

**Representative Fred C. Cox** proposes the following substitute bill:

**ALCOHOLIC BEVERAGE CONTROL ACT AMENDMENTS**

2012 FOURTH SPECIAL SESSION

STATE OF UTAH

**Chief Sponsor: John L. Valentine**

House Sponsor: Gage Froerer

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**LONG TITLE**

**General Description:**

This bill amends provisions related to the Alcoholic Beverage Control Act.

**Highlighted Provisions:**

This bill:

- ▶ provides that four alcohol-related law enforcement officers have as a primary focus enforcement related to restaurants;
- ▶ increases the number of available licenses for full-service restaurant and limited-service restaurant licenses;
- ▶ extends the effective dates of provisions related to the transfer of retail licenses to July 1, 2013; and
- ▶ makes technical changes.

**Money Appropriated in this Bill:**

This bill appropriates in fiscal year 2013:

- ▶ to the Department of Public Safety - Programs and Operations - Highway Patrol - Special Enforcement Program as an ongoing appropriation:
  - from the General Fund, \$280,000.

**Other Special Clauses:**

This bill provides an effective date.



26 This bill provides revisor instructions.

27 **Utah Code Sections Affected:**

28 AMENDS:

29 **32B-2-305 (Effective 07/01/12)**, as last amended by Laws of Utah 2012, Chapter 357

30 **32B-6-203**, as last amended by Laws of Utah 2011, Chapter 334

31 **32B-6-303**, as last amended by Laws of Utah 2011, Chapter 334

32 **Uncodified Material Affected:**

33 AMENDS UNCODIFIED MATERIAL:

34 **Uncodified Section 110, Laws of Utah 2011, Chapter 334**

35 Changes to this uncodified section affect Section 32B-5-309 and Title 32B, Chapter 8a,  
36 Transfer of Retail License Act.

37 **Uncodified Section 24, Laws of Utah 2012, Chapter 365**

38 Changes to this uncodified section affect Sections 32B-8a-302 and 32B-8a-303.



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

41 Section 1. Section **32B-2-305 (Effective 07/01/12)** is amended to read:

42 **32B-2-305 (Effective 07/01/12). Alcoholic Beverage Control Act Enforcement**

43 **Fund.**

44 (1) As used in this section:

45 (a) "Alcohol-related law enforcement officer" is as defined in Section 32B-1-201.

46 (b) "Enforcement ratio" is as defined in Section 32B-1-201.

47 (c) "Fund" means the Alcoholic Beverage Control Act Enforcement Fund created in  
48 this section.

49 (2) There is created a restricted special revenue fund known as the "Alcoholic  
50 Beverage Control Act Enforcement Fund."

51 (3) (a) The fund consists of:

52 (i) deposits made under Subsection (4); and

53 (ii) interest earned on the fund.

54 (b) The fund shall earn interest. Interest on the fund shall be deposited into the fund.

55 (4) After the deposit made under Section 32B-2-304 for the school lunch program, the  
56 department shall deposit 1% of the total gross revenue from the sale of liquor with the state

57 treasurer to be credited to the fund to be used by the Department of Public Safety as provided  
58 in Subsection (5).

59 (5) (a) The Department of Public Safety shall expend money from the fund to  
60 supplement appropriations by the Legislature so that the Department of Public Safety maintains  
61 a sufficient number of alcohol-related law enforcement officers such that beginning on July 1,  
62 2012, each year the enforcement ratio as of July 1 is equal to or less than the number specified  
63 in Section 32B-1-201.

64 (b) Beginning July 1, 2012, four alcohol-related law enforcement officers shall have as  
65 a primary focus the enforcement of this title in relationship to restaurants.

66 Section 2. Section **32B-6-203** is amended to read:

67 **32B-6-203. Commission's power to issue full-service restaurant license.**

68 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of  
69 an alcoholic product on its premises as a full-service restaurant, the person shall first obtain a  
70 full-service restaurant license from the commission in accordance with this part.

71 (2) The commission may issue a full-service restaurant license to establish full-service  
72 restaurant licensed premises at places and in numbers the commission considers proper for the  
73 storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on premises  
74 operated as a full-service restaurant.

75 (3) Subject to Section 32B-1-201:

76 (a) The commission may not issue a total number of full-service restaurant licenses that  
77 at any time exceeds the number determined by dividing the population of the state by [~~4,925~~]  
78 4,534.

79 (b) The commission may issue a seasonal full-service restaurant license in accordance  
80 with Section 32B-5-206.

81 (c) (i) If the location, design, and construction of a hotel may require more than one  
82 full-service restaurant sales location within the hotel to serve the public convenience, the  
83 commission may authorize the sale, offer for sale, or furnishing of an alcoholic product at as  
84 many as three full-service restaurant locations within the hotel under one full-service restaurant  
85 license if:

86 (A) the hotel has a minimum of 150 guest rooms; and

87 (B) the locations under the full-service restaurant license are:

88 (I) within the same hotel; and

89 (II) on premises that are managed or operated, and owned or leased, by the full-service  
90 restaurant licensee.

91 (ii) A facility other than a hotel shall have a separate full-service restaurant license for  
92 each full-service restaurant where an alcoholic product is sold, offered for sale, or furnished.

93 (4) (a) Except as provided in Subsection (4)(b), the commission may not issue a  
94 full-service restaurant license for premises that do not meet the proximity requirements of  
95 Section 32B-1-202.

96 (b) With respect to the premises of a full-service restaurant license issued by the  
97 commission that undergoes a change of ownership, the commission shall waive or vary the  
98 proximity requirements of Subsection 32B-1-202(2) in considering whether to issue a  
99 full-service restaurant license to the new owner of the premises if:

100 (i) when a full-service restaurant license was issued to a previous owner, the premises  
101 met the proximity requirements of Subsection 32B-1-202(2);

102 (ii) the premises has had a full-service restaurant license at all times since the  
103 full-service restaurant license described in Subsection (4)(b)(i) was issued without a variance;  
104 and

105 (iii) the community location was located within the proximity requirements of  
106 Subsection 32B-1-202(2) after the day on which the full-service restaurant license described in  
107 Subsection (4)(b)(i) was issued.

108 Section 3. Section **32B-6-303** is amended to read:

109 **32B-6-303. Commission's power to issue limited-service restaurant license.**

110 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of  
111 wine, heavy beer, or beer on its premises as a limited-service restaurant, the person shall first  
112 obtain a limited-service restaurant license from the commission in accordance with this part.

113 (2) (a) The commission may issue a limited-service restaurant license to establish  
114 limited-service restaurant licensed premises at places and in numbers the commission considers  
115 proper for the storage, sale, offer for sale, furnishing, and consumption of wine, heavy beer, or  
116 beer on premises operated as a limited-service restaurant.

117 (b) A person may not sell, offer for sale, furnish, or allow the consumption of the  
118 following on the licensed premises of a limited-service restaurant licensee:

119 (i) spirituous liquor; or

120 (ii) a flavored malt beverage.

121 (3) Subject to Section 32B-1-201:

122 (a) The commission may not issue a total number of limited-service restaurant licenses  
123 that at any time exceeds the number determined by dividing the population of the state by  
124 [~~8,373~~] 7,493.

125 (b) The commission may issue a seasonal limited-service restaurant license in  
126 accordance with Section 32B-5-206.

127 (c) (i) If the location, design, and construction of a hotel may require more than one  
128 limited-service restaurant sales location within the hotel to serve the public convenience, the  
129 commission may authorize the sale of wine, heavy beer, and beer at as many as three  
130 limited-service restaurant locations within the hotel under one limited-service restaurant license  
131 if:

132 (A) the hotel has a minimum of 150 guest rooms; and

133 (B) the locations under the limited-service restaurant license are:

134 (I) within the same hotel; and

135 (II) on premises that are managed or operated, and owned or leased, by the  
136 limited-service restaurant licensee.

137 (ii) A facility other than a hotel shall have a separate limited-service restaurant license  
138 for each limited-service restaurant where wine, heavy beer, or beer is sold, offered for sale, or  
139 furnished.

140 (4) (a) Except as provided in Subsection (4)(b), the commission may not issue a  
141 limited-service restaurant license for premises that do not meet the proximity requirements of  
142 Section 32B-1-202.

143 (b) With respect to the premises of a limited-service restaurant license issued by the  
144 commission that undergoes a change of ownership, the commission shall waive or vary the  
145 proximity requirements of Subsection 32B-1-202(2) in considering whether to issue a  
146 limited-service restaurant license to the new owner of the premises if:

147 (i) when a limited-service restaurant license was issued to a previous owner, the  
148 premises met the proximity requirements of Subsection 32B-1-202(2);

149 (ii) the premises has had a limited-service restaurant license at all times since the

150 limited-service restaurant license described in Subsection (4)(b)(i) was issued without a  
151 variance; and

152 (iii) the community location was located within the proximity requirements of  
153 Subsection 32B-1-202(2) after the day on which the limited-service restaurant license  
154 described in Subsection (4)(b)(i) was issued.

155 Section 4. **Uncodified Section 110, Laws of Utah 2011, Chapter 334** is amended to  
156 read:

157 Section 110. **Effective date.**

158 (1) Except as provided in Subsection (2), this bill takes effect on July 1, 2011.

159 (2) (a) The repeal of Subsection 32B-6-603(4) (Effective 07/01/11) in this bill takes  
160 effect on November 1, 2011.

161 (b) Title 32B, Chapter 6, Part 8, Reception Center License, enacted by this bill takes  
162 effect on November 1, 2011.

163 (c) Title 32B, Chapter 6, Part 9, Beer-only Restaurant License, enacted by this bill  
164 takes effect on March 1, 2012.

165 (d) The following take effect on July 1, [~~2012~~] 2013:

166 (i) Section 32B-5-309 (Effective 07/01/11) as amended by this bill; and

167 (ii) Title 32B, Chapter 8a, Transfer of Retail License Act, enacted by this bill.

168 Section 5. **Uncodified Section 24, Laws of Utah 2012, Chapter 365** is amended to  
169 read:

170 Section 24. **Effective date.**

171 This bill takes effect on July 1, 2012[-], except that the amendments made to Section  
172 32B-8a-302 (Effective 07/01/12), and Section 32B-8a-303 (Effective 07/01/12), in this bill take  
173 effect on July 1, 2013.

174 Section 6. **Appropriation.**

175 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the  
176 following sums of money are appropriated from resources not otherwise appropriated, or  
177 reduced from amounts previously appropriated, out of the funds or fund accounts indicated for  
178 the fiscal year beginning July 1, 2012 and ending June 30, 2013. These are additions to  
179 amounts previously appropriated for fiscal year 2013.

180 To the Department of Public Safety - Programs and Operations - Highway Patrol

