subsection (14) may thereafter serve wine from the bottle to the patron
246 or others at the patron's table.

247 (b) Alcoholic beverages shall be delivered by a server to the patron.

248 (c) Any alcoholic beverage may only be consumed at the patron's table or counter.

249 (d) Alcoholic beverages may not be served to or consumed by a patron at a bar.

250 (e) Each restaurant patron may have no more than two alcoholic beverages of any kind
251 at a time before the patron, subject to the limitation in Subsection (2)(d).

252 (8) The liquor storage area shall remain locked at all times other than those hours and
253 days when liquor sales are authorized by law.

254 (9) (a) Liquor may not be sold, offered for sale, served, or otherwise furnished at a
255 restaurant [~~during the following days or hours: (i) until after the polls are closed on the day of~~
256 ~~any: (A) regular general election; (B) regular primary election; or (C) statewide special~~
257 ~~election; (ii) until after the polls are closed on the day of any municipal, local district, special~~
258 ~~service district, or school election, but only: (A) within the boundaries of the municipality,~~
259 ~~local district, special service district, or school district; and (B) if required by local ordinance;~~
260 ~~and (iii)] on any [other] day after 12 midnight [and] or before 12 noon.~~

261 (b) The hours of beer sales and service are those specified in Chapter 10, Beer Retailer
262 Licenses, for on-premise beer licensees.

263 (10) Alcoholic beverages may not be sold except in connection with an order for food
264 prepared, sold, and served at the restaurant.

265 (11) Alcoholic beverages may not be sold, served, or otherwise furnished to any:

266 (a) minor;

267 (b) person actually, apparently, or obviously intoxicated;

268 (c) known habitual drunkard; or

269 (d) known interdicted person.

270 (12) (a) (i) Liquor may be sold only at prices fixed by the commission.

271 (ii) Liquor may not be sold at discount prices on any date or at any time.

272 (b) An alcoholic beverage may not be sold at less than the cost of the alcoholic
273 beverage to the licensee.

274 (c) An alcoholic beverage may not be sold at a special or reduced price that encourages
275 over consumption or intoxication.

276 (d) An alcoholic beverage may not be sold at a special or reduced price for only certain
277 hours of the restaurant's business day such as a "happy hour."

278 (e) The sale or service of more than one alcoholic beverage for the price of a single
279 alcoholic beverage is prohibited.

280 (f) The sale or service of an indefinite or unlimited number of alcoholic beverages
281 during any set period for a fixed price is prohibited.

282 (g) A restaurant licensee may not engage in a public promotion involving or offering
283 free alcoholic beverages to the general public.

284 (13) Alcoholic beverages may not be purchased for a patron of a restaurant by:

285 (a) the licensee; or

286 (b) any employee or agent of the licensee.

287 (14) (a) A person may not bring onto the premises of a restaurant liquor licensee any
288 alcoholic beverage for on-premise consumption, except a person may bring, subject to the
289 discretion of the licensee, bottled wine onto the premises of any restaurant liquor licensee for
290 on-premise consumption.

291 (b) Except bottled wine under Subsection (14)(a), a restaurant liquor licensee or its
292 officers, managers, employees, or agents may not allow:

293 (i) a person to bring onto the restaurant premises any alcoholic beverage for on-premise
294 consumption; or

295 (ii) consumption of any such alcoholic beverage on its premises.

296 (c) If bottled wine is carried in by a patron, the patron shall deliver the wine to a server
297 or other representative of the licensee upon entering the restaurant.

298 (d) A wine service may be performed and a service charge assessed by the restaurant as
299 authorized by commission rule for wine carried in by a patron.

300 (15) (a) Except as provided in Subsection (15)(b), a restaurant licensee and its
301 employees may not permit a restaurant patron to carry from the restaurant premises an open
302 container that:

303 (i) is used primarily for drinking purposes; and

304 (ii) contains any alcoholic beverage.

305 (b) Notwithstanding Subsection (15)(a), a restaurant patron may remove from the
306 restaurant the unconsumed contents of a bottle of wine purchased in the restaurant, or brought

307 onto the premises of the restaurant in accordance with Subsection (14), provided the bottle has
308 been recorked or recapped before removal.

309 (16) (a) A minor may not be employed by a restaurant licensee to sell or dispense
310 alcoholic beverages.

311 (b) Notwithstanding Subsection (16)(a), a minor who is at least 16 years of age may be
312 employed to enter the sale at a cash register or other sales recording device.

313 (17) An employee of a restaurant liquor licensee, while on duty, may not:

314 (a) consume an alcoholic beverage; or

315 (b) be intoxicated.

316 (18) Any charge or fee made in connection with the sale, service, or consumption of
317 liquor may be stated in food or alcoholic beverage menus including:

318 (a) a set-up charge;

319 (b) a service charge; or

320 (c) a chilling fee.

321 (19) Each restaurant liquor licensee shall display in a prominent place in the restaurant:

322 (a) the liquor license that is issued by the department;

323 (b) a list of the types and brand names of liquor being served through its calibrated
324 metered dispensing system; and

325 (c) a sign in large letters stating: "Warning: Driving under the influence of alcohol or
326 drugs is a serious crime that is prosecuted aggressively in Utah."

327 (20) A restaurant liquor licensee may not on the premises of the restaurant liquor
328 licensee:

329 (a) engage in or permit any form of gambling, as defined and proscribed in Title 76,
330 Chapter 10, Part 11, Gambling;

331 (b) have any video gaming device, as defined and proscribed by Title 76, Chapter 10,
332 Part 11, Gambling; or

333 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires
334 the risking of something of value for a return or for an outcome when the return or outcome is
335 based upon an element of chance, excluding the playing of an amusement device that confers
336 only an immediate and unrecorded right of replay not exchangeable for value.

337 (21) (a) Each restaurant liquor licensee shall maintain an expense ledger or record

338 showing in detail:

339 (i) quarterly expenditures made separately for:

340 (A) malt or brewed beverages;

341 (B) set-ups;

342 (C) liquor;

343 (D) food; and

344 (E) all other items required by the department; and

345 (ii) sales made separately for:

346 (A) malt or brewed beverages;

347 (B) set-ups;

348 (C) food; and

349 (D) all other items required by the department.

350 (b) The record required by Subsection (21)(a) shall be kept:

351 (i) in a form approved by the department; and

352 (ii) current for each three-month period.

353 (c) Each expenditure shall be supported by:

354 (i) delivery tickets;

355 (ii) invoices;

356 (iii) receipted bills;

357 (iv) canceled checks;

358 (v) petty cash vouchers; or

359 (vi) other sustaining data or memoranda.

360 (d) In addition to a ledger or record required under Subsection (21)(a), a restaurant
361 liquor licensee shall maintain accounting and other records and documents as the department
362 may require.

363 (e) Any restaurant or person acting for the restaurant, who knowingly forges, falsifies,
364 alters, cancels, destroys, conceals, or removes the entries in any of the books of account or
365 other documents of the restaurant required to be made, maintained, or preserved by this title or
366 the rules of the commission for the purpose of deceiving the commission or the department, or
367 any of their officials or employees, is subject to:

368 (i) the suspension or revocation of the restaurant's liquor license; and

- 369 (ii) possible criminal prosecution under Chapter 12, Criminal Offenses.
- 370 (22) (a) A restaurant liquor licensee may not close or cease operation for a period
- 371 longer than 240 hours, unless:
- 372 (i) the restaurant liquor licensee notifies the department in writing at least seven days
- 373 before the closing ; and
- 374 (ii) the closure or cessation of operation is first approved by the department.
- 375 (b) Notwithstanding Subsection (22)(a), in the case of emergency closure, immediate
- 376 notice of closure shall be made to the department by telephone.
- 377 (c) The department may authorize a closure or cessation of operation for a period not
- 378 to exceed 60 days. The department may extend the initial period an additional 30 days upon
- 379 written request of the restaurant licensee and upon a showing of good cause. A closure or
- 380 cessation of operation may not exceed a total of 90 days without commission approval.
- 381 (d) Any notice shall include:
- 382 (i) the dates of closure or cessation of operation;
- 383 (ii) the reason for the closure or cessation of operation; and
- 384 (iii) the date on which the licensee will reopen or resume operation.
- 385 (e) Failure of the licensee to provide notice and to obtain department authorization
- 386 prior to closure or cessation of operation shall result in an automatic forfeiture of:
- 387 (i) the license; and
- 388 (ii) the unused portion of the license fee for the remainder of the license year effective
- 389 immediately.
- 390 (f) Failure of the licensee to reopen or resume operation by the approved date shall
- 391 result in an automatic forfeiture of:
- 392 (i) the license; and
- 393 (ii) the unused portion of the license fee for the remainder of the license year.
- 394 (23) Each restaurant liquor licensee shall maintain at least 70% of its total restaurant
- 395 business from the sale of food, which does not include mix for alcoholic beverages or service
- 396 charges.
- 397 (24) A restaurant liquor license may not be transferred from one location to another,
- 398 without prior written approval of the commission.
- 399 (25) (a) A person, having been granted a restaurant liquor license may not sell, transfer,

400 assign, exchange, barter, give, or attempt in any way to dispose of the license to any other
401 person whether for monetary gain or not.

402 (b) A restaurant liquor license has no monetary value for the purpose of any type of
403 disposition.

404 (26) Each server of alcoholic beverages in a licensee's establishment shall keep a
405 written beverage tab for each table or group that orders or consumes alcoholic beverages on the
406 premises. The beverage tab shall list the type and amount of alcoholic beverages ordered or
407 consumed.

408 (27) A person's willingness to serve alcoholic beverages may not be made a condition
409 of employment as a server with a restaurant that has a restaurant liquor license.

410 Section 3. Section **32A-4-307** is amended to read:

411 **32A-4-307. Operational restrictions.**

412 Each person granted a limited restaurant license and the employees and management
413 personnel of the restaurant shall comply with the following conditions and requirements.
414 Failure to comply may result in a suspension or revocation of the license or other disciplinary
415 action taken against individual employees or management personnel.

416 (1) (a) Wine and heavy beer may not be purchased by a limited restaurant licensee
417 except from state stores or package agencies .

418 (b) Wine and heavy beer purchased in accordance with Subsection (1)(a) may be
419 transported by the licensee from the place of purchase to the licensed premises.

420 (c) Payment for wine and heavy beer shall be made in accordance with rules
421 established by the commission.

422 (2) (a) A limited restaurant licensee may not sell, serve, or allow consumption of
423 spirituous liquor on the premises of the restaurant.

424 (b) Spirituous liquor may not be on the premises of the restaurant except for use:

425 (i) as a flavoring on desserts; and

426 (ii) in the preparation of flaming food dishes, drinks, and desserts.

427 (3) (a) (i) Wine may be sold and served by the glass or an individual portion not to
428 exceed five ounces per glass or individual portion.

429 (ii) An individual portion may be served to a patron in more than one glass as long as
430 the total amount of wine does not exceed five ounces.

431 (iii) An individual portion of wine is considered to be one alcoholic beverage under
432 Subsection (7)(e).

433 (b) (i) Wine may be sold and served in containers not exceeding 1.5 liters at prices
434 fixed by the commission to tables of four or more persons.

435 (ii) Wine may be sold and served in containers not exceeding 750 milliliters at prices
436 fixed by the commission to tables of less than four persons.

437 (c) A wine service may be performed and a service charge assessed by the limited
438 restaurant as authorized by commission rule for wine purchased at the limited restaurant.

439 (4) (a) Heavy beer may be served in original containers not exceeding one liter at prices
440 fixed by the commission.

441 (b) A service charge may be assessed by the limited restaurant as authorized by
442 commission rule for heavy beer purchased at the restaurant.

443 (5) (a) (i) Subject to Subsection (5)(a)(ii), a limited restaurant licensee may sell beer for
444 on-premise consumption:

445 (A) in an open container; and

446 (B) on draft.

447 (ii) Beer sold pursuant to Subsection (5)(a)(i) shall be in a size of container that does
448 not exceed two liters, except that beer may not be sold to an individual patron in a size of
449 container that exceeds one liter.

450 (b) A limited restaurant licensee that sells beer pursuant to Subsection (5)(a):

451 (i) may do so without obtaining a separate on-premise beer retailer license from the
452 commission; and

453 (ii) shall comply with all appropriate operational restrictions under Chapter 10, Beer
454 Retailer Licenses, that apply to on-premise beer retailers except when those restrictions are
455 inconsistent with or less restrictive than the operational restrictions under this part.

456 (c) Failure to comply with the operational restrictions under Chapter 10, Beer Retailer
457 Licenses, required by Subsection (5)(b) may result in a suspension or revocation of the
458 restaurant's:

459 (i) limited restaurant license; and

460 (ii) alcoholic beverage license issued by the local authority.

461 (6) Wine, heavy beer, and beer may not be stored, served, or sold in any place other

462 than as designated in the licensee's application, unless the licensee first applies for and receives
463 approval from the department for a change of location within the restaurant.

464 (7) (a) (i) A patron may only make alcoholic beverage purchases in the limited
465 restaurant from and be served by a person employed, designated, and trained by the licensee to
466 sell and serve alcoholic beverages.

467 (ii) Notwithstanding Subsection (7)(a)(i), a patron who has purchased bottled wine
468 from an employee of the restaurant or has carried bottled wine onto the premises of the
469 restaurant pursuant to Subsection (14) may thereafter serve wine from the bottle to the patron
470 or others at the patron's table.

471 (b) Alcoholic beverages shall be delivered by a server to the patron.

472 (c) Any alcoholic beverage may only be consumed at the patron's table or counter.

473 (d) Alcoholic beverages may not be served to or consumed by a patron at a bar.

474 (e) Each restaurant patron may have no more than two alcoholic beverages of any kind
475 at a time before the patron.

476 (8) The alcoholic beverage storage area shall remain locked at all times other than
477 those hours and days when alcoholic beverage sales are authorized by law.

478 (9) (a) Wine and heavy beer may not be sold, offered for sale, served, or otherwise
479 furnished at a limited restaurant [~~during the following days or hours: (i) until after the polls are
480 closed on the day of any: (A) regular general election; (B) regular primary election; or (C)
481 statewide special election; (ii) until after the polls are closed on the day of any municipal, local
482 district, special service district, or school election, but only: (A) within the boundaries of the
483 municipality, local district, special service district, or school district; and (B) if required by
484 local ordinance; and (iii)] on any [other] day after 12 midnight [and] or before 12 noon.~~

485 (b) The hours of beer sales and service are those specified in Chapter 10, Beer Retailer
486 Licenses, for on-premise beer licensees.

487 (10) Alcoholic beverages may not be sold except in connection with an order of food
488 prepared, sold, and served at the restaurant.

489 (11) Wine, heavy beer, and beer may not be sold, served, or otherwise furnished to
490 [any] a:

491 (a) minor;

492 (b) person actually, apparently, or obviously intoxicated;

493 (c) known habitual drunkard; or

494 (d) known interdicted person.

495 (12) (a) (i) Wine and heavy beer may be sold only at prices fixed by the commission.

496 (ii) Wine and heavy beer may not be sold at discount prices on any date or at any time.

497 (b) Alcoholic beverages may not be sold at less than the cost of the alcoholic beverages
498 to the licensee.

499 (c) An alcoholic beverage may not be sold at a special or reduced price that encourages
500 over consumption or intoxication.

501 (d) An alcoholic beverage may not be sold at a special or reduced price for only certain
502 hours of the limited restaurant's business day such as a "happy hour."

503 (e) The sale or service of more than one alcoholic beverage for the price of a single
504 alcoholic beverage is prohibited.

505 (f) The sale or service of an indefinite or unlimited number of alcoholic beverages
506 during any set period for a fixed price is prohibited.

507 (g) A limited restaurant licensee may not engage in a public promotion involving or
508 offering free alcoholic beverages to the general public.

509 (13) Alcoholic beverages may not be purchased for a patron of the restaurant by:

510 (a) the licensee; or

511 (b) any employee or agent of the licensee.

512 (14) (a) A person may not bring onto the premises of a limited restaurant licensee any
513 alcoholic beverage for on-premise consumption, except a person may bring, subject to the
514 discretion of the licensee, bottled wine onto the premises of any limited restaurant licensee for
515 on-premise consumption.

516 (b) Except bottled wine under Subsection (14)(a), a limited restaurant licensee or its
517 officers, managers, employees, or agents may not allow:

518 (i) a person to bring onto the restaurant premises any alcoholic beverage for on-premise
519 consumption; or

520 (ii) consumption of any alcoholic beverage described in Subsection (14)(b)(i) on its
521 premises.

522 (c) If bottled wine is carried in by a patron, the patron shall deliver the wine to a server
523 or other representative of the licensee upon entering the restaurant.

524 (d) A wine service may be performed and a service charge assessed by the restaurant as
525 authorized by commission rule for wine carried in by a patron.

526 (15) (a) Except as provided in Subsection (15)(b), a limited restaurant licensee and its
527 employees may not permit a restaurant patron to carry from the restaurant premises an open
528 container that:

529 (i) is used primarily for drinking purposes; and

530 (ii) contains any alcoholic beverage.

531 (b) Notwithstanding Subsection (15)(a), a patron may remove the unconsumed
532 contents of a bottle of wine if before removal the bottle has been recorked or recapped.

533 (16) (a) A minor may not be employed by a limited restaurant licensee to sell or
534 dispense alcoholic beverages.

535 (b) Notwithstanding Subsection (16)(a), a minor who is at least 16 years of age may be
536 employed to enter the sale at a cash register or other sales recording device.

537 (17) An employee of a limited restaurant licensee, while on duty, may not:

538 (a) consume an alcoholic beverage; or

539 (b) be intoxicated.

540 (18) A charge or fee made in connection with the sale, service, or consumption of wine
541 or heavy beer may be stated in food or alcoholic beverage menus including:

542 (a) a service charge; or

543 (b) a chilling fee.

544 (19) Each limited restaurant licensee shall display in a prominent place in the
545 restaurant:

546 (a) the license that is issued by the department; and

547 (b) a sign in large letters stating: "Warning: Driving under the influence of alcohol or
548 drugs is a serious crime that is prosecuted aggressively in Utah."

549 (20) A limited restaurant licensee may not on the premises of the restaurant:

550 (a) engage in or permit any form of gambling, as defined and proscribed in Title 76,
551 Chapter 10, Part 11, Gambling;

552 (b) have any video gaming device, as defined and proscribed by Title 76, Chapter 10,
553 Part 11, Gambling; or

554 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires

555 the risking of something of value for a return or for an outcome when the return or outcome is
556 based upon an element of chance, excluding the playing of an amusement device that confers
557 only an immediate and unrecorded right of replay not exchangeable for value.

558 (21) (a) Each limited restaurant licensee shall maintain an expense ledger or record
559 showing in detail:

560 (i) quarterly expenditures made separately for:

561 (A) wine;

562 (B) heavy beer;

563 (C) beer;

564 (D) food; and

565 (E) all other items required by the department; and

566 (ii) sales made separately for:

567 (A) wine;

568 (B) heavy beer;

569 (C) beer;

570 (D) food; and

571 (E) all other items required by the department.

572 (b) The record required by Subsection (21)(a) shall be kept:

573 (i) in a form approved by the department; and

574 (ii) current for each three-month period.

575 (c) Each expenditure shall be supported by:

576 (i) delivery tickets;

577 (ii) invoices;

578 (iii) receipted bills;

579 (iv) canceled checks;

580 (v) petty cash vouchers; or

581 (vi) other sustaining data or memoranda.

582 (d) In addition to the ledger or record maintained under Subsections (21)(a) through
583 (c), a limited restaurant licensee shall maintain accounting and other records and documents as
584 the department may require.

585 (e) Any restaurant or person acting for the restaurant, who knowingly forges, falsifies,

586 alters, cancels, destroys, conceals, or removes the entries in any of the books of account or
587 other documents of the restaurant required to be made, maintained, or preserved by this title or
588 the rules of the commission for the purpose of deceiving the commission or department, or any
589 of their officials or employees, is subject to:

- 590 (i) the suspension or revocation of the limited restaurant's license; and
- 591 (ii) possible criminal prosecution under Chapter 12, Criminal Offenses.

592 (22) (a) A limited restaurant licensee may not close or cease operation for a period
593 longer than 240 hours, unless:

594 (i) the limited restaurant licensee notifies the department in writing at least seven days
595 before the closing ; and

596 (ii) the closure or cessation of operation is first approved by the department.

597 (b) Notwithstanding Subsection (22)(a), in the case of emergency closure, immediate
598 notice of closure shall be made to the department by telephone.

599 (c) (i) Subject to Subsection (22)(c)(iii), the department may authorize a closure or
600 cessation of operation for a period not to exceed 60 days.

601 (ii) The department may extend the initial period an additional 30 days upon:

- 602 (A) written request of the limited restaurant licensee; and
- 603 (B) a showing of good cause.

604 (iii) A closure or cessation of operation may not exceed a total of 90 days without
605 commission approval.

606 (d) Any notice required by Subsection (22)(a) shall include:

- 607 (i) the dates of closure or cessation of operation;
- 608 (ii) the reason for the closure or cessation of operation; and
- 609 (iii) the date on which the licensee will reopen or resume operation.

610 (e) Failure of the licensee to provide notice and to obtain department authorization
611 before closure or cessation of operation shall result in an automatic forfeiture of:

- 612 (i) the license; and
- 613 (ii) the unused portion of the license fee for the remainder of the license year effective
614 immediately.

615 (f) Failure of the licensee to reopen or resume operation by the approved date [~~shall~~
616 ~~result~~] results in an automatic forfeiture of:

617 (i) the license; and

618 (ii) the unused portion of the license fee for the remainder of the license year.

619 (23) Each limited restaurant licensee shall maintain at least 70% of its total restaurant
620 business from the sale of food, which does not include service charges.

621 (24) A limited restaurant license may not be transferred from one location to another,
622 without prior written approval of the commission.

623 (25) (a) A limited restaurant licensee may not sell, transfer, assign, exchange, barter,
624 give, or attempt in any way to dispose of the license to any other person whether for monetary
625 gain or not.

626 (b) A limited restaurant license has no monetary value for the purpose of any type of
627 disposition.

628 (26) (a) Each server of wine, heavy beer, and beer in a limited restaurant licensee's
629 establishment shall keep a written beverage tab for each table or group that orders or consumes
630 alcoholic beverages on the premises.

631 (b) The beverage tab required by Subsection (26)(a) shall list the type and amount of
632 alcoholic beverages ordered or consumed.

633 (27) A limited restaurant licensee may not make a person's willingness to serve
634 alcoholic beverages a condition of employment as a server with the restaurant.

635 Section 4. Section **32A-4-406** is amended to read:

636 **32A-4-406. Operational restrictions.**

637 Each person granted an on-premise banquet license and the employees and management
638 personnel of the on-premise banquet licensee shall comply with this title, the rules of the
639 commission, and the following conditions and requirements. Failure to comply may result in a
640 suspension or revocation of the license or other disciplinary action taken against individual
641 employees or management personnel.

642 (1) A person involved in the sale or service of alcoholic beverages under the
643 on-premise banquet license shall:

644 (a) be under the supervision and direction of the on-premise banquet licensee; and

645 (b) complete the seminar provided for in Section 62A-15-401.

646 (2) (a) Liquor may not be purchased by the on-premise banquet licensee except from
647 state stores or package agencies.

648 (b) Liquor purchased in accordance with Subsection (2)(a) may be transported by the
649 on-premise banquet licensee from the place of purchase to the licensed premises.

650 (c) Payment for liquor shall be made in accordance with rules established by the
651 commission.

652 (3) Alcoholic beverages may be sold or provided at a banquet subject to the restrictions
653 set forth in this Subsection (3).

654 (a) An on-premise banquet licensee may sell or provide any primary spirituous liquor
655 only in a quantity not to exceed one ounce per beverage dispensed through a calibrated metered
656 dispensing system approved by the department in accordance with commission rules adopted
657 under this title, except that:

658 (i) spirituous liquor need not be dispensed through a calibrated metered dispensing
659 system if used as a secondary flavoring ingredient in a beverage subject to the following
660 restrictions:

661 (A) the secondary ingredient may be dispensed only in conjunction with the purchase
662 of a primary spirituous liquor;

663 (B) the secondary ingredient may not be the only spirituous liquor in the beverage;

664 (C) the on-premise banquet licensee shall designate a location where flavorings are
665 stored on the floor plan provided to the department; and

666 (D) all flavoring containers shall be plainly and conspicuously labeled "flavorings";

667 (ii) spirituous liquor need not be dispensed through a calibrated metered dispensing
668 system if used:

669 (A) as a flavoring on desserts; and

670 (B) in the preparation of flaming food dishes, drinks, and desserts;

671 (iii) each attendee may have no more than 2.75 ounces of spirituous liquor at a time
672 before the attendee; and

673 (iv) each attendee may have no more than one spirituous liquor drink at a time before
674 the attendee.

675 (b) (i) (A) Wine may be sold and served by the glass or an individual portion not to
676 exceed five ounces per glass or individual portion.

677 (B) An individual portion may be served to an attendee in more than one glass as long
678 as the total amount of wine does not exceed five ounces.

679 (C) An individual portion of wine is considered to be one alcoholic beverage under
680 Subsection (5)(c).

681 (ii) Wine may be sold and served in containers not exceeding 1.5 liters at prices fixed
682 by the commission.

683 (iii) A wine service may be performed and a service charge assessed by the on-premise
684 banquet licensee as authorized by commission rule for wine purchased on the banquet
685 premises.

686 (c) (i) Heavy beer may be served in original containers not exceeding one liter at prices
687 fixed by the commission.

688 (ii) A service charge may be assessed by the on-premise banquet licensee as authorized
689 by commission rule for heavy beer purchased on the banquet premises.

690 (d) (i) Except as provided in Subsection (3)(d)(ii), beer may be sold and served for
691 on-premise consumption:

692 (A) in an open container; and

693 (B) on draft.

694 (ii) Beer sold pursuant to Subsection (3)(d)(i) shall be in a size of container that does
695 not exceed two liters, except that beer may not be sold to an individual attendee in a container
696 size that exceeds one liter.

697 (4) Alcoholic beverages may not be stored, served, or sold in any place other than as
698 designated in the on-premise banquet licensee's application, except that additional locations in
699 or on the premises of an on-premise banquet licensee may be approved in accordance with
700 guidelines approved by the commission as provided in Subsection 32A-4-402(2).

701 (5) (a) An attendee may only make alcoholic beverage purchases from and be served by
702 a person employed, designated, and trained by the on-premise banquet licensee to sell and
703 serve alcoholic beverages.

704 (b) Notwithstanding Subsection (5)(a), an attendee who has purchased bottled wine
705 from an employee of the on-premise banquet licensee may thereafter serve wine from the bottle
706 to the attendee or others at the attendee's table.

707 (c) Each attendee may have no more than two alcoholic beverages of any kind at a time
708 before the attendee.

709 (6) The alcoholic beverage storage area shall remain locked at all times other than

710 those hours and days when alcoholic beverage sales are authorized by law.

711 (7) ~~[(a) Except as provided in Subsection (7)(b), alcoholic]~~ Alcoholic beverages may
712 be offered for sale, sold, served, or otherwise furnished from 10 a.m. to 1 a.m. seven days a
713 week:

714 ~~[(i)]~~ (a) at a banquet; or

715 ~~[(ii)]~~ (b) in connection with room service.

716 ~~[(b) Notwithstanding Subsection (7)(a), a sale or service of liquor may not occur at a~~
717 ~~banquet or in connection with room service until after the polls are closed on the day of:]~~

718 ~~[(i) a regular general election;]~~

719 ~~[(ii) a regular primary election; or]~~

720 ~~[(iii) a statewide special election.]~~

721 (8) Alcoholic beverages may not be sold, served, or otherwise furnished to any:

722 (a) minor;

723 (b) person actually, apparently, or obviously intoxicated;

724 (c) known habitual drunkard; or

725 (d) known interdicted person.

726 (9) (a) (i) Liquor may be sold only at prices fixed by the commission.

727 (ii) Liquor may not be sold at discount prices on any date or at any time.

728 (b) Alcoholic beverages may not be sold at less than the cost of the alcoholic beverage
729 to the licensee.

730 (c) An alcoholic beverage may not be sold at a special or reduced price that encourages
731 over consumption or intoxication.

732 (d) An alcoholic beverage may not be sold at a special or reduced price for only certain
733 hours of the on-premise banquet licensee's business day such as a "happy hour."

734 (e) The sale or service of more than one alcoholic beverage for the price of a single
735 alcoholic beverage is prohibited.

736 (f) An on-premise banquet licensee may not engage in a public promotion involving or
737 offering free alcoholic beverages to the general public.

738 (10) Alcoholic beverages may not be purchased for an attendee by:

739 (a) the on-premise banquet licensee; or

740 (b) any employee or agent of the on-premise banquet licensee.

741 (11) An attendee of a banquet may not bring any alcoholic beverage into or onto, or
742 remove any alcoholic beverage from the premises of a banquet.

743 (12) (a) Except as otherwise provided in this title, the sale and service of alcoholic
744 beverages by an on-premise banquet licensee at a banquet shall be made only for consumption
745 at the location of the banquet.

746 (b) The host of a banquet, an attendee, or any other person other than the on-premise
747 banquet licensee or its employees, may not remove any alcoholic beverage from the premises
748 of the banquet.

749 (13) An on-premise banquet licensee employee shall remain at the banquet at all times
750 when alcoholic beverages are being sold, served, or consumed at the banquet.

751 (14) (a) An on-premise banquet licensee may not leave any unsold alcoholic beverages
752 at the banquet following the conclusion of the banquet.

753 (b) At the conclusion of a banquet, the on-premise banquet licensee or its employees,
754 shall:

755 (i) destroy any opened and unused alcoholic beverages that are not saleable, under
756 conditions established by the department; and

757 (ii) return to the on-premise banquet licensee's approved locked storage area any:

758 (A) opened and unused alcoholic beverage that is saleable; and

759 (B) unopened containers of alcoholic beverages.

760 (15) Except as provided in Subsection (14), any open or sealed container of alcoholic
761 beverages not sold or consumed at a banquet:

762 (a) shall be stored by the on-premise banquet licensee in the licensee's approved locked
763 storage area; and

764 (b) may be used at more than one banquet.

765 (16) An on-premise banquet licensee may not employ a minor to sell, serve, dispense,
766 or otherwise furnish alcoholic beverages in connection with the licensee's banquet and room
767 service activities.

768 (17) An employee of an on-premise banquet licensee, while on duty, may not:

769 (a) consume an alcoholic beverage; or

770 (b) be intoxicated.

771 (18) An on-premise banquet licensee shall prominently display at each banquet at

772 which alcoholic beverages are sold or served:

773 (a) a copy of the licensee's on-premise banquet license; and

774 (b) a sign in large letters stating: "Warning: Driving under the influence of alcohol or
775 drugs is a serious crime that is prosecuted aggressively in Utah."

776 (19) An on-premise banquet licensee may not on the premises of the hotel, resort
777 facility, sports center, or convention center:

778 (a) engage in or permit any form of gambling, as defined and proscribed in Title 76,
779 Chapter 10, Part 11, Gambling;

780 (b) have any video gaming device, as defined and proscribed by Title 76, Chapter 10,
781 Part 11, Gambling; or

782 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires
783 the risking of something of value for a return or for an outcome when the return or outcome is
784 based upon an element of chance, excluding the playing of an amusement device that confers
785 only an immediate and unrecorded right of replay not exchangeable for value.

786 (20) (a) An on-premise banquet licensee shall maintain accounting and such other
787 records and documents as the commission or department may require.

788 (b) An on-premise banquet licensee or person acting for the on-premise banquet
789 licensee, who knowingly forges, falsifies, alters, cancels, destroys, conceals, or removes the
790 entries in any of the books of account or other documents of the on-premise banquet licensee
791 required to be made, maintained, or preserved by this title or the rules of the commission for
792 the purpose of deceiving the commission or department, or any of their officials or employees,
793 is subject to:

794 (i) the suspension or revocation of the on-premise banquet license; and

795 (ii) possible criminal prosecution under Chapter 12, Criminal Offenses.

796 (21) (a) For the purpose described in Subsection (21)(b), an on-premise banquet
797 licensee shall provide the department with advance notice of a scheduled banquet in
798 accordance with rules made by the commission in accordance with Title 63, Chapter 46a, Utah
799 Administrative Rulemaking Act.

800 (b) The advance notice required by Subsection (21)(a) is required to provide any of the
801 following the opportunity to conduct a random inspection of a banquet:

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

803 (ii) a law enforcement officer.

804 (22) An on-premise banquet licensee shall maintain at least 50% of its total annual
805 banquet gross receipts from the sale of food, not including:

806 (a) mix for alcoholic beverages; and

807 (b) charges in connection with the service of alcoholic beverages.

808 (23) A person may not transfer an on-premise banquet license from one business
809 location to another without prior written approval of the commission.

810 (24) (a) An on-premise banquet licensee may not sell, transfer, assign, exchange,
811 barter, give, or attempt in any way to dispose of the license to any other person, whether for
812 monetary gain or not.

813 (b) An on-premise banquet license has no monetary value for the purpose of any type
814 of disposition.

815 (25) (a) Room service of alcoholic beverages to a guest room of a hotel or resort
816 facility shall be provided in person by an on-premise banquet licensee employee only to an
817 adult guest in the guest room.

818 (b) Alcoholic beverages may not be left outside a guest room for retrieval by a guest.

819 (c) An on-premise banquet licensee may only provide alcoholic beverages for room
820 service in sealed containers.

821 Section 5. Section **32A-5-107** is amended to read:

822 **32A-5-107. Operational restrictions.**

823 Each club granted a private club license and the employees, management personnel, and
824 members of the club shall comply with the following conditions and requirements. Failure to
825 comply may result in a suspension or revocation of the license or other disciplinary action
826 taken against individual employees or management personnel.

827 (1) Each private club shall have a governing body that:

828 (a) consists of three or more members of the club; and

829 (b) holds regular meetings to:

830 (i) review membership applications; and

831 (ii) conduct any other business as required by the bylaws or house rules of the private
832 club.

833 (2) (a) Each private club may admit an individual as a member only on written

834 application signed by the applicant, subject to:

835 (i) the applicant paying an application fee as required by Subsection (4); and

836 (ii) investigation, vote, and approval of a quorum of the governing body.

837 (b) (i) Admissions shall be recorded in the official minutes of a regular meeting of the
838 governing body.

839 (ii) An application, whether approved or disapproved, shall be filed as a part of the
840 official records of the licensee.

841 (c) Notwithstanding Subsection (2)(a), a private club, in its discretion, may admit an
842 applicant and immediately accord the applicant temporary privileges of a member until the
843 governing body completes its investigation and votes on the application, subject to the
844 following conditions:

845 (i) the applicant shall:

846 (A) submit a written application; and

847 (B) pay the application fee required by Subsection (4);

848 (ii) the governing body votes on the application at its next meeting which shall take
849 place no later than 31 days following the day on which the application was submitted; and

850 (iii) the applicant's temporary membership privileges are terminated if the governing
851 body disapproves the application.

852 (d) The spouse of a member of any class of private club is entitled to all the rights and
853 privileges of the member:

854 (i) to the extent permitted by the bylaws or house rules of the private club; and

855 (ii) except to the extent restricted by this title.

856 (e) The minor child of a member of a class A private club is entitled to all the rights
857 and privileges of the member:

858 (i) to the extent permitted by the bylaws or house rules of the private club; and

859 (ii) except to the extent restricted by this title.

860 (3) (a) Each private club shall maintain a current and complete membership record
861 showing:

862 (i) the date of application of each proposed member;

863 (ii) each member's address;

864 (iii) the date the governing body approved a member's admission;

- 865 (iv) the date initiation fees and dues were assessed and paid; and
866 (v) the serial number of the membership card issued to each member.
867 (b) A current record shall also be kept indicating when members are dropped or
868 resigned.
- 869 (4) (a) Each private club shall establish in the club bylaws or house rules application
870 fees and membership dues:
- 871 (i) as established by commission rules; and
872 (ii) which are collected from all members.
- 873 (b) An application fee:
- 874 (i) shall not be less than \$4;
875 (ii) shall be paid when the applicant applies for membership; and
876 (iii) at the discretion of the private club, may be credited toward membership dues if
877 the governing body approves the applicant as a member.
- 878 (5) (a) Each private club may, in its discretion, allow an individual to be admitted to or
879 use the club premises as a guest only under the following conditions:
- 880 (i) each guest must be previously authorized by one of the following who agrees to host
881 the guest into the club:
- 882 (A) an active member of the club; or
883 (B) a holder of a current visitor card;
- 884 (ii) each guest must be known by the guest's host based on a preexisting bonafide
885 business or personal relationship with the host prior to the guest's admittance to the club;
- 886 (iii) each guest must be accompanied by the guest's host for the duration of the guest's
887 visit to the club;
- 888 (iv) each guest's host must remain on the club premises for the duration of the guest's
889 visit to the club;
- 890 (v) each guest's host is responsible for the cost of all services extended to the guest;
- 891 (vi) each guest enjoys only those privileges derived from the guest's host for the
892 duration of the guest's visit to the club;
- 893 (vii) an employee of the club, while on duty, may not act as a host for a guest;
- 894 (viii) an employee of the club, while on duty, may not attempt to locate a member or
895 current visitor card holder to serve as a host for a guest with whom the member or visitor card

896 holder has no acquaintance based on a preexisting bonafide business or personal relationship
897 prior to the guest's arrival at the club; and

898 (ix) a club and its employees may not enter into an agreement or arrangement with a
899 club member or holder of a current visitor card to indiscriminately host members of the general
900 public into the club as guests.

901 (b) Notwithstanding Subsection (5)(a), previous authorization is not required if:

902 (i) the licensee is a class B private club; and

903 (ii) the guest is a member of the same fraternal organization as the private club

904 licensee.

905 (6) Each private club may, in its discretion, issue visitor cards to allow individuals to
906 enter and use the club premises on a temporary basis under the following conditions:

907 (a) each visitor card shall be issued for a period not to exceed three weeks;

908 (b) a fee of not less than \$4 shall be assessed for each visitor card issued;

909 (c) a visitor card shall not be issued to a minor;

910 (d) a holder of a visitor card may not host more than seven guests at one time;

911 (e) each visitor card issued shall include:

912 (i) the visitor's full name and signature;

913 (ii) the date the card was issued;

914 (iii) the date the card expires;

915 (iv) the club's name; and

916 (v) the serial number of the card; and

917 (f) (i) the club shall maintain a current record of the issuance of each visitor card on the
918 club premises; and

919 (ii) the record described in Subsection (6)(f)(i) shall:

920 (A) be available for inspection by the department; and

921 (B) include:

922 (I) the name of the person to whom the card was issued;

923 (II) the date the card was issued;

924 (III) the date the card expires; and

925 (IV) the serial number of the card.

926 (7) A private club may not sell alcoholic beverages to or allow any patron to be

927 admitted to or use the club premises other than:

928 (a) a member;

929 (b) a visitor who holds a valid visitor card issued under Subsection (6); or

930 (c) a guest of:

931 (i) a member; or

932 (ii) a holder of a current visitor card.

933 (8) (a) A minor may not be:

934 (i) a member, officer, director, or trustee of a private club;

935 (ii) issued a visitor card;

936 (iii) admitted into, use, or be on the premises of any lounge or bar area, as defined by

937 commission rule, of any private club except to the extent authorized under Subsection

938 (8)(c)(ii);

939 (iv) admitted into, use, or be on the premises of any class D private club:

940 (A) that operates as a sexually oriented business as defined by local ordinance; or

941 (B) when a sexually oriented entertainer is performing on the premises; or

942 (v) admitted into, use, or be on the premises of a class D private club except to the

943 extent authorized under Subsections (8)(b) through (g).

944 (b) Except as provided in Subsection (8)(a)(iv), at the discretion of a class D private
945 club, a minor may be admitted into, use, or be on the premises of a class D private club under
946 the following circumstances:

947 (i) during periods when no alcoholic beverages are sold, served, otherwise furnished,
948 or consumed on the premises, but in no event later than 1 p.m.;

949 (ii) when accompanied at all times by a member or holder of a current visitor card who
950 is the minor's parent, legal guardian, or spouse; and

951 (iii) the private club has a full kitchen and is licensed by the local jurisdiction as a food
952 service provider.

953 (c) A minor may be employed by a class D private club on the premises of the club if:

954 (i) the parent or legal guardian of the minor owns or operates the class D private club;

955 or

956 (ii) the minor performs maintenance and cleaning services during the hours when the
957 club is not open for business.

958 (d) (i) Subject to Subsection (8)(d)(ii), a minor who is at least 18 years of age may be
959 admitted into, use, or be on the premises of a dance or concert hall if:

960 (A) the dance or concert hall is located:

961 (I) on the premises of a class D private club; or

962 (II) on the property that immediately adjoins the premises of and is operated by a class
963 D private club; and

964 (B) the commission has issued the class D private club a permit to operate a minor
965 dance or concert hall based on the criteria described in Subsection (8)(d)(iii).

966 (ii) If the dance or concert hall is located on the premises of a class D private club, a
967 minor must be properly hosted in accordance with Subsection (5) by:

968 (A) a member; or

969 (B) a holder of a current visitor card.

970 (iii) The commission may issue a minor dance or concert hall permit if:

971 (A) the club's lounge, bar, and alcoholic beverage consumption area is:

972 (I) not accessible to minors;

973 (II) clearly defined; and

974 (III) separated from the dance or concert hall area by walls, multiple floor levels, or
975 other substantial physical barriers;

976 (B) any bar or dispensing area is not visible to minors;

977 (C) no consumption of alcoholic beverages may occur in:

978 (I) the dance or concert hall area; or

979 (II) any area of the club accessible to a minor;

980 (D) the club maintains sufficient security personnel to prevent the passing of beverages
981 from the club's lounge, bar, or alcoholic beverage consumption areas to:

982 (I) the dance or concert hall area; or

983 (II) any area of the club accessible to a minor;

984 (E) there are separate entrances, exits, and restroom facilities from the club's lounge,
985 bar, and alcoholic beverage consumption areas than for:

986 (I) the dance or concert hall area; or

987 (II) any area accessible to a minor; and

988 (F) the club complies with any other restrictions imposed by the commission by rule.

989 (e) A minor under 18 years of age who is accompanied at all times by a parent or legal
990 guardian who is a member or holder of a current visitor card may be admitted into, use, or be
991 on the premises of a concert hall described in Subsection (8)(d)(i) if:

- 992 (i) all requirements of Subsection (8)(d) are met; and
- 993 (ii) all signage, product, and dispensing equipment containing recognition of alcoholic
994 beverages is not visible to the minor.

995 (f) A minor under 18 years of age but who is 14 years of age or older who is not
996 accompanied by a parent or legal guardian may be admitted into, use, or be on the premises of
997 a concert hall described in Subsection (8)(d)(i) if:

- 998 (i) all requirements of Subsections (8)(d) and (8)(e)(ii) are met; and
- 999 (ii) there is no alcoholic beverage, sales, service, or consumption on the premises of the
1000 class D private club.

1001 (g) The commission may suspend or revoke a minor dance or concert permit issued to
1002 a class D private club and suspend or revoke the license of the class D private club if:

- 1003 (i) the club fails to comply with the restrictions in Subsection (8)(d), (e), or (f);
- 1004 (ii) the club sells, serves, or otherwise furnishes alcoholic beverages to a minor;
- 1005 (iii) the licensee or a supervisory or managerial level employee of the private club is
1006 convicted under Title 58, Chapter 37, Utah Controlled Substances Act, on the basis of activities
1007 that occurred on:

- 1008 (A) the licensed premises; or
- 1009 (B) the dance or concert hall that is located on property that immediately adjoins the
1010 premises of and is operated by the class D private club;

1011 (iv) there are three or more convictions of patrons of the private club under Title 58,
1012 Chapter 37, Utah Controlled Substances Act, based on activities that occurred on:

- 1013 (A) the licensed premises; or
- 1014 (B) the dance or concert hall that is located on property that immediately adjoins the
1015 premises of and is operated by the class D private club;

1016 (v) there is more than one conviction:

- 1017 (A) of:
 - 1018 (I) the licensee;
 - 1019 (II) an employee of the licensee;

- 1020 (III) an entertainer contracted by the licensee; or
- 1021 (IV) a patron of the private club; and
- 1022 (B) made on the basis of lewd acts or lewd entertainment prohibited by this title that
- 1023 occurred on:
 - 1024 (I) the licensed premises; or
 - 1025 (II) the dance or concert hall that is located on property that immediately adjoins the
 - 1026 premises of and is operated by the class D private club; or
 - 1027 (vi) the commission finds acts or conduct contrary to the public welfare and morals
 - 1028 involving lewd acts or lewd entertainment prohibited by this title that occurred on:
 - 1029 (A) the licensed premises; or
 - 1030 (B) the dance or concert hall that is located on property that immediately adjoins the
 - 1031 premises of and is operated by the class D private club.
 - 1032 (h) Nothing in this Subsection (8) shall prohibit a class D private club from selling,
 - 1033 serving, or otherwise furnishing alcoholic beverages in a dance or concert area located on the
 - 1034 club premises on days and times when the club does not allow minors into those areas.
 - 1035 (i) Nothing in Subsections (8)(a) through (g) precludes a local authority from being
 - 1036 more restrictive of a minor's admittance to, use of, or presence on the premises of any private
 - 1037 club.
- 1038 (9) (a) Each private club shall maintain an expense ledger or record showing in detail
- 1039 all expenditures separated by payments for:
 - 1040 (i) malt or brewed beverages;
 - 1041 (ii) liquor;
 - 1042 (iii) food;
 - 1043 (iv) detailed payroll;
 - 1044 (v) entertainment;
 - 1045 (vi) rent;
 - 1046 (vii) utilities;
 - 1047 (viii) supplies; and
 - 1048 (ix) all other expenditures.
- 1049 (b) The record required by this Subsection (9) shall be:
 - 1050 (i) kept in a form approved by the department; and

- 1051 (ii) balanced each month.
- 1052 (c) Each expenditure shall be supported by:
 - 1053 (i) delivery tickets;
 - 1054 (ii) invoices;
 - 1055 (iii) receipted bills;
 - 1056 (iv) canceled checks;
 - 1057 (v) petty cash vouchers; or
 - 1058 (vi) other sustaining data or memoranda.
- 1059 (d) All invoices and receipted bills for the current calendar or fiscal year documenting
1060 purchases made by the club shall also be maintained.
- 1061 (10) (a) Each private club shall maintain a minute book that is posted currently by the
1062 club.
- 1063 (b) The minute book required by this Subsection (10) shall contain the minutes of all
1064 regular and special meetings of the governing body.
- 1065 (c) Membership lists shall also be maintained.
- 1066 (11) (a) Each private club shall maintain current copies of the club's current bylaws and
1067 current house rules.
- 1068 (b) Changes in the bylaws or house rules:
 - 1069 (i) are not effective unless submitted to the department within ten days after adoption;
 - 1070 and
 - 1071 (ii) become effective 15 days after received by the department unless rejected by the
1072 department before the expiration of the 15-day period.
- 1073 (12) Each private club shall maintain accounting and other records and documents as
1074 the department may require.
- 1075 (13) Any club or person acting for the club, who knowingly forges, falsifies, alters,
1076 cancels, destroys, conceals, or removes the entries in any of the books of account or other
1077 documents of the club required to be made, maintained, or preserved by this title or the rules of
1078 the commission for the purpose of deceiving the commission or the department, or any of their
1079 officials or employees, is subject to:
 - 1080 (a) the suspension or revocation of the club's license; and
 - 1081 (b) possible criminal prosecution under Chapter 12, Criminal Offenses.

1082 (14) (a) Each private club shall maintain and keep all the records required by this
1083 section and all other books, records, receipts, and disbursements maintained or used by the
1084 licensee, as the department requires, for a minimum period of three years.

1085 (b) All records, books, receipts, and disbursements are subject to inspection by
1086 authorized representatives of the commission and the department.

1087 (c) The club shall allow the department, through its auditors or examiners, to audit all
1088 records of the club at times the department considers advisable.

1089 (d) The department shall audit the records of the licensee at least once annually.

1090 (15) Each private club shall own or lease premises suitable for the club's activities.

1091 (16) (a) A private club may not maintain facilities in any manner that barricades or
1092 conceals the club operation.

1093 (b) Any member of the commission, authorized department personnel, or any peace
1094 officer shall, upon presentation of credentials, be admitted immediately to the club and
1095 permitted without hindrance or delay to inspect completely the entire club premises and all
1096 books and records of the licensee, at any time during which the same are open for the
1097 transaction of business to its members.

1098 (17) Any public advertising related to a private club by the following shall clearly
1099 identify a club as being "a private club for members":

1100 (a) the private club;

1101 (b) the employees or agents of the private club; or

1102 (c) any person under a contract or agreement with the club.

1103 (18) A private club must have food available at all times when alcoholic beverages are
1104 sold, served, or consumed on the premises.

1105 (19) (a) Liquor may not be purchased by a private club licensee except from state
1106 stores or package agencies.

1107 (b) Liquor purchased in accordance with Subsection (19)(a) may be transported by the
1108 licensee from the place of purchase to the licensed premises.

1109 (c) Payment for liquor shall be made in accordance with rules established by the
1110 commission.

1111 (20) A private club licensee may sell or provide any primary spirituous liquor only in a
1112 quantity not to exceed one ounce per beverage dispensed through a calibrated metered

1113 dispensing system approved by the department in accordance with commission rules adopted
1114 under this title, except that:

1115 (a) spirituous liquor need not be dispensed through a calibrated metered dispensing
1116 system if used as a secondary flavoring ingredient in a beverage subject to the following
1117 restrictions:

1118 (i) the secondary ingredient may be dispensed only in conjunction with the purchase of
1119 a primary spirituous liquor;

1120 (ii) the secondary ingredient is not the only spirituous liquor in the beverage;

1121 (iii) the private club licensee shall designate a location where flavorings are stored on
1122 the floor plan provided to the department; and

1123 (iv) all flavoring containers shall be plainly and conspicuously labeled "flavorings";

1124 (b) spirituous liquor need not be dispensed through a calibrated metered dispensing
1125 system if used:

1126 (i) as a flavoring on desserts; and

1127 (ii) in the preparation of flaming food dishes, drinks, and desserts; and

1128 (c) each club patron may have no more than 2.75 ounces of spirituous liquor at a time
1129 before the patron.

1130 (21) (a) (i) Wine may be sold and served by the glass or an individual portion not to
1131 exceed five ounces per glass or individual portion.

1132 (ii) An individual portion may be served to a patron in more than one glass as long as
1133 the total amount of wine does not exceed five ounces.

1134 (iii) An individual portion of wine is considered to be one alcoholic beverage under
1135 Subsection (25)(c).

1136 (b) (i) Wine may be sold and served in containers not exceeding 1.5 liters at prices
1137 fixed by the commission to tables of four or more persons.

1138 (ii) Wine may be sold and served in containers not exceeding 750 milliliters at prices
1139 fixed by the commission to tables of less than four persons.

1140 (c) A wine service may be performed and a service charge assessed by the private club
1141 as authorized by commission rule for wine purchased at the private club.

1142 (22) (a) Heavy beer may be served in original containers not exceeding one liter at
1143 prices fixed by the commission.

1144 (b) A service charge may be assessed by the private club for heavy beer purchased at
1145 the private club.

1146 (23) (a) (i) Subject to Subsection (23)(a)(ii), a private club licensed to sell liquor may
1147 sell beer for on-premise consumption:

1148 (A) in an open container; and

1149 (B) on draft.

1150 (ii) Beer sold pursuant to Subsection (23)(a)(i) shall be in a size of container that does
1151 not exceed two liters, except that beer may not be sold to an individual patron in a size of
1152 container that exceeds one liter.

1153 (b) (i) A private club licensed under this chapter that sells beer pursuant to Subsection
1154 (23)(a):

1155 (A) may do so without obtaining a separate on-premise beer retailer license from the
1156 commission; and

1157 (B) shall comply with all appropriate operational restrictions under Chapter 10, Beer
1158 Retailer Licenses, that apply to on-premise beer retailers except when those restrictions are
1159 inconsistent with or less restrictive than the operational restrictions under this chapter.

1160 (ii) Failure to comply with the operational restrictions under Chapter 10, Beer Retailer
1161 Licenses, required by Subsection (23)(b)(i) may result in a suspension or revocation of the
1162 private club's:

1163 (A) state liquor license; and

1164 (B) alcoholic beverage license issued by the local authority.

1165 (24) Alcoholic beverages may not be stored, served, or sold in any place other than as
1166 designated in the licensee's application, unless the licensee first applies for and receives
1167 approval from the department for a change of location within the private club.

1168 (25) (a) A patron may only make alcoholic beverage purchases in the private club from
1169 and be served by a person employed, designated, and trained by the licensee to sell, dispense,
1170 and serve alcoholic beverages.

1171 (b) Notwithstanding Subsection (25)(a), a patron who has purchased bottled wine from
1172 an employee of the private club or has carried bottled wine onto the premises of the private
1173 club pursuant to Subsection (31) may thereafter serve wine from the bottle to the patron or
1174 others at the patron's table.

1175 (c) Each club patron may have no more than two alcoholic beverages of any kind at a
1176 time before the patron.

1177 (26) The liquor storage area shall remain locked at all times other than those hours and
1178 days when liquor sales and service are authorized by law.

1179 (27) (a) Liquor may not be sold, offered for sale, served, or otherwise furnished at a
1180 private club [~~during the following days or hours: (i) until after the polls are closed on the day~~
1181 ~~of any: (A) regular general election; (B) regular primary election; or (C) statewide special~~
1182 ~~election; (ii) until after the polls are closed on the day of any municipal, local district, special~~
1183 ~~service district, or school election, but only: (A) within the boundaries of the municipality,~~
1184 ~~local district, special service district, or school district; and (B) if required by local ordinance;~~
1185 ~~and (iii)] on any [other] day after 1 a.m. [and] or before 10 a.m.~~

1186 (b) The hours of beer sales and service are those specified in Chapter 10, Beer Retailer
1187 Licenses, for on-premise beer licenses.

1188 (c) (i) Notwithstanding Subsections (27)(a) and (b), a private club shall remain open
1189 for one hour after the private club ceases the sale and service of alcoholic beverages during
1190 which time a patron of the club may finish consuming:

- 1191 (A) any single drink containing spirituous liquor;
1192 (B) a single serving of wine not exceeding five ounces;
1193 (C) a single serving of heavy beer; or
1194 (D) a single serving of beer not exceeding 26 ounces.

1195 (ii) A club is not required to remain open:

- 1196 (A) after all patrons have vacated the premises; or
1197 (B) during an emergency.

1198 (d) Between the hours of 2 a.m. and 10 a.m. on any day a private club may not allow a
1199 patron to remain on the premises to consume alcoholic beverages on the premises.

1200 (28) Alcoholic beverages may not be sold, served, or otherwise furnished to any:

- 1201 (a) minor;
1202 (b) person actually, apparently, or obviously intoxicated;
1203 (c) known habitual drunkard; or
1204 (d) known interdicted person.

1205 (29) (a) (i) Liquor may be sold only at prices fixed by the commission.

- 1206 (ii) Liquor may not be sold at discount prices on any date or at any time.
- 1207 (b) Alcoholic beverages may not be sold at less than the cost of the alcoholic beverage
- 1208 to the licensee.
- 1209 (c) An alcoholic beverage may not be sold at a special or reduced price that encourages
- 1210 over consumption or intoxication.
- 1211 (d) The price of a single serving of a primary spirituous liquor shall be the same
- 1212 whether served as a single drink or in conjunction with another alcoholic beverage.
- 1213 (e) An alcoholic beverage may not be sold at a special or reduced price for only certain
- 1214 hours of the private club's business day such as a "happy hour."
- 1215 (f) The sale or service of more than one alcoholic beverage for the price of a single
- 1216 alcoholic beverage is prohibited.
- 1217 (g) The sale or service of an indefinite or unlimited number of alcoholic beverages
- 1218 during any set period for a fixed price is prohibited.
- 1219 (h) A private club licensee may not engage in a promotion involving or offering free
- 1220 alcoholic beverages to patrons of the club.
- 1221 (30) Alcoholic beverages may not be purchased for a patron of the private club by:
- 1222 (a) the licensee; or
- 1223 (b) any employee or agent of the licensee.
- 1224 (31) (a) A person may not bring onto the premises of a private club licensee any
- 1225 alcoholic beverage for on-premise consumption, except a person may bring, subject to the
- 1226 discretion of the licensee, bottled wine onto the premises of any private club licensee for
- 1227 on-premise consumption.
- 1228 (b) Except bottled wine under Subsection (31)(a), a private club or its officers,
- 1229 managers, employees, or agents may not allow:
- 1230 (i) a person to bring onto the private club premises any alcoholic beverage for
- 1231 consumption on the private club premises; or
- 1232 (ii) consumption of alcoholic beverages described in Subsection (31)(b)(i) on the
- 1233 premises of the private club.
- 1234 (c) If bottled wine is carried in by a patron, the patron shall deliver the wine to a server
- 1235 or other representative of the licensee upon entering the private club.
- 1236 (d) A wine service may be performed and a service charge assessed by the private club

1237 as authorized by commission rule for wine carried in by a patron.

1238 (32) (a) Except as provided in Subsection (32)(b), a private club and its employees may
1239 not permit a patron of the club to carry from the club premises an open container that:

1240 (i) is used primarily for drinking purposes; and

1241 (ii) contains any alcoholic beverage.

1242 (b) A patron may remove the unconsumed contents of a bottle of wine if before
1243 removal the bottle has been recorked or recapped.

1244 (33) (a) A minor may not be employed by any class A, B, or C private club to sell,
1245 dispense, or handle any alcoholic beverage.

1246 (b) Notwithstanding Subsection (33)(a), a minor who is at least 16 years of age may be
1247 employed by a class A or C private club to enter the sale at a cash register or other sales
1248 recording device.

1249 (c) Except to the extent authorized in Subsection (8)(c), a minor may not be employed
1250 by or be on the premises of any class D private club.

1251 (d) A minor may not be employed to work in any lounge or bar area of any class A, B,
1252 or C private club.

1253 (34) An employee of a private club, while on duty, may not:

1254 (a) consume an alcoholic beverage; or

1255 (b) be intoxicated.

1256 (35) (a) A private club may not charge for the service or supply of glasses, ice, or
1257 mixers unless:

1258 (i) the charges are fixed in the house rules of the club; and

1259 (ii) a copy of the house rules is kept on the club premises and available at all times for
1260 examination by patrons of the club.

1261 (b) A charge or fee made in connection with the sale, service, or consumption of liquor
1262 may be stated in food or alcoholic beverage menus including:

1263 (i) a set-up charge;

1264 (ii) a service charge; or

1265 (iii) a chilling fee.

1266 (36) Each private club licensee shall display in a prominent place in the private club:

1267 (a) the private club license that is issued by the department;

1268 (b) a list of the types and brand names of liquor being served through its calibrated
1269 metered dispensing system; and

1270 (c) a sign in large letters stating: "Warning: Driving under the influence of alcohol or
1271 drugs is a serious crime that is prosecuted aggressively in Utah."

1272 (37) A private club may not on the premises of the private club:

1273 (a) engage in or permit any form of gambling, as defined and proscribed in Title 76,
1274 Chapter 10, Part 11, Gambling;

1275 (b) have any video gaming device, as defined and proscribed in Title 76, Chapter 10,
1276 Part 11, Gambling; or

1277 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires
1278 the risking of something of value for a return or for an outcome when the return or outcome is
1279 based upon an element of chance, excluding the playing of an amusement device that confers
1280 only an immediate and unrecorded right of replay not exchangeable for value.

1281 (38) (a) A private club may not close or cease operation for a period longer than 240
1282 hours, unless:

1283 (i) the private club licensee notifies the department in writing at least seven days before
1284 the closing; and

1285 (ii) the closure or cessation of operation is first approved by the department.

1286 (b) Notwithstanding Subsection (38)(a), in the case of emergency closure, immediate
1287 notice of closure shall be made to the department by telephone.

1288 (c) The department may authorize a closure or cessation of operation for a period not to
1289 exceed 60 days. The department may extend the initial period an additional 30 days upon
1290 written request of the private club and upon a showing of good cause. A closure or cessation of
1291 operation may not exceed a total of 90 days without commission approval.

1292 (d) The notice required by Subsection (38)(a) shall include:

1293 (i) the dates of closure or cessation of operation;

1294 (ii) the reason for the closure or cessation of operation; and

1295 (iii) the date on which the licensee will reopen or resume operation.

1296 (e) Failure of the licensee to provide notice and to obtain department authorization
1297 prior to closure or cessation of operation shall result in an automatic forfeiture of:

1298 (i) the license; and

1299 (ii) the unused portion of the license fee for the remainder of the license year effective
1300 immediately.

1301 (f) Failure of the licensee to reopen or resume operation by the approved date shall
1302 result in an automatic forfeiture of:

1303 (i) the license; and

1304 (ii) the unused portion of the club's license fee for the remainder of the license year.

1305 (39) A private club license may not be transferred from one location to another,
1306 without prior written approval of the commission.

1307 (40) (a) A private club licensee, may not sell, transfer, assign, exchange, barter, give, or
1308 attempt in any way to dispose of the license to any other person, whether for monetary gain or
1309 not.

1310 (b) A private club license has no monetary value for the purpose of any type of
1311 disposition.

1312 Section 6. Section **32A-7-106** is amended to read:

1313 **32A-7-106. Operational restrictions.**

1314 (1) (a) Any organization granted a single event permit and any person involved in the
1315 storage, sale, or service of alcoholic beverages at the event for which the permit is issued, shall
1316 abide by:

1317 (i) this title;

1318 (ii) the rules of the commission; and

1319 (iii) the special conditions and requirements provided in this section.

1320 (b) Failure to comply with Subsection (1)(a):

1321 (i) may result in:

1322 (A) an immediate revocation of the permit;

1323 (B) forfeiture of the surety bond; and

1324 (C) immediate seizure of all alcoholic beverages present at the event; and

1325 (ii) disqualifies the organization from applying for a single event permit under this
1326 chapter, or a temporary special event beer permit under Chapter 10, Part 3, Temporary Special
1327 Event Beer Permits, for a period of three years from the date of revocation of the permit.

1328 (c) Any alcoholic beverages seized under this Subsection (1) shall be returned to the
1329 organization after the event if forfeiture proceedings are not instituted under Section

1330 32A-13-103.

1331 (2) Special conditions and requirements for single event permittees include the
1332 following:

1333 (a) (i) All persons involved in the storage, sale, or service of alcoholic beverages at the
1334 event do so under the supervision and direction of the permittee.

1335 (ii) All persons involved in the sale or service of alcoholic beverages at the event may
1336 not, while on duty:

1337 (A) consume an alcoholic beverage; or

1338 (B) be intoxicated.

1339 (b) (i) All liquor stored, sold, served, and consumed at the event shall be purchased by
1340 the permittee from a state store or package agency.

1341 (ii) All beer purchased by the permittee shall be purchased from:

1342 (A) a licensed beer wholesaler; or

1343 (B) a licensed beer retailer.

1344 (iii) All alcoholic beverages are considered under the control of the permittee during
1345 the event.

1346 (iv) Attendees of the event may not bring any alcoholic beverages onto the premises of
1347 the event.

1348 (c) A permittee may not charge more than the maximum amount set forth in the permit
1349 for any alcoholic beverage.

1350 (d) Each permittee shall post in a prominent place in the area in which alcoholic
1351 beverages are being sold, served, and consumed, a copy of the permit, together with a list of the
1352 operational restrictions and requirements of single event permittees set forth in this section.

1353 (e) Alcoholic beverages purchased for the event may not be stored, sold, served, or
1354 consumed in any location other than that described in the application and designated on the
1355 permit unless the permittee first applies for and receives approval from the commission for a
1356 change of location.

1357 (f) (i) A single event permittee may sell or provide a primary spirituous liquor only in a
1358 quantity not to exceed one ounce per beverage except that additional spirituous liquor may be
1359 used in a beverage if:

1360 (A) used as a secondary flavoring ingredient;

- 1361 (B) used in conjunction with the primary spirituous liquor;
- 1362 (C) the secondary ingredient is not the only spirituous liquor in the beverage; and
- 1363 (D) each attendee may have no more than 2.75 ounces of spirituous liquor at a time
- 1364 before the attendee.
- 1365 (ii) Spirituous liquor need not be dispensed through a calibrated metered dispensing
- 1366 system.
- 1367 (g) (i) (A) Wine may be sold and served by the glass or an individual portion that does
- 1368 not exceed five ounces per glass or individual portion.
- 1369 (B) An individual portion may be served to an attendee in more than one glass as long
- 1370 as the total amount of wine does not exceed five ounces.
- 1371 (C) An individual portion of wine is considered to be one alcoholic beverage under
- 1372 Subsection (2)(p).
- 1373 (ii) Wine may be sold and served in containers not exceeding 1.5 liters at prices fixed
- 1374 by the commission.
- 1375 (iii) A wine service may be performed and a service charge assessed by the single event
- 1376 permittee as authorized by commission rule for wine purchased at the event.
- 1377 (h) (i) Heavy beer may be served in original containers not exceeding one liter at prices
- 1378 fixed by the commission.
- 1379 (ii) A service charge may be assessed by the single event permittee as authorized by
- 1380 commission rule for heavy beer purchased at the event.
- 1381 (i) (i) Subject to Subsection (2)(i)(ii), beer may be sold for on-premise consumption:
- 1382 (A) in an open container; and
- 1383 (B) on draft.
- 1384 (ii) Beer sold pursuant to Subsection (2)(i)(i) shall be in a size of container that does
- 1385 not exceed two liters, except that beer may not be sold to an individual attendee in a size of
- 1386 container that exceeds one liter.
- 1387 (j) (i) Alcoholic beverages may not be sold, served, or consumed between the hours of
- 1388 1 a.m. and 10 a.m.
- 1389 (ii) This Subsection (2)(j) does not preclude a local authority from being more
- 1390 restrictive with respect to the hours of sale, service, or consumption of alcoholic beverages at a
- 1391 temporary single event.

1392 ~~[(k) Alcoholic beverages may not be sold, served, or otherwise furnished until after the~~
1393 ~~polls are closed on the day of any:]~~

1394 ~~[(i) regular general election;]~~

1395 ~~[(ii) regular primary election; or]~~

1396 ~~[(iii) statewide special election.]~~

1397 ~~[(†)]~~ (k) Alcoholic beverages may not be sold, served, or otherwise furnished to any:

1398 (i) minor;

1399 (ii) person actually, apparently, or obviously intoxicated;

1400 (iii) known habitual drunkard; or

1401 (iv) known interdicted person.

1402 ~~[(m)]~~ (l) (i) (A) Liquor may be sold only at prices fixed by the commission.

1403 (B) Liquor may not be sold at discount prices on any date or at any time.

1404 (ii) Alcoholic beverages may not be sold at less than the cost of the alcoholic beverage
1405 to the permittee.

1406 (iii) An alcoholic beverage may not be sold at a price that encourages over
1407 consumption or intoxication.

1408 (iv) An alcoholic beverage may not be sold at a special or reduced price for only
1409 certain hours of the day of the permitted event.

1410 (v) The sale or service of more than one alcoholic beverage for the price of a single
1411 alcoholic beverage is prohibited.

1412 (vi) The permittee may not engage in a public promotion involving or offering free
1413 alcoholic beverages to the general public.

1414 ~~[(n)]~~ (m) A single event permittee and its employees may not permit an attendee to
1415 carry from the premises an open container that:

1416 (i) is used primarily for drinking purposes; and

1417 (ii) contains any alcoholic beverage.

1418 ~~[(o)]~~ (n) A minor may not sell, serve, dispense, or handle any alcoholic beverage at the
1419 event.

1420 ~~[(p) Each]~~ (o) An attendee may have no more than one alcoholic beverage of any kind
1421 at a time before the patron.

1422 (3) The permittee shall maintain an expense and revenue ledger or record showing:

- 1423 (a) expenditures made for liquor and beer, set-ups, and other ingredients and
1424 components of alcoholic beverages; and
1425 (b) the revenue from sale of alcoholic beverages.
1426 (4) A single event permit may not be transferred.
1427 (5) A single event permittee may not on the premises serviced by the single event
1428 permittee:
1429 (a) engage in or allow any form of gambling, as defined and proscribed in Title 76,
1430 Chapter 10, Part 11, Gambling;
1431 (b) have any video gaming device, as defined and proscribed by Title 76, Chapter 10,
1432 Part 11, Gambling; or
1433 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires
1434 the risking of something of value for a return or for an outcome when the return or outcome is
1435 based upon an element of chance, excluding the playing of an amusement device that confers
1436 only an immediate and unrecorded right of replay not exchangeable for value.

Legislative Review Note
as of 1-25-08 9:43 AM

Office of Legislative Research and General Counsel

S.B. 167 - Alcoholic Beverages on Election Day

Fiscal Note

2008 General Session
State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
