

1 **ALCOHOLIC BEVERAGE CONTROL ACT LICENSING**

2 **AMENDMENTS**

3 2016 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Jerry W. Stevenson**

6 House Sponsor: Brad R. Wilson

7

8 **LONG TITLE**

9 **General Description:**

10 This bill modifies provisions related to the issuance of alcoholic beverage licenses.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ amends definition provisions;
- 14 ▶ modifies the powers and duties of the commission;
- 15 ▶ amends operational requirements for package agencies held by hotel licensees;
- 16 ▶ applies provisions related to inferences and presumptions to hotel licensees;
- 17 ▶ amends provisions related to unlawful bringing onto premises for consumption to
- 18 include hotel licensees;
- 19 ▶ modifies provisions related to operating without a license to include hotel licensees;
- 20 ▶ addresses the commission's power to issue a club license;
- 21 ▶ enacts the Hotel License Act, including:
 - 22 • defining terms;
 - 23 • outlining the hotel licensing process;
 - 24 • providing for operational requirements; and
 - 25 • providing for enforcement; and
- 26 ▶ makes technical changes.

27 **Money Appropriated in this Bill:**



28 None

29 **Other Special Clauses:**

30 None

31 **Utah Code Sections Affected:**

32 AMENDS:

33 **32B-1-102**, as last amended by Laws of Utah 2013, Chapter 349

34 **32B-2-202**, as last amended by Laws of Utah 2013, Chapter 349

35 **32B-2-605**, as last amended by Laws of Utah 2012, Chapter 365

36 **32B-4-303**, as enacted by Laws of Utah 2010, Chapter 276

37 **32B-4-415**, as enacted by Laws of Utah 2010, Chapter 276

38 **32B-4-501**, as enacted by Laws of Utah 2010, Chapter 276

39 **32B-6-403**, as last amended by Laws of Utah 2011, Second Special Session, Chapter 2

40 ENACTS:

41 **32B-8b-101**, Utah Code Annotated 1953

42 **32B-8b-102**, Utah Code Annotated 1953

43 **32B-8b-201**, Utah Code Annotated 1953

44 **32B-8b-202**, Utah Code Annotated 1953

45 **32B-8b-203**, Utah Code Annotated 1953

46 **32B-8b-204**, Utah Code Annotated 1953

47 **32B-8b-301**, Utah Code Annotated 1953

48 **32B-8b-302**, Utah Code Annotated 1953

49 **32B-8b-401**, Utah Code Annotated 1953

50 **32B-8b-402**, Utah Code Annotated 1953

51

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

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

54 **32B-1-102. Definitions.**

55 As used in this title:

56 (1) "Airport lounge" means a business location:

57 (a) at which an alcoholic product is sold at retail for consumption on the premises; and

58 (b) that is located at an international airport with a United States Customs office on the

59 premises of the international airport.

60 (2) "Airport lounge license" means a license issued in accordance with Chapter 5,
61 Retail License Act, and Chapter 6, Part 5, Airport Lounge License.

62 (3) "Alcoholic beverage" means the following:

63 (a) beer; or

64 (b) liquor.

65 (4) (a) "Alcoholic product" means a product that:

66 (i) contains at least .5% of alcohol by volume; and

67 (ii) is obtained by fermentation, infusion, decoction, brewing, distillation, or other
68 process that uses liquid or combinations of liquids, whether drinkable or not, to create alcohol
69 in an amount equal to or greater than .5% of alcohol by volume.

70 (b) "Alcoholic product" includes an alcoholic beverage.

71 (c) "Alcoholic product" does not include any of the following common items that
72 otherwise come within the definition of an alcoholic product:

73 (i) except as provided in Subsection (4)(d), an extract;

74 (ii) vinegar;

75 (iii) cider;

76 (iv) essence;

77 (v) tincture;

78 (vi) food preparation; or

79 (vii) an over-the-counter medicine.

80 (d) "Alcoholic product" includes an extract containing alcohol obtained by distillation
81 when it is used as a flavoring in the manufacturing of an alcoholic product.

82 (5) "Alcohol training and education seminar" means a seminar that is:

83 (a) required by Chapter 5, Part 4, Alcohol Training and Education Act; and

84 (b) described in Section [62A-15-401](#).

85 (6) "Banquet" means an event:

86 (a) that is held at one or more designated locations approved by the commission in or
87 on the premises of a:

88 (i) hotel;

89 (ii) resort facility;

- 90 (iii) sports center; or
- 91 (iv) convention center;
- 92 (b) for which there is a contract:
- 93 (i) between a person operating a facility listed in Subsection (6)(a) and another person;
- 94 and
- 95 (ii) under which the person operating a facility listed in Subsection (6)(a) is required to
- 96 provide an alcoholic product at the event; and
- 97 (c) at which food and alcoholic products may be sold, offered for sale, or furnished.
- 98 (7) (a) "Bar" means a surface or structure:
- 99 (i) at which an alcoholic product is:
- 100 (A) stored; or
- 101 (B) dispensed; or
- 102 (ii) from which an alcoholic product is served.
- 103 (b) "Bar structure" means a surface or structure on a licensed premises if on or at any
- 104 place of the surface or structure an alcoholic product is:
- 105 (i) stored; or
- 106 (ii) dispensed.
- 107 (8) (a) Subject to Subsection (8)(d), "beer" means a product that:
- 108 (i) contains at least .5% of alcohol by volume, but not more than 4% of alcohol by
- 109 volume or 3.2% by weight; and
- 110 (ii) is obtained by fermentation, infusion, or decoction of malted grain.
- 111 (b) "Beer" may or may not contain hops or other vegetable products.
- 112 (c) "Beer" includes a product that:
- 113 (i) contains alcohol in the percentages described in Subsection (8)(a); and
- 114 (ii) is referred to as:
- 115 (A) beer;
- 116 (B) ale;
- 117 (C) porter;
- 118 (D) stout;
- 119 (E) lager; or
- 120 (F) a malt or malted beverage.

- 121 (d) "Beer" does not include a flavored malt beverage.
- 122 (9) "Beer-only restaurant license" means a license issued in accordance with Chapter 5,
123 Retail License Act, and Chapter 6, Part 9, Beer-Only Restaurant License.
- 124 (10) "Beer retailer" means a business:
 - 125 (a) that is engaged, primarily or incidentally, in the retail sale of beer to a patron,
126 whether for consumption on or off the business premises; and
 - 127 (b) to whom a license is issued:
 - 128 (i) for an off-premise beer retailer, in accordance with Chapter 7, Part 2, Off-Premise
129 Beer Retailer Local Authority; or
 - 130 (ii) for an on-premise beer retailer, in accordance with Chapter 5, Retail License Act,
131 and Chapter 6, Part 7, On-Premise Beer Retailer License.
- 132 (11) "Beer wholesaling license" means a license:
 - 133 (a) issued in accordance with Chapter 13, Beer Wholesaling License Act; and
 - 134 (b) to import for sale, or sell beer in wholesale or jobbing quantities to one or more
135 retail licensees or off-premise beer retailers.
- 136 (12) "Billboard" means a public display used to advertise, including:
 - 137 (a) a light device;
 - 138 (b) a painting;
 - 139 (c) a drawing;
 - 140 (d) a poster;
 - 141 (e) a sign;
 - 142 (f) a signboard; or
 - 143 (g) a scoreboard.
- 144 (13) "Brewer" means a person engaged in manufacturing:
 - 145 (a) beer;
 - 146 (b) heavy beer; or
 - 147 (c) a flavored malt beverage.
- 148 (14) "Brewery manufacturing license" means a license issued in accordance with
149 Chapter 11, Part 5, Brewery Manufacturing License.
- 150 (15) "Certificate of approval" means a certificate of approval obtained from the
151 department under Section [32B-11-201](#).

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

- 154 (a) under a single contract;
- 155 (b) at a fixed charge in accordance with the bus company's tariff; and
- 156 (c) to give the group of persons the exclusive use of the passenger bus, coach, or other
157 motor vehicle, and a driver to travel together to one or more specified destinations.

158 (17) "Church" means a building:

- 159 (a) set apart for worship;
- 160 (b) in which religious services are held;
- 161 (c) with which clergy is associated; and
- 162 (d) that is tax exempt under the laws of this state.

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

165 (b) "Club license" includes:

- 166 (i) a dining club license;
- 167 (ii) an equity club license;
- 168 (iii) a fraternal club license; or
- 169 (iv) a social club license.

170 (19) "Commission" means the Alcoholic Beverage Control Commission created in
171 Section [32B-2-201](#).

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

173 (21) "Community location" means:

- 174 (a) a public or private school;
- 175 (b) a church;
- 176 (c) a public library;
- 177 (d) a public playground; or
- 178 (e) a public park.

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

- 180 (a) the governing body of the community location; or
- 181 (b) if the commission does not know who is the governing body of a community
182 location, a person who appears to the commission to have been given on behalf of the

183 community location the authority to prohibit an activity at the community location.

184 (23) "Container" means a receptacle that contains an alcoholic product, including:

185 (a) a bottle;

186 (b) a vessel; or

187 (c) a similar item.

188 (24) "Convention center" means a facility that is:

189 (a) in total at least 30,000 square feet; and

190 (b) otherwise defined as a "convention center" by the commission by rule.

191 (25) (a) Subject to Subsection (25)(b), "counter" means a surface or structure in a
192 dining area of a licensed premises where seating is provided to a patron for service of food.

193 (b) "Counter" does not include a surface or structure if on or at any point of the surface
194 or structure an alcoholic product is:

195 (i) stored; or

196 (ii) dispensed.

197 (26) "Department" means the Department of Alcoholic Beverage Control created in
198 Section [32B-2-203](#).

199 (27) "Department compliance officer" means an individual who is:

200 (a) an auditor or inspector; and

201 (b) employed by the department.

202 (28) "Department sample" means liquor that is placed in the possession of the
203 department for testing, analysis, and sampling.

204 (29) "Dining club license" means a license issued in accordance with Chapter 5, Retail
205 License Act, and Chapter 6, Part 4, Club License, that is designated by the commission as a
206 dining club license.

207 (30) "Director," unless the context requires otherwise, means the director of the
208 department.

209 (31) "Disciplinary proceeding" means an adjudicative proceeding permitted under this
210 title:

211 (a) against a person subject to administrative action; and

212 (b) that is brought on the basis of a violation of this title.

213 (32) (a) Subject to Subsection (32)(b), "dispense" means:

- 214 (i) drawing of an alcoholic product:
- 215 (A) from an area where it is stored; or
- 216 (B) as provided in Subsection [32B-6-205\(12\)\(b\)\(ii\)](#), [32B-6-305\(12\)\(b\)\(ii\)](#),
- 217 [32B-6-805\(15\)\(b\)\(ii\)](#), or [32B-6-905\(12\)\(b\)\(ii\)](#); and
- 218 (ii) using the alcoholic product described in Subsection (32)(a)(i) on the premises of
- 219 the licensed premises to mix or prepare an alcoholic product to be furnished to a patron of the
- 220 retail licensee.
- 221 (b) The definition of "dispense" in this Subsection (32) applies only to:
- 222 (i) a full-service restaurant license;
- 223 (ii) a limited-service restaurant license;
- 224 (iii) a reception center license; and
- 225 (iv) a beer-only restaurant license.
- 226 (33) "Distillery manufacturing license" means a license issued in accordance with
- 227 Chapter 11, Part 4, Distillery Manufacturing License.
- 228 (34) "Distressed merchandise" means an alcoholic product in the possession of the
- 229 department that is saleable, but for some reason is unappealing to the public.
- 230 (35) "Educational facility" includes:
- 231 (a) a nursery school;
- 232 (b) an infant day care center; and
- 233 (c) a trade and technical school.
- 234 (36) "Equity club license" means a license issued in accordance with Chapter 5, Retail
- 235 License Act, and Chapter 6, Part 4, Club License, that is designated by the commission as an
- 236 equity club license.
- 237 (37) "Event permit" means:
- 238 (a) a single event permit; or
- 239 (b) a temporary beer event permit.
- 240 (38) "Exempt license" means a license exempt under Section [32B-1-201](#) from being
- 241 considered in determining the total number of a retail license that the commission may issue at
- 242 any time.
- 243 (39) (a) "Flavored malt beverage" means a beverage:
- 244 (i) that contains at least .5% alcohol by volume;

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

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

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

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

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

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

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

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

261 (b) "Furnish" includes to:

262 (i) serve;

263 (ii) deliver; or

264 (iii) otherwise make available.

265 (43) "Guest" means an individual who meets the requirements of Subsection
266 [32B-6-407\(9\)](#).

267 (44) "Health care practitioner" means:

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

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

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

271 (d) a physical therapist licensed under Title 58, Chapter 24b, Physical Therapy Practice
272 Act;

273 (e) a nurse or advanced practice registered nurse licensed under Title 58, Chapter 31b,
274 Nurse Practice Act;

275 (f) a recreational therapist licensed under Title 58, Chapter 40, Recreational Therapy

276 Practice Act;

277 (g) an occupational therapist licensed under Title 58, Chapter 42a, Occupational

278 Therapy Practice Act;

279 (h) a nurse midwife licensed under Title 58, Chapter 44a, Nurse Midwife Practice Act;

280 (i) a mental health professional licensed under Title 58, Chapter 60, Mental Health

281 Professional Practice Act;

282 (j) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act;

283 (k) an osteopath licensed under Title 58, Chapter 68, Utah Osteopathic Medical

284 Practice Act;

285 (l) a dentist or dental hygienist licensed under Title 58, Chapter 69, Dentist and Dental

286 Hygienist Practice Act; and

287 (m) a physician assistant licensed under Title 58, Chapter 70a, Physician Assistant Act.

288 (45) (a) "Heavy beer" means a product that:

289 (i) contains more than 4% alcohol by volume; and

290 (ii) is obtained by fermentation, infusion, or decoction of malted grain.

291 (b) "Heavy beer" is considered liquor for the purposes of this title.

292 (46) "Hotel" is as defined by the commission by rule.

293 (47) "Hotel license" means a license issued in accordance with Chapter 5, Retail

294 License Act, and Chapter 8b, Hotel License Act.

295 [~~(47)~~] (48) "Identification card" means an identification card issued under Title 53,

296 Chapter 3, Part 8, Identification Card Act.

297 [~~(48)~~] (49) "Industry representative" means an individual who is compensated by

298 salary, commission, or other means for representing and selling an alcoholic product of a

299 manufacturer, supplier, or importer of liquor.

300 [~~(49)~~] (50) "Industry representative sample" means liquor that is placed in the

301 possession of the department for testing, analysis, and sampling by a local industry

302 representative on the premises of the department to educate the local industry representative of

303 the quality and characteristics of the product.

304 [~~(50)~~] (51) "Interdicted person" means a person to whom the sale, offer for sale, or

305 furnishing of an alcoholic product is prohibited by:

306 (a) law; or

307 (b) court order.

308 [~~(51)~~] (52) "Intoxicated" means that a person:

309 (a) is significantly impaired as to the person's mental or physical functions as a result of
310 the use of:

311 (i) an alcoholic product;

312 (ii) a controlled substance;

313 (iii) a substance having the property of releasing toxic vapors; or

314 (iv) a combination of Subsections [~~(51)~~] (52)(a)(i) through (iii); and

315 (b) exhibits plain and easily observed outward manifestations of behavior or physical
316 signs produced by the overconsumption of an alcoholic product.

317 [~~(52)~~] (53) "Investigator" means an individual who is:

318 (a) a department compliance officer; or

319 (b) a nondepartment enforcement officer.

320 [~~(53)~~] (54) "Invitee" [~~is as~~] means the same as that term is defined in Section
321 32B-8-102.

322 [~~(54)~~] (55) "License" means:

323 (a) a retail license;

324 (b) a license issued in accordance with Chapter 11, Manufacturing and Related
325 Licenses Act;

326 (c) a license issued in accordance with Chapter 12, Liquor Warehousing License Act;

327 or

328 (d) a license issued in accordance with Chapter 13, Beer Wholesaling License Act.

329 [~~(55)~~] (56) "Licensee" means a person who holds a license.

330 [~~(56)~~] (57) "Limited-service restaurant license" means a license issued in accordance
331 with Chapter 5, Retail License Act, and Chapter 6, Part 3, Limited-Service Restaurant License.

332 [~~(57)~~] (58) "Limousine" means a motor vehicle licensed by the state or a local
333 authority, other than a bus or taxicab:

334 (a) in which the driver and a passenger are separated by a partition, glass, or other
335 barrier;

336 (b) that is provided by a business entity to one or more individuals at a fixed charge in
337 accordance with the business entity's tariff; and

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

340 [~~58~~] (59) (a) (i) "Liquor" means a liquid that:

341 (A) is:

342 (I) alcohol;

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

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

345 (IV) other drink or drinkable liquid; and

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

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

348 (ii) "Liquor" includes:

349 (A) heavy beer;

350 (B) wine; and

351 (C) a flavored malt beverage.

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

353 [~~59~~] (60) "Liquor Control Fund" means the enterprise fund created by Section

354 [32B-2-301](#).

355 [~~60~~] (61) "Liquor warehousing license" means a license that is issued:

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

357 (b) to a person, other than a licensed manufacturer, who engages in the importation for

358 storage, sale, or distribution of liquor regardless of amount.

359 [~~61~~] (62) "Local authority" means:

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

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

364 [~~62~~] (63) "Lounge or bar area" is as defined by rule made by the commission.

365 [~~63~~] (64) "Manufacture" means to distill, brew, rectify, mix, compound, process,
366 ferment, or otherwise make an alcoholic product for personal use or for sale or distribution to
367 others.

368 [~~64~~] (65) "Member" means an individual who, after paying regular dues, has full

369 privileges in an equity club licensee or fraternal club licensee.

370 ~~[(65)]~~ (66) (a) "Military installation" means a base, air field, camp, post, station, yard,
371 center, or homeport facility for a ship:

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

373 (B) of the National Guard;

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

375 (iii) including a leased facility.

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

377 (i) civil works;

378 (ii) a rivers and harbors project; or

379 (iii) a flood control project.

380 ~~[(66)]~~ (67) "Minor" means an individual under the age of 21 years.

381 ~~[(67)]~~ (68) "Nondepartment enforcement agency" means an agency that:

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

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

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

385 ~~[(68)]~~ (69) "Nondepartment enforcement officer" means an individual who is:

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

387 (b) employed by a nondepartment enforcement agency.

388 ~~[(69)]~~ (70) (a) "Off-premise beer retailer" means a beer retailer who is:

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

390 Authority; and

391 (ii) engaged in the retail sale of beer to a patron for consumption off the beer retailer's
392 premises.

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

394 ~~[(70)]~~ (71) "On-premise banquet license" means a license issued in accordance with
395 Chapter 5, Retail License Act, and Chapter 6, Part 6, On-Premise Banquet License.

396 ~~[(71)]~~ (72) "On-premise beer retailer" means a beer retailer who is:

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

398 accordance with Chapter 5, Retail License Act, and Chapter 6, Part 7, On-Premise Beer

399 Retailer License; and

400 (b) engaged in the sale of beer to a patron for consumption on the beer retailer's
401 premises:

402 (i) regardless of whether the beer retailer sells beer for consumption off the licensed
403 premises; and

404 (ii) on and after March 1, 2012, operating:

405 (A) as a tavern; or

406 (B) in a manner that meets the requirements of Subsection [32B-6-703\(2\)\(e\)\(i\)](#).

407 [~~72~~] [\(73\)](#) "Opaque" means impenetrable to sight.

408 [~~73~~] [\(74\)](#) "Package agency" means a retail liquor location operated:

409 (a) under an agreement with the department; and

410 (b) by a person:

411 (i) other than the state; and

412 (ii) who is authorized by the commission in accordance with Chapter 2, Part 6, Package
413 Agency, to sell packaged liquor for consumption off the premises of the package agency.

414 [~~74~~] [\(75\)](#) "Package agent" means a person who holds a package agency.

415 [~~75~~] [\(76\)](#) "Patron" means an individual to whom food, beverages, or services are sold,
416 offered for sale, or furnished, or who consumes an alcoholic product including:

417 (a) a customer;

418 (b) a member;

419 (c) a guest;

420 (d) an attendee of a banquet or event;

421 (e) an individual who receives room service;

422 (f) a resident of a resort;

423 (g) a public customer under a resort spa sublicense, as defined in Section [32B-8-102](#);

424 or

425 (h) an invitee.

426 [~~76~~] [\(77\)](#) "Permittee" means a person issued a permit under:

427 (a) Chapter 9, Event Permit Act; or

428 (b) Chapter 10, Special Use Permit Act.

429 [~~77~~] [\(78\)](#) "Person subject to administrative action" means:

430 (a) a licensee;

- 431 (b) a permittee;
- 432 (c) a manufacturer;
- 433 (d) a supplier;
- 434 (e) an importer;
- 435 (f) one of the following holding a certificate of approval:
- 436 (i) an out-of-state brewer;
- 437 (ii) an out-of-state importer of beer, heavy beer, or flavored malt beverages; or
- 438 (iii) an out-of-state supplier of beer, heavy beer, or flavored malt beverages; or
- 439 (g) staff of:
- 440 (i) a person listed in Subsections [~~(77)~~] (78)(a) through (f); or
- 441 (ii) a package agent.

442 [~~(78)~~] (79) "Premises" means a building, enclosure, or room used in connection with
443 the storage, sale, furnishing, consumption, manufacture, or distribution, of an alcoholic
444 product, unless otherwise defined in this title or rules made by the commission.

445 [~~(79)~~] (80) "Prescription" means an order issued by a health care practitioner when:

446 (a) the health care practitioner is licensed under Title 58, Occupations and Professions,
447 to prescribe a controlled substance, other drug, or device for medicinal purposes;

448 (b) the order is made in the course of that health care practitioner's professional
449 practice; and

450 (c) the order is made for obtaining an alcoholic product for medicinal purposes only.

451 [~~(80)~~] (81) (a) "Private event" means a specific social, business, or recreational event:

452 (i) for which an entire room, area, or hall is leased or rented in advance by an identified
453 group; and

454 (ii) that is limited in attendance to people who are specifically designated and their
455 guests.

456 (b) "Private event" does not include an event to which the general public is invited,
457 whether for an admission fee or not.

458 [~~(81)~~] (82) (a) "Proof of age" means:

459 (i) an identification card;

460 (ii) an identification that:

461 (A) is substantially similar to an identification card;

462 (B) is issued in accordance with the laws of a state other than Utah in which the
463 identification is issued;
464 (C) includes date of birth; and
465 (D) has a picture affixed;
466 (iii) a valid driver license certificate that:
467 (A) includes date of birth;
468 (B) has a picture affixed; and
469 (C) is issued:
470 (I) under Title 53, Chapter 3, Uniform Driver License Act; or
471 (II) in accordance with the laws of the state in which it is issued;
472 (iv) a military identification card that:
473 (A) includes date of birth; and
474 (B) has a picture affixed; or
475 (v) a valid passport.
476 (b) "Proof of age" does not include a driving privilege card issued in accordance with
477 Section [53-3-207](#).

478 ~~[(82)]~~ (83) (a) "Public building" means a building or permanent structure that is:
479 (i) owned or leased by:
480 (A) the state; or
481 (B) a local government entity; and
482 (ii) used for:
483 (A) public education;
484 (B) transacting public business; or
485 (C) regularly conducting government activities.
486 (b) "Public building" does not include a building owned by the state or a local
487 government entity when the building is used by a person, in whole or in part, for a proprietary
488 function.

489 ~~[(83)]~~ (84) "Public conveyance" means a conveyance to which the public or a portion
490 of the public has access to and a right to use for transportation, including an airline, railroad,
491 bus, boat, or other public conveyance.

492 ~~[(84)]~~ (85) "Reception center" means a business that:

- 493 (a) operates facilities that are at least 5,000 square feet; and
- 494 (b) has as its primary purpose the leasing of the facilities described in Subsection [(84)]
- 495 (85)(a) to a third party for the third party's event.
- 496 [(85)] (86) "Reception center license" means a license issued in accordance with
- 497 Chapter 5, Retail License Act, and Chapter 6, Part 8, Reception Center License.
- 498 [(86)] (87) (a) "Record" means information that is:
- 499 (i) inscribed on a tangible medium; or
- 500 (ii) stored in an electronic or other medium and is retrievable in a perceivable form.
- 501 (b) "Record" includes:
- 502 (i) a book;
- 503 (ii) a book of account;
- 504 (iii) a paper;
- 505 (iv) a contract;
- 506 (v) an agreement;
- 507 (vi) a document; or
- 508 (vii) a recording in any medium.
- 509 [(87)] (88) "Residence" means a person's principal place of abode within Utah.
- 510 [(88)] (89) "Resident," in relation to a resort, [is-as] means the same as that term is
- 511 defined in Section 32B-8-102.
- 512 [(89)] (90) "Resort" [is-as] means the same as that term is defined in Section
- 513 32B-8-102.
- 514 [(90)] (91) "Resort facility" is as defined by the commission by rule.
- 515 [(91)] (92) "Resort license" means a license issued in accordance with Chapter 5,
- 516 Retail License Act, and Chapter 8, Resort License Act.
- 517 [(92)] (93) "Restaurant" means a business location:
- 518 (a) at which a variety of foods are prepared;
- 519 (b) at which complete meals are served to the general public; and
- 520 (c) that is engaged primarily in serving meals to the general public.
- 521 [(93)] (94) "Retail license" means one of the following licenses issued under this title:
- 522 (a) a full-service restaurant license;
- 523 (b) a master full-service restaurant license;

- 524 (c) a limited-service restaurant license;
- 525 (d) a master limited-service restaurant license;
- 526 (e) a club license;
- 527 (f) an airport lounge license;
- 528 (g) an on-premise banquet license;
- 529 (h) an on-premise beer license;
- 530 (i) a reception center license; ~~[or]~~
- 531 (j) a beer-only restaurant license~~[-];~~
- 532 (k) a resort license; or
- 533 (l) a hotel license.

534 ~~[(94)]~~ (95) "Room service" means furnishing an alcoholic product to a person in a
 535 guest room of a:

- 536 (a) hotel; or
- 537 (b) resort facility.

538 (96) (a) "School" means a building used primarily for the general education of minors.
 539 (b) "School" does not include an educational facility.

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

545 ~~[(95)]~~ (98) "Serve" means to place an alcoholic product before an individual.

546 ~~[(98)]~~ (99) "Sexually oriented entertainer" means a person who while in a state of
 547 seminudity appears at or performs:

- 548 (a) for the entertainment of one or more patrons;
- 549 (b) on the premises of:
 - 550 (i) a social club licensee; or
 - 551 (ii) a tavern;
- 552 (c) on behalf of or at the request of the licensee described in Subsection ~~[(98)]~~ (99)(b);
- 553 (d) on a contractual or voluntary basis; and
- 554 (e) whether or not the person is designated as:

- 555 (i) an employee;
- 556 (ii) an independent contractor;
- 557 (iii) an agent of the licensee; or
- 558 (iv) a different type of classification.
- 559 ~~[(99)]~~ (100) "Single event permit" means a permit issued in accordance with Chapter 9,
- 560 Part 3, Single Event Permit.
- 561 ~~[(100)]~~ (101) "Small brewer" means a brewer who manufactures less than 60,000
- 562 barrels of beer, heavy beer, and flavored malt beverages per year.
- 563 ~~[(101)]~~ (102) "Social club license" means a license issued in accordance with Chapter
- 564 5, Retail License Act, and Chapter 6, Part 4, Club License, that is designated by the
- 565 commission as a social club license.
- 566 ~~[(102)]~~ (103) "Special use permit" means a permit issued in accordance with Chapter
- 567 10, Special Use Permit Act.
- 568 ~~[(103)]~~ (104) (a) "Spirituous liquor" means liquor that is distilled.
- 569 (b) "Spirituous liquor" includes an alcoholic product defined as a "distilled spirit" by
- 570 27 U.S.C. Sec. 211 and 27 C.F.R. Sec. 5.11 through 5.23.
- 571 ~~[(104)]~~ (105) "Sports center" is as defined by the commission by rule.
- 572 ~~[(105)]~~ (106) (a) "Staff" means an individual who engages in activity governed by this
- 573 title:
- 574 (i) on behalf of a business, including a package agent, licensee, permittee, or certificate
- 575 holder;
- 576 (ii) at the request of the business, including a package agent, licensee, permittee, or
- 577 certificate holder; or
- 578 (iii) under the authority of the business, including a package agent, licensee, permittee,
- 579 or certificate holder.
- 580 (b) "Staff" includes:
- 581 (i) an officer;
- 582 (ii) a director;
- 583 (iii) an employee;
- 584 (iv) personnel management;
- 585 (v) an agent of the licensee, including a managing agent;

586 (vi) an operator; or

587 (vii) a representative.

588 [~~(106)~~] (107) "State of nudity" means:

589 (a) the appearance of:

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

591 (ii) a human genital;

592 (iii) a human pubic area; or

593 (iv) a human anus; or

594 (b) a state of dress that fails to opaquely cover:

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

596 (ii) a human genital;

597 (iii) a human pubic area; or

598 (iv) a human anus.

599 [~~(107)~~] (108) "State of seminudity" means a state of dress in which opaque clothing
600 covers no more than:

601 (a) the nipple and areola of the female human breast in a shape and color other than the
602 natural shape and color of the nipple and areola; and

603 (b) the human genitals, pubic area, and anus:

604 (i) with no less than the following at its widest point:

605 (A) four inches coverage width in the front of the human body; and

606 (B) five inches coverage width in the back of the human body; and

607 (ii) with coverage that does not taper to less than one inch wide at the narrowest point.

608 [~~(108)~~] (109) (a) "State store" means a facility for the sale of packaged liquor:

609 (i) located on premises owned or leased by the state; and

610 (ii) operated by a state employee.

611 (b) "State store" does not include:

612 (i) a package agency;

613 (ii) a licensee; or

614 (iii) a permittee.

615 [~~(109)~~] (110) (a) "Storage area" means an area on licensed premises where the licensee
616 stores an alcoholic product.

617 (b) "Store" means to place or maintain in a location an alcoholic product from which a
618 person draws to prepare an alcoholic product to be furnished to a patron, except as provided in
619 Subsection [32B-6-205\(12\)\(b\)\(ii\)](#), [32B-6-305\(12\)\(b\)\(ii\)](#), [32B-6-805\(15\)\(b\)\(ii\)](#), or
620 [32B-6-905\(12\)\(b\)\(ii\)](#).

621 ~~[(110)]~~ [\(111\)](#) "Sublicense" ~~[is as]~~ means the same as that term is defined in Section
622 [32B-8-102](#) or [32B-8b-102](#).

623 ~~[(111)]~~ [\(112\)](#) "Supplier" means a person who sells an alcoholic product to the
624 department.

625 ~~[(112)]~~ [\(113\)](#) "Tavern" means an on-premise beer retailer who is:

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

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

630 ~~[(113)]~~ [\(114\)](#) "Temporary beer event permit" means a permit issued in accordance with
631 Chapter 9, Part 4, Temporary Beer Event Permit.

632 ~~[(114)]~~ [\(115\)](#) "Temporary domicile" means the principal place of abode within Utah of
633 a person who does not have a present intention to continue residency within Utah permanently
634 or indefinitely.

635 ~~[(115)]~~ [\(116\)](#) "Translucent" means a substance that allows light to pass through, but
636 does not allow an object or person to be seen through the substance.

637 ~~[(116)]~~ [\(117\)](#) "Unsaleable liquor merchandise" means a container that:

638 (a) is unsaleable because the container is:

639 (i) unlabeled;

640 (ii) leaky;

641 (iii) damaged;

642 (iv) difficult to open; or

643 (v) partly filled;

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

645 (ii) has contents that are:

646 (A) cloudy;

647 (B) spoiled; or

648 (C) chemically determined to be impure; or

649 (iii) contains:

650 (A) sediment; or

651 (B) a foreign substance; or

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

653 [~~(H7)~~] (118) (a) "Wine" means an alcoholic product obtained by the fermentation of
654 the natural sugar content of fruits, plants, honey, or milk, or other like substance, whether or
655 not another ingredient is added.

656 (b) "Wine" is considered liquor for purposes of this title, except as otherwise provided
657 in this title.

658 [~~(H8)~~] (119) "Winery manufacturing license" means a license issued in accordance
659 with Chapter 11, Part 3, Winery Manufacturing License.

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

661 **32B-2-202. Powers and duties of the commission.**

662 (1) The commission shall:

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

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

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

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

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

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

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

675 (i) a package agency;

676 (ii) a full-service restaurant license;

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

678 (iv) a limited-service restaurant license;

- 679 (v) a master limited-service restaurant license;
- 680 (vi) a club license;
- 681 (vii) an airport lounge license;
- 682 (viii) an on-premise banquet license;
- 683 (ix) a resort license, under which at least four or more sublicenses may be included;
- 684 (x) an on-premise beer retailer license;
- 685 (xi) a reception center license;
- 686 (xii) a beer-only restaurant license;
- 687 (xiii) a hotel license, under which at least three or more sublicenses may be included;
- 688 [~~(xiii)~~] (xiv) subject to Subsection (4), a single event permit;
- 689 [~~(xiv)~~] (xv) subject to Subsection (4), a temporary beer event permit;
- 690 [~~(xv)~~] (xvi) a special use permit;
- 691 [~~(xvi)~~] (xvii) a manufacturing license;
- 692 [~~(xvii)~~] (xviii) a liquor warehousing license;
- 693 [~~(xviii)~~] (xix) a beer wholesaling license; and
- 694 [~~(xix)~~] (xx) one of the following that holds a certificate of approval:
- 695 (A) an out-of-state brewer;
- 696 (B) an out-of-state importer of beer, heavy beer, or flavored malt beverages; and
- 697 (C) an out-of-state supplier of beer, heavy beer, or flavored malt beverages;
- 698 (f) in accordance with Section [32B-5-205](#), issue, deny, suspend, or revoke conditional
- 699 licenses for the purchase, storage, sale, furnishing, consumption, manufacture, and distribution
- 700 of an alcoholic product;
- 701 (g) prescribe the duties of the department in assisting the commission in issuing a
- 702 package agency, license, permit, or certificate of approval under this title;
- 703 (h) to the extent a fee is not specified in this title, establish a fee allowed under this title
- 704 in accordance with Section [63J-1-504](#);
- 705 (i) fix prices at which liquor is sold that are the same at all state stores, package
- 706 agencies, and retail licensees;
- 707 (j) issue and distribute price lists showing the price to be paid by a purchaser for each
- 708 class, variety, or brand of liquor kept for sale by the department;
- 709 (k) (i) require the director to follow sound management principles; and

710 (ii) require periodic reporting from the director to ensure that:
711 (A) sound management principles are being followed; and
712 (B) policies established by the commission are being observed;
713 (l) (i) receive, consider, and act in a timely manner upon the reports, recommendations,
714 and matters submitted by the director to the commission; and
715 (ii) do the things necessary to support the department in properly performing the
716 department's duties;
717 (m) obtain temporarily and for special purposes the services of an expert or person
718 engaged in the practice of a profession, or a person who possesses a needed skill if:
719 (i) considered expedient; and
720 (ii) approved by the governor;
721 (n) prescribe the conduct, management, and equipment of premises upon which an
722 alcoholic product may be stored, sold, offered for sale, furnished, or consumed;
723 (o) make rules governing the credit terms of beer sales within the state to retail
724 licensees; and
725 (p) in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, take
726 disciplinary action against a person subject to administrative action.
727 (2) Consistent with the policy established by the Legislature by statute, the power of
728 the commission to do the following is plenary, except as otherwise provided by this title, and
729 not subject to review:
730 (a) establish a state store;
731 (b) issue authority to act as a package agent or operate a package agency; and
732 (c) issue or deny a license, permit, or certificate of approval.
733 (3) If the commission is authorized or required to make a rule under this title, the
734 commission shall make the rule in accordance with Title 63G, Chapter 3, Utah Administrative
735 Rulemaking Act.
736 (4) Notwithstanding Subsections (1)(e)~~[(xiii) and]~~(xiv) and (xv), the director or deputy
737 director may issue an event permit in accordance with Chapter 9, Event Permit Act.
738 Section 3. Section **32B-2-605** is amended to read:
739 **32B-2-605. Operational requirements for package agency.**
740 (1) (a) A person may not operate a package agency until a package agency agreement is

741 entered into by the package agent and the department.

742 (b) A package agency agreement shall state the conditions of operation by which the
743 package agent and the department are bound.

744 (c) (i) If a package agent or staff of the package agent violates this title, rules under this
745 title, or the package agency agreement, the department may take any action against the package
746 agent that is allowed by the package agency agreement.

747 (ii) An action against a package agent is governed solely by its package agency
748 agreement and may include suspension or revocation of the package agency.

749 (iii) A package agency agreement shall provide procedures to be followed if a package
750 agent fails to pay money owed to the department including a procedure for replacing the
751 package agent or operator of the package agency.

752 (iv) A package agency agreement shall provide that the package agency is subject to
753 covert investigations for selling an alcoholic product to a minor.

754 (v) Notwithstanding that this part refers to "package agency" or "package agent," staff
755 of the package agency or package agent is subject to the same requirement or prohibition.

756 (2) (a) A package agency shall be operated by an individual who is either:

757 (i) the package agent; or

758 (ii) an individual designated by the package agent.

759 (b) An individual who is a designee under this Subsection (2) shall be:

760 (i) an employee of the package agent; and

761 (ii) responsible for the operation of the package agency.

762 (c) The conduct of the designee is attributable to the package agent.

763 (d) A package agent shall submit the name of the person operating the package agency
764 to the department for the department's approval.

765 (e) A package agent shall state the name and title of a designee on the application for a
766 package agency.

767 (f) A package agent shall:

768 (i) inform the department of a proposed change in the individual designated to operate
769 a package agency; and

770 (ii) receive prior approval from the department before implementing the change
771 described in this Subsection (2)(f).

772 (g) Failure to comply with the requirements of this Subsection (2) may result in the
773 immediate termination of a package agency agreement.

774 (3) (a) A package agent shall display in a prominent place in the package agency the
775 record issued by the commission that designates the package agency.

776 (b) A package agent that displays or stores liquor at a location visible to the public
777 shall display in a prominent place in the package agency a sign in large letters that consists of
778 text in the following order:

779 (i) a header that reads: "WARNING";

780 (ii) a warning statement that reads: "Drinking alcoholic beverages during pregnancy
781 can cause birth defects and permanent brain damage for the child.";

782 (iii) a statement in smaller font that reads: "Call the Utah Department of Health at
783 [insert most current toll-free number] with questions or for more information.";

784 (iv) a header that reads: "WARNING"; and

785 (v) a warning statement that reads: "Driving under the influence of alcohol or drugs is a
786 serious crime that is prosecuted aggressively in Utah."

787 (c) (i) The text described in Subsections (3)(b)(i) through (iii) shall be in a different
788 font style than the text described in Subsections (3)(b)(iv) and (v).

789 (ii) The warning statements in the sign described in Subsection (3)(b) shall be in the
790 same font size.

791 (d) The Department of Health shall work with the commission and department to
792 facilitate consistency in the format of a sign required under this section.

793 (4) A package agency may not display liquor or a price list in a window or showcase
794 that is visible to passersby.

795 (5) (a) A package agency may not purchase liquor from a person except from the
796 department.

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

799 (6) A package agency may not store, sell, offer for sale, or furnish liquor in a place
800 other than as designated in the package agent's application, unless the package agent first
801 applies for and receives approval from the department for a change of location within the
802 package agency premises.

- 803 (7) A package agency may not sell, offer for sale, or furnish liquor except at a price
804 fixed by the commission.
- 805 (8) A package agency may not sell, offer for sale, or furnish liquor to:
- 806 (a) a minor;
- 807 (b) a person actually, apparently, or obviously intoxicated;
- 808 (c) a known interdicted person; or
- 809 (d) a known habitual drunkard.
- 810 (9) (a) A package agency may not employ a minor to handle liquor.
- 811 (b) (i) Staff of a package agency may not:
- 812 (A) consume an alcoholic product on the premises of a package agency; or
- 813 (B) allow any person to consume an alcoholic product on the premises of a package
814 agency.
- 815 (ii) Violation of this Subsection (9)(b) is a class B misdemeanor.
- 816 (10) (a) A package agency may not close or cease operation for a period longer than 72
817 hours, unless:
- 818 (i) the package agency notifies the department in writing at least seven days before the
819 closing; and
- 820 (ii) the closure or cessation of operation is first approved by the department.
- 821 (b) Notwithstanding Subsection (10)(a), in the case of emergency closure, a package
822 agency shall immediately notify the department by telephone.
- 823 (c) (i) The department may authorize a closure or cessation of operation for a period
824 not to exceed 60 days.
- 825 (ii) The department may extend the initial period an additional 30 days upon written
826 request of the package agency and upon a showing of good cause.
- 827 (iii) A closure or cessation of operation may not exceed a total of 90 days without
828 commission approval.
- 829 (d) The notice required by Subsection (10)(a) shall include:
- 830 (i) the dates of closure or cessation of operation;
- 831 (ii) the reason for the closure or cessation of operation; and
- 832 (iii) the date on which the package agency will reopen or resume operation.
- 833 (e) Failure of a package agency to provide notice and to obtain department

834 authorization before closure or cessation of operation results in an automatic termination of the
835 package agency agreement effective immediately.

836 (f) Failure of a package agency to reopen or resume operation by the approved date
837 results in an automatic termination of the package agency agreement effective on that date.

838 (11) A package agency may not transfer its operations from one location to another
839 location without prior written approval of the commission.

840 (12) (a) A person, having been issued a package agency, may not sell, transfer, assign,
841 exchange, barter, give, or attempt in any way to dispose of the package agency to another
842 person, whether for monetary gain or not.

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

844 (13) (a) Subject to the other provisions of this Subsection (13):

845 (i) sale or delivery of liquor may not be made on or from the premises of a package
846 agency, and a package agency may not be kept open for the sale of liquor:

847 (A) on Sunday; or

848 (B) on a state or federal legal holiday.

849 (ii) Sale or delivery of liquor may be made on or from the premises of a package
850 agency, and a package agency may be open for the sale of liquor, only on a day and during
851 hours that the commission directs by rule or order.

852 (b) A package agency located at a manufacturing facility is not subject to Subsection
853 (13)(a) if:

854 (i) the package agency is located at a manufacturing facility licensed in accordance
855 with Chapter 11, Manufacturing and Related Licenses Act;

856 (ii) the manufacturing facility licensed in accordance with Chapter 11, Manufacturing
857 and Related Licenses Act, holds:

858 (A) a full-service restaurant license;

859 (B) a limited-service restaurant license;

860 (C) a beer-only restaurant license; or

861 (D) dining club license;

862 (iii) the restaurant or dining club is located at the manufacturing facility;

863 (iv) the restaurant or dining club sells an alcoholic product produced at the
864 manufacturing facility;

- 865 (v) the manufacturing facility:
- 866 (A) owns the restaurant or dining club; or
- 867 (B) operates the restaurant or dining club;
- 868 (vi) the package agency only sells an alcoholic product produced at the manufacturing
- 869 facility; and
- 870 (vii) the package agency's days and hours of sale are the same as the days and hours of
- 871 sale at the restaurant or dining club.
- 872 (c) (i) Subsection (13)(a) does not apply to a package agency held by [~~a resort licensee~~]
- 873 the following if the package agent that holds the package agency to sell liquor at [~~the~~] a resort
- 874 or hotel does not sell liquor in a manner similar to a state store:
- 875 (A) a resort licensee; or
- 876 (B) a hotel licensee.
- 877 (ii) The commission may by rule define what constitutes a package agency that sells
- 878 liquor "in a manner similar to a state store."
- 879 (14) (a) Except to the extent authorized by commission rule, a minor may not be
- 880 admitted into, or be on the premises of, a package agency unless accompanied by a person who
- 881 is:
- 882 (i) 21 years of age or older; and
- 883 (ii) the minor's parent, legal guardian, or spouse.
- 884 (b) A package agent or staff of a package agency that has reason to believe that a
- 885 person who is on the premises of a package agency is under the age of 21 and is not
- 886 accompanied by a person described in Subsection (14)(a) may:
- 887 (i) ask the suspected minor for proof of age;
- 888 (ii) ask the person who accompanies the suspected minor for proof of age; and
- 889 (iii) ask the suspected minor or the person who accompanies the suspected minor for
- 890 proof of parental, guardianship, or spousal relationship.
- 891 (c) A package agent or staff of a package agency shall refuse to sell liquor to the
- 892 suspected minor and to the person who accompanies the suspected minor into the package
- 893 agency if the minor or person fails to provide any information specified in Subsection (14)(b).
- 894 (d) A package agent or staff of a package agency shall require the suspected minor and
- 895 the person who accompanies the suspected minor into the package agency to immediately leave

896 the premises of the package agency if the minor or person fails to provide information specified
897 in Subsection (14)(b).

898 (15) (a) A package agency shall sell, offer for sale, or furnish liquor in a sealed
899 container.

900 (b) A person may not open a sealed container on the premises of a package agency.

901 (c) Notwithstanding Subsection (15)(a), a package agency may sell, offer for sale, or
902 furnish liquor in other than a sealed container:

903 (i) if the package agency is the type of package agency that authorizes the package
904 agency to sell, offer for sale, or furnish the liquor as part of room service;

905 (ii) if the liquor is sold, offered for sale, or furnished as part of room service; and

906 (iii) subject to:

907 (A) staff of the package agency providing the liquor in person only to an adult guest in
908 the guest room;

909 (B) staff of the package agency not leaving the liquor outside a guest room for retrieval
910 by a guest; and

911 (C) the same limits on the portions in which an alcoholic product may be sold by a
912 retail licensee under Section [32B-5-304](#).

913 (16) On or after October 1, 2011, a package agency may not sell, offer for sale, or
914 furnish heavy beer in a sealed container that exceeds two liters.

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

917 (18) The commission may prescribe by policy or rule general operational requirements
918 of a package agency that are consistent with this title and relate to:

919 (a) physical facilities;

920 (b) conditions of operation;

921 (c) hours of operation;

922 (d) inventory levels;

923 (e) payment schedules;

924 (f) methods of payment;

925 (g) premises security; and

926 (h) any other matter considered appropriate by the commission.

927 Section 4. Section **32B-4-303** is amended to read:

928 **32B-4-303. Special burdens of proof -- Inferences and presumptions.**

929 (1) In a prosecution of an offense defined in this title or in a proceeding brought to
930 enforce this title:

931 (a) it is not necessary that the state or commission establish:

932 (i) the precise description or quantity of an alcoholic product; or

933 (ii) the precise consideration, if any, given or received for an alcoholic product;

934 (b) there is an inference, absent proof to the contrary, that an alcoholic product in

935 question is an alcoholic product if the witness describes it:

936 (i) as an alcoholic product;

937 (ii) by a name that is commonly applied to an alcoholic product; or

938 (iii) as intoxicating;

939 (c) if it is alleged that an entity for which a record is required to be filed with the

940 Division of Corporations and Commercial Code to be organized or conduct business in this

941 state has violated this title, the fact of the entity is presumed absent proof to the contrary;

942 (d) a record signed or purporting to be signed by a state chemist, assistant state

943 chemist, or state crime laboratory chemist, as to the analysis or ingredients of an alcoholic
944 product is:

945 (i) prima facie evidence:

946 (A) of the facts stated in that record; and

947 (B) of the authority of the person giving or making the record; and

948 (ii) admissible in evidence without proof of appointment or signature absent proof to
949 the contrary; and

950 (e) a copy of an entry made in a record of the United States internal revenue collector,
951 certified by the collector or a qualified notary public, showing the payment of the United States
952 internal revenue special tax for the manufacture or sale of an alcoholic product is prima facie
953 evidence of the manufacture or sale by the party named in the entry within the period set forth
954 in the record.

955 (2) (a) In proving the unlawful purchase, sale, gift, or disposal, gratuitous or otherwise,
956 or consumption of an alcoholic product, it is not necessary that the state or commission
957 establish that money or other consideration actually passed or that an alcoholic product is

958 actually consumed if the court or trier of fact is satisfied that:

959 (i) a transaction in the nature of a purchase, sale, gift, or disposal actually occurs; or

960 (ii) consumption of an alcoholic product is about to occur.

961 (b) Proof of consumption or intended consumption of an alcoholic product on premises
962 on which consumption is prohibited, by some person not authorized to consume an alcoholic
963 product on those premises, is evidence that an alcoholic product is sold, given to, or purchased
964 by the person consuming, about to consume, or carrying away the alcoholic product as against
965 the occupant of the premises.

966 (3) For purposes of a provision applicable under this chapter to a retail licensee or staff
967 of a retail licensee, the provision is applicable to a resort licensee or hotel licensee or a person
968 operating under a sublicense of the resort licensee or hotel licensee.

969 (4) Notwithstanding the other provisions of this chapter, a criminal offense identified
970 in this title as a criminal offense may not be enforced under this chapter if the criminal offense
971 relates to a violation:

972 (a) of a provision in this title related to intoxication or becoming intoxicated; and

973 (b) if the violation is first investigated by a law enforcement officer, as defined in
974 Section 53-13-103, who has not received training regarding the requirements of this title
975 related to responsible alcoholic product sale or furnishing.

976 Section 5. Section 32B-4-415 is amended to read:

977 **32B-4-415. Unlawful bringing onto premises for consumption.**

978 (1) Except as provided in Subsection (4), a person may not bring an alcoholic product
979 for on-premise consumption onto the premises of:

980 (a) a retail licensee or person required to be licensed under this title as a retail licensee;

981 (b) an establishment that conducts a business similar to a retail licensee;

982 (c) an event where an alcoholic product is sold, offered for sale, or furnished under a
983 single event permit or temporary beer event permit issued under this title; or

984 (d) an establishment open to the general public.

985 (2) Except as provided in Subsection (4), the following may not allow a person to bring
986 onto its premises an alcoholic product for on-premise consumption or allow consumption of an
987 alcoholic product brought onto its premises in violation of this section:

988 (a) a retail licensee or a person required to be licensed under this title as a retail

989 licensee;

990 (b) an establishment that conducts a business similar to a retail licensee;

991 (c) a single event permittee or temporary beer event permittee;

992 (d) an establishment open to the general public; or

993 (e) staff of a person listed in Subsections (2)(a) through (d).

994 (3) Except as provided in Subsection (4)(c)(i)(A), a person may not consume an
995 alcoholic product in a limousine or chartered bus if the limousine or chartered bus drops off a
996 passenger at a location from which the passenger departs in a private vehicle.

997 (4) (a) A person may bring bottled wine onto the premises of the following and
998 consume the wine pursuant to Section [32B-5-307](#):

999 (i) a full-service restaurant licensee;

1000 (ii) a limited restaurant licensee;

1001 (iii) a club licensee; or

1002 (iv) a person operating under a resort spa sublicense.

1003 (b) A passenger of a limousine may bring onto, possess, and consume an alcoholic
1004 product on the limousine if:

1005 (i) the travel of the limousine begins and ends at:

1006 (A) the residence of the passenger;

1007 (B) the hotel of the passenger, if the passenger is a registered guest of the hotel; or

1008 (C) the temporary domicile of the passenger; and

1009 (ii) the driver of the limousine is separated from the passengers by partition or other
1010 means approved by the department.

1011 (c) A passenger of a chartered bus may bring onto, possess, and consume an alcoholic
1012 product on the chartered bus:

1013 (i) (A) but may consume only during travel to a specified destination of the chartered
1014 bus and not during travel back to the place where the travel begins; or

1015 (B) if the travel of the chartered bus begins and ends at:

1016 (I) the residence of the passenger;

1017 (II) the hotel of the passenger, if the passenger is a registered guest of the hotel; or

1018 (III) the temporary domicile of the passenger; and

1019 (ii) if the chartered bus has a nondrinking designee other than the driver traveling on

1020 the chartered bus to monitor consumption.

1021 (5) A person may bring onto any premises, possess, and consume an alcoholic product
1022 at a private event.

1023 (6) The restrictions of Subsections (2) and (3) apply to a resort licensee or hotel
1024 licensee or person operating under a sublicense in relationship to:

1025 (a) the boundary of a resort building or boundary of a hotel in an area that is open to
1026 the public; or

1027 (b) except as provided in Subsection (4), a sublicense premises.

1028 Section 6. Section **32B-4-501** is amended to read:

1029 **32B-4-501. Operating without a license or permit.**

1030 (1) A person may not operate the following businesses without first obtaining a license
1031 under this title if the business allows a person to purchase or consume an alcoholic product on
1032 the premises of the business:

1033 (a) a restaurant;

1034 (b) an airport lounge;

1035 (c) a business operated in the same manner as a club licensee;

1036 (d) a resort;

1037 (e) a business operated to sell, offer for sale, or furnish beer for on-premise

1038 consumption;

1039 (f) a business operated as an on-premise banquet licensee; ~~(f)~~

1040 (g) a hotel; or

1041 ~~(g)~~ (h) a business similar to one listed in Subsections (1)(a) through ~~(f)~~ (g).

1042 (2) A person conducting an event that is open to the general public may not directly or
1043 indirectly sell, offer for sale, or furnish an alcoholic product to a person attending the event
1044 without first obtaining an event permit under this title.

1045 (3) A person conducting a private event may not directly or indirectly sell or offer for
1046 sale an alcoholic product to a person attending the private event without first obtaining an
1047 event permit under this title.

1048 (4) A person may not operate the following businesses in this state without first
1049 obtaining a license under this title:

1050 (a) a winery manufacturer;

- 1051 (b) a distillery manufacturer;
- 1052 (c) a brewery manufacturer;
- 1053 (d) a local industry representative of:
- 1054 (i) a manufacturer of an alcoholic product;
- 1055 (ii) a supplier of an alcoholic product; or
- 1056 (iii) an importer of an alcoholic product;
- 1057 (e) a liquor warehouse; or
- 1058 (f) a beer wholesaler.

1059 (5) A person may not operate a public conveyance in this state without first obtaining a
1060 public service permit under this title if that public conveyance allows a person to purchase or
1061 consume an alcoholic product:

- 1062 (a) on the public conveyance; or
- 1063 (b) on the premises of a hospitality room located within a depot, terminal, or similar
1064 facility at which a service is provided to a patron of the public conveyance.

1065 Section 7. Section **32B-6-403** is amended to read:

1066 **32B-6-403. Commission's power to issue club license.**

1067 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of
1068 an alcoholic product on its premises as a club licensee, the person shall first obtain a club
1069 license from the commission in accordance with this part.

1070 (2) The commission may issue a club license to establish club licensed premises at
1071 places and in numbers the commission considers proper for the storage, sale, offer for sale,
1072 furnishing, and consumption of an alcoholic product on premises operated by a club licensee.

1073 (3) Subject to Section **32B-1-201**:

1074 (a) The commission may not issue a total number of club licenses that at any time
1075 exceeds the number determined by dividing the population of the state by 7,850.

1076 (b) The commission may issue a seasonal club license in accordance with Section
1077 **32B-5-206** to:

- 1078 (i) a dining club licensee; or
- 1079 (ii) a social club licensee.

1080 (c) (i) If the location, design, and construction of a hotel may require more than one
1081 dining club license or social club license location within the hotel to serve the public

1082 convenience, the commission may authorize as many as three club license locations within the
1083 hotel under one club license if:

1084 (A) the hotel has a minimum of 150 guest rooms; [~~and~~]

1085 (B) all locations under the club license are:

1086 (I) within the same hotel; and

1087 (II) on premises that are managed or operated, and owned or leased, by the club

1088 licensee[.]; and

1089 (C) the locations under the club license operate under the same type of club license.

1090 (ii) A facility other than a hotel shall have a separate club license for each club license
1091 location where an alcoholic product is sold, offered for sale, or furnished.

1092 (d) When a business establishment undergoes a change of ownership, the commission
1093 may issue a club license to the new owner of the business establishment notwithstanding that
1094 there is no club license available under Subsection (3)(a) if:

1095 (i) the primary business activity at the business establishment before and after the
1096 change of ownership is not the sale, offer for sale, or furnishing of an alcoholic product;

1097 (ii) before the change of ownership there are two or more licensed premises on the
1098 business establishment that operate under a retail license, with at least one of the retail licenses
1099 being a club license;

1100 (iii) subject to Subsection (3)(e), the licensed premises of the club license issued under
1101 this Subsection (3)(d) is at the same location where the club license licensed premises was
1102 located before the change of ownership; and

1103 (iv) the person who is the new owner of the business establishment qualifies for the
1104 club license, except for there being no club license available under Subsection (3)(a).

1105 (e) If a club licensee of a club license issued under Subsection (3)(d) requests a change
1106 of location, the club licensee may retain the club license after the change of location only if on
1107 the day on which the club licensee seeks a change of location a club license is available under
1108 Subsection (3)(a).

1109 Section 8. Section **32B-8b-101** is enacted to read:

1110 **CHAPTER 8b. HOTEL LICENSE ACT**

1111 **Part 1. General Provisions**

1112 **32B-8b-101. Title.**

1113 This chapter is known as the "Hotel License Act."
1114 Section 9. Section **32B-8b-102** is enacted to read:
1115 **32B-8b-102. Definitions.**
1116 As used in this chapter:
1117 (1) "Boundary of a hotel" means the physical boundary of the contiguous parcels of
1118 real estate owned by the same person on which is located one or more buildings and any
1119 structure or improvement to that real estate as determined by the commission.
1120 (2) "Hotel" means one or more buildings that:
1121 (a) constitute a hotel, as defined by the commission;
1122 (b) are owned by the same person or by a person who has a majority interest in and can
1123 direct or exercise control over the management or policy of the person who owns any other
1124 building under the hotel license within the boundary of the hotel;
1125 (c) primarily operate to provide lodging accommodations;
1126 (d) provide room service within the boundary of the hotel meeting the requirements of
1127 this title;
1128 (e) have on-premise banquet space and provide service within the boundary of the hotel
1129 meeting the requirements of this title;
1130 (f) have a restaurant or club within the boundary of the hotel meeting the requirements
1131 of this title; and
1132 (g) have at least 40 guest rooms.
1133 (3) "Provisions applicable to a sublicense" means:
1134 (a) for a full-service restaurant sublicense, Chapter 6, Part 2, Full-Service Restaurant
1135 License;
1136 (b) for a limited-service restaurant sublicense, Chapter 6, Part 3, Limited-Service
1137 Restaurant License;
1138 (c) for a club sublicense, Chapter 6, Part 4, Club License;
1139 (d) for an on-premise banquet sublicense, Chapter 6, Part 6, On-Premise Banquet
1140 License;
1141 (e) for an on-premise beer retailer sublicense, Chapter 6, Part 7, On-Premise Beer
1142 Retailer License; and
1143 (f) for a beer-only restaurant sublicense, Chapter 6, Part 9, Beer-Only Restaurant

1144 License.

1145 (4) "Sublicense" means:

1146 (a) a full-service restaurant sublicense;

1147 (b) a limited-service restaurant sublicense;

1148 (c) a club sublicense;

1149 (d) an on-premise banquet sublicense;

1150 (e) an on-premise beer retailer sublicense; and

1151 (f) a beer-only restaurant sublicense.

1152 (5) "Sublicense premises" means a building, enclosure, or room used pursuant to a
1153 sublicense in connection with the storage, sale, furnishing, or consumption of an alcoholic
1154 product, unless otherwise defined in this title or in the rules made by the commission, except
1155 that sublicense premises may have only one sublicense within a room or an enclosure that is
1156 separate from a room.

1157 Section 10. Section **32B-8b-201** is enacted to read:

1158 **Part 2. Hotel Licensing Process**

1159 **32B-8b-201. Commission's power to issue a hotel license.**

1160 (1) Before a person as a hotel under a single license may store, sell, offer for sale,
1161 furnish, or allow the consumption of an alcoholic product on sublicense premises, the person
1162 shall first obtain a hotel license from the commission in accordance with this part.

1163 (2) (a) The commission may issue to a person a hotel license to allow the storage, sale,
1164 offer for sale, furnishing, and consumption of an alcoholic product in connection with a hotel
1165 designated in the hotel license if the person operates at least three sublicenses under the hotel
1166 license one of which is an on-premise banquet license and one of which is a sublicense for a
1167 restaurant or club.

1168 (b) A hotel license shall:

1169 (i) consist of:

1170 (A) a general hotel license; and

1171 (B) three or more sublicenses meeting the requirements of Subsection (2)(a); and

1172 (ii) designate the boundary of the hotel and sublicenses.

1173 (c) This chapter does not prohibit an alcoholic product on the boundary of the hotel to
1174 the extent otherwise permitted by this title.

1175 (d) The commission may not issue a sublicense that is separate from a hotel license.

1176 (3) (a) The commission may not issue a total number of hotel licenses that at any time
1177 totals more than 80.

1178 (b) Subject to Subsection (3)(c), when determining the total number of licenses the
1179 commission has issued for each type of retail license, the commission may not include a
1180 sublicense as one of the retail licenses issued under the provisions applicable to the sublicense.

1181 (c) If a hotel license issued under this chapter includes a club sublicense that before the
1182 issuance of the hotel license was a club license, the commission shall include the club
1183 sublicense as one of the club licenses in determining if the total number of licenses issued
1184 under the provisions applicable to the club license exceeds the number calculated by dividing
1185 the population of the state by the number specified in the provisions applicable to the club
1186 license.

1187 Section 11. Section **32B-8b-202** is enacted to read:

1188 **32B-8b-202. Specific licensing requirements for hotel license.**

1189 (1) To obtain a hotel license, in addition to complying with Chapter 5, Part 2, Retail
1190 Licensing Process, a person shall submit with the written application:

1191 (a) the current business license for each sublicense, if the business license is separate
1192 from the person's business license;

1193 (b) evidence:

1194 (i) of proximity of each building under the hotel license to any community location,
1195 with proximity requirements being governed by Section [32B-1-202](#);

1196 (ii) that each of the three or more sublicense premises is entirely within the boundary of
1197 the hotel; and

1198 (iii) that a building designated in the application as a building under the hotel license
1199 qualifies to be under the hotel license;

1200 (c) a description and boundary map of the hotel;

1201 (d) a description, floor plan, and boundary map of each sublicense premises
1202 designating:

1203 (i) any location at which the person proposes that an alcoholic product be stored; and

1204 (ii) a designated location on the sublicense premises from which the person proposes
1205 that an alcoholic product be sold, furnished, or consumed;

1206 (e) evidence that the hotel licensee carries dramshop insurance coverage equal to the
1207 sum of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate to cover both the
1208 general hotel license and each sublicense; and

1209 (f) a signed consent form stating that the person will permit any authorized
1210 representative of the commission or department, or any law enforcement officer, to have
1211 unrestricted right to enter the boundary of the hotel and each sublicense premises.

1212 (2) (a) A hotel license expires on October 31 of each year.

1213 (b) To renew a person's hotel license, the person shall comply with the requirements of
1214 Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.

1215 (3) (a) The nonrefundable application fee for a hotel license is \$500.

1216 (b) The initial license fee for a hotel license is calculated as follows:

1217 (i) \$5,000 if three sublicenses are being applied for under the hotel license; or

1218 (ii) if more than three sublicenses are being applied for under the hotel license, the sum
1219 of:

1220 (A) \$5,000; and

1221 (B) \$2,000 for each sublicense in excess of three sublicenses for which the person is
1222 applying.

1223 (c) The renewal fee for a hotel license is \$1,000 for each sublicense under the hotel
1224 license.

1225 (4) (a) The bond amount required for a hotel license is the penal sum of \$10,000.

1226 (b) A hotel licensee is not required to have a separate bond for each sublicense, except
1227 that the aggregate of the bonds posted by the hotel licensee shall cover each sublicense under
1228 the hotel license.

1229 (5) The commission may not issue a hotel license that includes a building under the
1230 hotel license that does not meet the proximity requirements of Section [32B-1-202](#).

1231 Section 12. Section **32B-8b-203** is enacted to read:

1232 **32B-8b-203. Qualifications for hotel license and sublicense.**

1233 For purposes of this chapter, the commission shall apply the requirements of Section
1234 [32B-1-304](#) to a hotel license and each sublicense under the hotel license.

1235 Section 13. Section **32B-8b-204** is enacted to read:

1236 **32B-8b-204. Commission and department duties before issuing hotel license.**

1237 (1) Before the issuance of a hotel license, the department shall comply with the
1238 requirements of Subsection 32B-5-203(1) in relation to the hotel license and each sublicense.

1239 (2) Before issuing a hotel license, in addition to considering the factors described in
1240 Section 32B-8b-202, the commission shall:

1241 (a) consider the hotel license person's ability to manage and operate a hotel license and
1242 the ability of any individual who will act in a supervisory or managerial capacity for a
1243 sublicense, including:

1244 (i) past management experience;

1245 (ii) past alcoholic product license experience; and

1246 (iii) the type of management scheme to be used by the hotel license person;

1247 (b) consider the nature or type of:

1248 (i) the person's business operation of the hotel license; and

1249 (ii) the business operation of each sublicense; and

1250 (c) subject to Subsection (3), determine that each sublicense meets the requirements
1251 imposed under the provisions applicable to each sublicense.

1252 (3) (a) Subject to Subsection (3)(b), notwithstanding the requirements to obtain a retail
1253 license under the provisions applicable to a sublicense, a sublicense of a hotel license is not
1254 subject to:

1255 (i) a requirement to submit an application or renewal application that is separate from
1256 the hotel license application;

1257 (ii) a requirement to carry public liability insurance or dramshop insurance coverage
1258 that is separate from that carried by the hotel licensee; or

1259 (iii) a requirement to post a bond that is separate from the bond posted by the hotel
1260 licensee.

1261 (b) If a hotel licensee seeks to add a sublicense after its hotel license is issued, the hotel
1262 licensee shall file with the department:

1263 (i) a nonrefundable \$300 application fee;

1264 (ii) an initial license fee of \$2,250, which is refundable if the sublicense is not issued;

1265 (iii) written consent of the local authority;

1266 (iv) a copy of:

1267 (A) the hotel licensee's current business license; and

1268 (B) the current business license for the sublicense, if the business licensee is separate
 1269 from the hotel licensee's business license;

1270 (v) evidence that the sublicense premises is entirely within the boundary of the hotel;

1271 (vi) a description, floor plan, and boundary map of the sublicense premises

1272 designating:

1273 (A) any location at which the person proposes that an alcoholic product be stored; and

1274 (B) any designated location on the sublicense premises from which the person proposes
 1275 that an alcoholic product be sold, furnished, or consumed;

1276 (vii) evidence that the person carries public liability insurance in an amount and form
 1277 satisfactory to the department;

1278 (viii) evidence that the person carries dramshop insurance coverage in the amount
 1279 required by Section [32B-8b-202](#) that covers the sublicense to be added;

1280 (ix) a signed consent form stating that the hotel licensee will permit any authorized
 1281 representative of the commission or department, or any law enforcement officer, to have
 1282 unrestricted right to enter the sublicense premises;

1283 (x) if the hotel licensee is an entity, proper verification evidencing that a person who
 1284 signs the application is authorized to sign on behalf of the entity; and

1285 (xi) any other information the commission or department may require.

1286 Section 14. Section **32B-8b-301** is enacted to read:

1287 **Part 3. Operational Requirements**

1288 **32B-8b-301. Specific operational requirements for hotel license.**

1289 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
 1290 Requirements, a hotel licensee, staff of the hotel licensee, and a person otherwise operating
 1291 under a sublicense shall comply with this section.

1292 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
 1293 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

1294 (i) a hotel licensee;

1295 (ii) individual staff of a hotel licensee;

1296 (iii) a person otherwise operating under a sublicense;

1297 (iv) individual staff of a person otherwise operating under a sublicense; or

1298 (v) any combination of the persons listed in this Subsection (1)(b).

1299 (2) (a) A hotel licensee may not sell, offer for sale, or furnish an alcoholic product
1300 except:
1301 (i) on a sublicense premises;
1302 (ii) pursuant to a permit issued under this title; or
1303 (iii) under a package agency agreement with the department, subject to Chapter 2, Part
1304 6, Package Agency.

1305 (b) A hotel licensee who sells, offers for sale, or furnishes an alcoholic product as
1306 provided in Subsection (2)(a) shall sell, offer for sale, or furnish the alcoholic product:

1307 (i) if on a sublicense premises, in accordance with the operational requirements under
1308 the provisions applicable to the sublicense;

1309 (ii) if under a permit issued under this title, in accordance with the operational
1310 requirements under the provisions applicable to the permit; and

1311 (iii) if as a package agency, in accordance with the contract with the department and
1312 Chapter 2, Part 6, Package Agency.

1313 (c) Notwithstanding the other provisions of this Subsection (2), a hotel licensee may
1314 not permit a patron to carry an alcoholic product off the premises of a sublicense in violation of
1315 Section [32B-5-307](#) or off an area designated under a permit.

1316 (3) A hotel licensee shall comply with Subsections [32B-5-301](#)(4) and (5) within the
1317 boundary of the hotel.

1318 (4) A hotel licensee shall supervise and direct a person involved in the sale, offer for
1319 sale, or furnishing of an alcoholic product under a hotel license.

1320 (5) (a) Room service of an alcoholic product to a lodging accommodation of a hotel
1321 licensee shall be provided in person by staff of a hotel licensee only to an adult occupant in the
1322 lodging accommodation.

1323 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval
1324 by an occupant.

1325 Section 15. Section **32B-8b-302** is enacted to read:

1326 **32B-8b-302. Specific operational requirements for a sublicense.**

1327 (1) A person operating under a sublicense is subject to the operational requirements
1328 under the provisions applicable to the sublicense.

1329 (2) For purposes of interpreting an operational requirement imposed by the provisions

1330 applicable to a sublicense:

1331 (a) a requirement imposed on a person operating under a sublicense applies to the hotel
1332 licensee; and

1333 (b) a requirement imposed on staff of a person operating under a sublicense applies to
1334 staff of the hotel licensee.

1335 Section 16. Section **32B-8b-401** is enacted to read:

1336 **Part 4. Enforcement**

1337 **32B-8b-401. Enforcement of operational requirements for hotel license or**
1338 **sublicense.**

1339 (1) (a) Failure by a person described in Subsection (1)(b) to comply with this chapter or
1340 an operational requirement under a provision applicable to a sublicense may result in
1341 disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act,
1342 against:

1343 (i) a hotel licensee;

1344 (ii) individual staff of a hotel licensee;

1345 (iii) a person otherwise operating under a sublicense;

1346 (iv) individual staff of a person otherwise operating under a sublicense; or

1347 (v) any combination of the persons listed in this Subsection (1)(a).

1348 (b) This Subsection (1) applies to:

1349 (i) a hotel licensee;

1350 (ii) a person operating under a sublicense; or

1351 (iii) staff of a hotel licensee or other person operating under a sublicense.

1352 (2) An operational requirement applicable to a person operating under a sublicense is
1353 enforced as provided by the provisions applicable to the sublicense.

1354 Section 17. Section **32B-8b-402** is enacted to read:

1355 **32B-8b-402. Enforcement of Nuisance Retail Licensee Act.**

1356 Chapter 3, Part 3, Nuisance Retail Licensee Act, applies to a hotel license only if three
1357 or more of the sublicenses of the hotel license have not been renewed in accordance with
1358 Chapter 3, Part 3, Nuisance Retail Licensee Act, within three years from the day on which a
1359 hotel licensee applies for the renewal of its hotel license.

Legislative Review Note
Office of Legislative Research and General Counsel