

**Representative Gage Froerer** proposes the following substitute bill:

**DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL**

**FUNDING AMENDMENTS**

2018 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Gage Froerer**

Senate Sponsor: Wayne A. Harper

---

---

**LONG TITLE**

**General Description:**

This bill modifies provisions related to the budget of the Department of Alcoholic Beverage Control.

**Highlighted Provisions:**

This bill:

- ▶ modifies how the Department of Alcoholic Beverage Control handles money it receives from the markup on alcoholic beverages;
- ▶ repeals certain responsibilities of the State Tax Commission related to money received from the markup on alcoholic beverages;
- ▶ creates the State Store Land Acquisition Fund;
- ▶ allows the Department of Alcoholic Beverage Control to use the money in the State Store Land Acquisition Fund to purchase or lease property for state stores;
- ▶ requires the Department of Alcoholic Beverage Control to use proceeds from any related revenue bond to repay the money used from the State Store Land Acquisition Fund;
- ▶ addresses reporting requirements; **S→ [and]**
- ▶ **provides for establishing performance measures and goals to evaluate the operations of the Department of Alcoholic Beverage Control; and**





26 **Money Appropriated in this Bill:**

27           ▶ To the Department of Alcoholic Beverage Control -- State Store Land  
28 Acquisition Fund -- State Store Land Acquisition Fund -- as a one-time  
29 appropriation:

- 30           • from the General Fund, One-time, ~~Ⓢ~~ → [\$7,500,000] \$5,000,000 ← Ⓢ .

31 **Other Special Clauses:**

32           This bill provides a special effective date.

33 **Utah Code Sections Affected:**

34 AMENDS:

- 35           **32B-2-301**, as last amended by Laws of Utah 2017, Chapter 159
- 36           **32B-2-304**, as last amended by Laws of Utah 2017, Chapter 455
- 37           **32B-3-205**, as last amended by Laws of Utah 2017, Chapter 455
- 38           **53F-9-304**, as renumbered and amended by Laws of Utah 2018, Chapter 2
- 39           **59-1-401**, as last amended by Laws of Utah 2017, Chapter 430
- 40           **59-1-402**, as last amended by Laws of Utah 2017, Chapter 430
- 41           **59-1-1402**, as last amended by Laws of Utah 2017, Chapter 430

42 ENACTS:

- 43           **32B-2-307**, Utah Code Annotated 1953
- 44           **32B-2-505**, Utah Code Annotated 1953



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

47           Section 1. Section **32B-2-301** is amended to read:

48           **32B-2-301. State property -- Liquor Control Fund -- Money to be retained by**  
49 **department -- Department building process.**

50           (1) The following are property of the state:

51           (a) the money received in the administration of this title, except as otherwise provided;  
52 and

53           (b) property acquired, administered, possessed, or received by the department.

54           (2) (a) There is created an enterprise fund known as the "Liquor Control Fund."

55           (b) Except as provided in [~~Sections 32B-3-205 and~~] Section 32B-2-304, the department  
56 shall deposit the following into the Liquor Control Fund:

212 **32B-2-505. Reporting requirements -- Building plan and market survey required.**

213 (1) In 2018 and each year thereafter, the department shall present a five-year building  
 214 plan to the Infrastructure and General Government Appropriations Subcommittee that  
 215 describes the department's anticipated property acquisition, building, and remodeling for the  
 216 five years following the day on which the department presents the five-year building plan.

217 (2) (a) In 2018 and every other year thereafter, the department shall complete a market  
 218 survey to inform the department's five-year building plan described in Subsection (1).

219 (b) The department shall:

220 (i) provide a copy of each market survey to the Infrastructure and General Government  
 221 Appropriations Subcommittee ~~H~~→ and the Business and Labor Interim Committee ←~~H~~ ; and

222 (ii) upon request, appear before the Infrastructure and General Government  
 223 Appropriations Subcommittee to present the results of the market survey.

223a **§→ (3) For fiscal year 2018-19 and each fiscal year thereafter, before the fiscal year begins,**  
 223b **the Governor's Office of Management and Budget, in consultation with the department and**  
 223c **the Office of the Legislative Fiscal Analyst, shall establish performance measures and goals to**  
 223d **evaluate the department's operations during the fiscal year. ←§**

223e **§→ (4) (a) The department may not submit a request to the State Building Board for a**  
 223f **capital development project unless the department first obtains approval from the Governor's**  
 223g **Office of Management and Budget. ←§**

223h **§→ (b) In determining whether to grant approval for a request described in Subsection**  
 223i **(4)(a), the Governor's Office of Management and Budget shall evaluate the extent to which the**  
 223j **department met the performance measures and goals described in Subsection (3) during the**  
 223k **previous fiscal year. ←§**

224 Section 5. Section **32B-3-205** is amended to read:

225 **32B-3-205. Penalties.**

226 (1) If the commission is satisfied that a person subject to administrative action violates  
 227 this title or the commission's rules, in accordance with Title 63G, Chapter 4, Administrative  
 228 Procedures Act, the commission may:

229 (a) suspend or revoke the person's license, permit, or certificate of approval;

230 (b) subject to Subsection (2), impose a fine against the person, including individual  
 231 staff of a licensee, permittee, or certificate holder;

232 (c) assess the administrative costs of a disciplinary proceeding to the person if the  
 233 person is a licensee, permittee, or certificate holder; or

234 (d) take a combination of actions described in this Subsection (1).

- 863 [(H)] (G) Section 34A-2-202;
- 864 [(H)] (H) Section 40-6-14; or
- 865 [(H)] (I) Title 69, Chapter 2, Part 4, 911 Emergency Service Charges; or
- 866 (ii) another amount that by statute is administered by the commission.
- 867 (b) "Tax, fee, or charge" does not include a tax, fee, or charge imposed under:
- 868 (i) Title 41, Chapter 1a, Motor Vehicle Act, except for Section 41-1a-301;
- 869 (ii) Title 41, Chapter 3, Motor Vehicle Business Regulation Act;
- 870 (iii) Chapter 2, Property Tax Act;
- 871 (iv) Chapter 3, Tax Equivalent Property Act;
- 872 (v) Chapter 4, Privilege Tax; or
- 873 (vi) Chapter 13, Part 5, Interstate Agreements.
- 874 (8) "Transferee" means:
- 875 (a) a devisee;
- 876 (b) a distributee;
- 877 (c) a donee;
- 878 (d) an heir;
- 879 (e) a legatee; or
- 880 (f) a person similar to Subsections (8)(a) through (e) as determined by the commission

881 by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

882 Section 10. **Appropriation.**

883 The following sums of money are appropriated for the fiscal year beginning July 1,  
 884 2018, and ending June 30, 2019. These are additions to amount previously appropriated for  
 885 fiscal year 2019. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures  
 886 Act, the Legislature appropriates the following sums of money from the funds or accounts  
 887 indicated for the use and support of the government of the state of Utah.

888 ITEM 1

889 To the Department of Alcoholic Beverage Control -- State Store Land Acquisition Fund

890 <u>From General Fund, One-time</u> $\hat{\$}$ → [	<u><del>\$7,500,000</del> \$5,000,000 ←</u> $\hat{\$}$
---	--

891 Schedule of Programs:

892 <u>State Store Land Acquisition Fund</u>	$\hat{\$}$ → [ <u><del>\$7,500,000</del> \$5,000,000 ←</u> $\hat{\$}$
--	---

893 The Legislature intends that the appropriations provided under this section be used to