

SB0014S01 compared with SB0014

~~{deleted text}~~ shows text that was in SB0014 but was deleted in SB0014S01.

inserted text shows text that was not in SB0014 but was inserted into SB0014S01.

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Senator Gene Davis proposes the following substitute bill:

CONSUMER ALCOHOLIC BEVERAGE PURCHASING

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Gene Davis

House Sponsor: Timothy D. Hawkes

LONG TITLE

~~{Committee Note:~~

~~——— The Business and Labor Interim Committee recommended this bill.~~

~~——— Legislative Vote: 14 voting for 0 voting against 7 absent~~

~~{General Description:~~

This bill amends provisions of the Alcoholic Beverage Control Act regarding consumer purchasing.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ creates the Division of Consumer Purchasing (division) within the Department of Alcoholic Beverage Control;
- ▶ moves the wine subscription program under the administration of the division;

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- ▶ requires the division to establish a consumer purchasing system;
- ▶ outlines the parameters of the consumer purchasing system;~~†~~
- ~~requires the Alcoholic Beverage Control Commission to receive and review complaints regarding the division or the consumer purchasing system;~~ and
- ▶ grants the Alcoholic Beverage Control Commission rulemaking authority.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

32B-2-701, as enacted by Laws of Utah 2020, Chapter 178

32B-2-702, as enacted by Laws of Utah 2020, Chapter 178

32B-2-703, as enacted by Laws of Utah 2020, Chapter 178

ENACTS:

32B-2-212, Utah Code Annotated 1953

32B-2-801, Utah Code Annotated 1953

32B-2-802, Utah Code Annotated 1953

32B-2-803, Utah Code Annotated 1953

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

Section 1. Section **32B-2-212** is enacted to read:

32B-2-212. Division of Consumer Purchasing.

There is created with the department the Division of Consumer Purchasing to establish and administer:

(1) the wine subscription program described in Part 7, Wine Subscription Program; and

(2) the consumer purchasing system described in Part 8, Consumer Purchasing System.

Section 2. Section **32B-2-701** is amended to read:

32B-2-701. Definitions.

As used in this part:

(1) "Division" means the Division of Consumer Purchasing created in Section

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32B-2-212.

(2) "Subscriber" means an individual who subscribes to a wine subscription as described in Subsection 32B-2-702(2).

~~[(2)]~~ (3) "Subscription program" means the wine subscription program established in Section 32B-2-702.

~~[(3)]~~ (4) "Wine subscription" means an arrangement in which a customer pays a recurring price at regular intervals for a product that involves the shipment or transportation of wine.

~~[(4)]~~ (5) "Wine subscription business" means a person that:

- (a) sells or offers for sale a wine subscription; and
- (b) contracts with the department to participate in the subscription program.

Section 3. Section **32B-2-702** is amended to read:

32B-2-702. Wine subscription program.

(1) The ~~[department]~~ division shall establish and administer a wine subscription program as described in this part.

(2) The subscription program shall permit an individual to subscribe to a wine subscription that a wine subscription business sells or offers for sale by:

(a) enrolling in the wine subscription program in a manner the ~~[department]~~ division prescribes;

(b) authorizing the ~~[department]~~ division to purchase the wine subscription in the individual's name;

(c) paying the ~~[department]~~ division, in a manner the ~~[department]~~ division prescribes:

- (i) the price of the wine subscription;
- (ii) in addition to any tax, the markup described in Subsection 32B-2-304(4); and
- (iii) a fee the ~~[department]~~ division charges in accordance with Subsection

32B-2-703(1); and

(d) designating the state store or package agency at which the individual would prefer to collect the wine.

(3) The ~~[department]~~ division shall:

(a) designate by contract with a wine subscription business the department warehouse to which the wine subscription business ships or transports wine under the subscription

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program;

(b) deliver wine purchased through the subscription program to the appropriate state store or package agency; and

(c) notify a subscriber when wine purchased through the subscription program is ready for the subscriber to collect from the state store or package agency described in Subsection (3)(b).

Section 4. Section **32B-2-703** is amended to read:

32B-2-703. Fees -- Rulemaking.

(1) The [department] division may charge a fee as part of the subscription program:

(a) in accordance with Section 63J-1-504; and

(b) to cover costs to the [department] division for administering the subscription program.

(2) The commission may make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for the administration of this part, including rules designating which package agencies may receive from the [department] division wines that are purchased through the subscription program.

Section 5. Section **32B-2-801** is enacted to read:

Part 8. Consumer Purchasing System

32B-2-801. Definitions.

As used in this part:

(1) "Consumer purchasing system" means the consumer purchasing system established in Section 32B-2-802.

(2) "Division" means the Division of Consumer Purchasing created in Section 32B-2-212.

Section 6. Section **32B-2-802** is enacted to read:

32B-2-802. Consumer purchasing system.

(1) The division shall establish and administer a consumer purchasing system that:

(a) allows a person to:

(i) order an alcoholic product from an approved vendor through the division; and

(ii) pick up an alcoholic product ordered as described in Subsection (1)(a)(i) from a state store or package agency; and

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(b) requires a person ordering an alcoholic product as described in Subsection (1)(a) to, at the time the order is made:

(i) designate a state store or package agency at which the person would prefer to collect the alcoholic product; and

(ii) pay the division for the alcoholic product order in full, including:

(A) the cost of the alcoholic product; and

(B) in addition to any tax, the markup described in Section 32B-2-304.

(2) The division shall:

(a) ensure that an alcoholic product ordered through the consumer purchasing system is shipped or transported to a department warehouse;

(b) deliver an alcoholic product ordered through the consumer purchasing system to the appropriate state store or package agency;

(c) notify the person who ordered an alcoholic product through the consumer purchasing system when the alcoholic product is ready for the person to collect; and

(d) administer the consumer purchasing system in a manner that:

(i) is efficient;

(ii) ensures timely delivery of alcoholic products; and

(iii) frequently updates a person who orders an alcoholic product through the consumer purchasing system on the status of the order ~~}; and~~;

~~{~~ ~~(c) establish a method by which a person may submit to the commission a comment or complaint regarding the division or the consumer purchasing system.~~

~~}~~ (3) The division may not require that a person order a specific quantity of an alcoholic product that is:

(a) different than a quantity the vendor offers for sale; or

(b) larger than the smallest quantity the vendor offers for sale.

Section 7. Section **32B-2-803** is enacted to read:

32B-2-803. Rulemaking~~{-- Consumer purchasing complaints}~~.

~~{(1)}~~ The commission may make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to carry out the provisions of this part.

~~{~~ (2) The commission shall:

~~—~~ (a) receive and review each comment or complaint a person submits regarding the

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~~division or the consumer purchasing system, and~~

~~— (b) take any action permitted under this title that the commission determines necessary to address a comment or complaint.~~

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