{deleted text} shows text that was in HB0247 but was deleted in HB0247S01.

inserted text shows text that was not in HB0247 but was inserted into HB0247S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Representative Ken Ivory proposes the following substitute bill:

#### ALCOHOL CONTROL AMENDMENTS

2023 GENERAL SESSION STATE OF UTAH

**Chief Sponsor: Ken Ivory** 

Senate	Sponsor:		

#### **LONG TITLE**

#### **General Description:**

This bill modifies the Alcoholic Beverage Control Act and related provisions.

#### **Highlighted Provisions:**

This bill:

- \{\text{creates and }\}\text{modifies definitions;}
- provides a penalty for altering, destroying, or concealing certain records that are relevant to an official proceeding under the Alcoholic Beverage Control Act;
- - make and retain video surveillance records;
  - certify the video surveillance and other records are properly made and maintained for license renewal; and
- }\_after receiving notice of a certain civil or criminal action, retain records

relevant to the action;

- modifies causation requirements under the Alcoholic Product Liability Act;
- creates a rebuttable presumption that a person is a cause of an individual's intoxication under certain circumstances;
- ► requires the {state treasurer to annually:
- adjust for inflation the maximum amount of damages that may be awarded in an action under the Alcoholic Product Liability Act; and
  - report the adjusted amount to the Administrative Office of the Courts;
- requires a court to use the adjusted damages amounts when awarding damages in an action under the Alcohol Product Liability Act;
- allows a person to seek damages greater than the maximum amount of damages that may be awarded in an action under the Alcohol Product Liability Act under certain circumstances}

  Department of Public Safety to conduct a study regarding service of alcohol to an intoxicated or interdicted patron;
- <u>includes a sunset date</u>; and
- makes technical changes.

### Money Appropriated in this Bill:

None

#### **Other Special Clauses:**

None

#### **Utah Code Sections Affected:**

#### AMENDS:

32B-1-102, as last amended by Laws of Utah 2022, Chapter 447

**32B-4-505**, as last amended by Laws of Utah 2019, Chapter 189

32B-5-202, as last amended by Laws of Utah 2022, Chapter 447

**32B-5-302**, as enacted by Laws of Utah 2010, Chapter 276

**32B-6-205.2**, as last amended by Laws of Utah 2022, Chapter 447

**32B-6-305.2**, as last amended by Laws of Utah 2022, Chapter 447

32B-6-406, as last amended by Laws of Utah 2020, Chapter 219

**32B-6-605**, as last amended by Laws of Utah 2022, Chapter 447

**32B-6-706**, as last amended by Laws of Utah 2022, Chapter 447

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32B-6-905.1, as last amended by Laws of Utah 2022, Chapter 447 32B-6-1005, as last amended by Laws of Utah 2022, Chapter 447
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**32B-15-102**, as enacted by Laws of Utah 2010, Chapter 276

32B-15-201, as enacted by Laws of Utah 2010, Chapter 276

 $\frac{32B-15-301}{63I-2-232}$ , as  $\frac{\text{enacted}}{\text{last amended}}$  by Laws of Utah  $\frac{2010}{2021}$ , Chapter  $\frac{276}{291}$ 

#### **ENACTS:**

32B-15-102.5, Utah Code Annotated 1953

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

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

32B-1-102. Definitions.

As used in this title:

- (1) "Airport lounge" means a business location:
- (a) at which an alcoholic product is sold at retail for consumption on the premises; and
- (b) that is located at an international airport.
- (2) "Airport lounge license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 5, Airport Lounge License.
  - (3) "Alcoholic beverage" means the following:
  - (a) beer; or
  - (b) liquor.
  - (4) (a) "Alcoholic product" means a product that:
  - (i) contains at least .5% of alcohol by volume; and
- (ii) is obtained by fermentation, infusion, decoction, brewing, distillation, or other process that uses liquid or combinations of liquids, whether drinkable or not, to create alcohol in an amount equal to or greater than .5% of alcohol by volume.
  - (b) "Alcoholic product" includes an alcoholic beverage.
- (c) "Alcoholic product" does not include any of the following common items that otherwise come within the definition of an alcoholic product:
  - (i) except as provided in Subsection (4)(d), an extract;
  - (ii) vinegar;

- (iii) preserved nonintoxicating cider;
- (iv) essence;
- (v) tincture;
- (vi) food preparation; or
- (vii) an over-the-counter medicine.
- (d) "Alcoholic product" includes an extract containing alcohol obtained by distillation when it is used as a flavoring in the manufacturing of an alcoholic product.
  - (5) "Alcohol training and education seminar" means a seminar that is:
  - (a) required by Chapter 1, Part 7, Alcohol Training and Education Act; and
  - (b) described in Section 62A-15-401.
  - (6) "Arena" means an enclosed building:
  - (a) that is managed by:
  - (i) the same person who owns the enclosed building;
- (ii) a person who has a majority interest in each person who owns or manages a space in the enclosed building; or
- (iii) a person who has authority to direct or exercise control over the management or policy of each person who owns or manages a space in the enclosed building;
  - (b) that operates as a venue; and
  - (c) that has an occupancy capacity of at least 12,500.
- (7) "Arena license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 8c, Arena License Act.
  - (8) "Banquet" means an event:
  - (a) that is a private event or a privately sponsored event;
- (b) that is held at one or more designated locations approved by the commission in or on the premises of:
  - (i) a hotel;
  - (ii) a resort facility;
  - (iii) a sports center;
  - (iv) a convention center;
  - (v) a performing arts facility; or
  - (vi) an arena;

- (c) for which there is a contract:
- (i) between a person operating a facility listed in Subsection (8)(b) and another person that has common ownership of less than 20% with the person operating the facility; and
- (ii) under which the person operating a facility listed in Subsection (8)(b) is required to provide an alcoholic product at the event; and
  - (d) at which food and alcoholic products may be sold, offered for sale, or furnished.
- (9) (a) "Bar establishment license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 4, Bar Establishment License.
  - (b) "Bar establishment license" includes:
  - (i) a dining club license;
  - (ii) an equity license;
  - (iii) a fraternal license; or
  - (iv) a bar license.
- (10) "Bar license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 4, Bar Establishment License.
  - (11) (a) "Beer" means a product that:
  - (i) contains:
  - (A) at least .5% of alcohol by volume; and
  - (B) no more than 5% of alcohol by volume or 4% by weight;
  - (ii) is obtained by fermentation, infusion, or decoction of:
  - (A) malt; or
  - (B) a malt substitute; and
  - (iii) is clearly marketed, labeled, and identified as:
  - (A) beer;
  - (B) ale;
  - (C) porter;
  - (D) stout;
  - (E) lager;
  - (F) a malt;
  - (G) a malted beverage; or
  - (H) seltzer.

- (b) "Beer" may contain:
- (i) hops extract; or
- (ii) caffeine, if the caffeine is a natural constituent of an added ingredient.
- (c) "Beer" does not include:
- (i) a flavored malt beverage;
- (ii) a product that contains alcohol derived from:
- (A) spirituous liquor; or
- (B) wine; or
- (iii) a product that contains an additive masking or altering a physiological effect of alcohol, including kratom, kava, cannabidiol, or natural or synthetic tetrahydrocannabinol.
- (12) "Beer-only restaurant license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 9, Beer-Only Restaurant License.
  - (13) "Beer retailer" means a business that:
- (a) is engaged, primarily or incidentally, in the retail sale of beer to a patron, whether for consumption on or off the business premises; and
  - (b) is licensed as:
- (i) an off-premise beer retailer, in accordance with Chapter 7, Part 2, Off-Premise Beer Retailer Local Authority; or
- (ii) an on-premise beer retailer, in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 7, On-Premise Beer Retailer License.
  - (14) "Beer wholesaling license" means a license:
  - (a) issued in accordance with Chapter 13, Beer Wholesaling License Act; and
- (b) to import for sale, or sell beer in wholesale or jobbing quantities to one or more retail licensees or off-premise beer retailers.
  - (15) "Billboard" means a public display used to advertise, including:
  - (a) a light device;
  - (b) a painting;
  - (c) a drawing;
  - (d) a poster;
  - (e) a sign;
  - (f) a signboard; or

- (g) a scoreboard.
- (16) "Brewer" means a person engaged in manufacturing:
- (a) beer;
- (b) heavy beer; or
- (c) a flavored malt beverage.
- (17) "Brewery manufacturing license" means a license issued in accordance with Chapter 11, Part 5, Brewery Manufacturing License.
- (18) "Certificate of approval" means a certificate of approval obtained from the department under Section 32B-11-201.
- (19) "Chartered bus" means a passenger bus, coach, or other motor vehicle provided by a bus company to a group of persons pursuant to a common purpose:
  - (a) under a single contract;
  - (b) at a fixed charge in accordance with the bus company's tariff; and
- (c) to give the group of persons the exclusive use of the passenger bus, coach, or other motor vehicle, and a driver to travel together to one or more specified destinations.
  - (20) "Church" means a building:
  - (a) set apart for worship;
  - (b) in which religious services are held;
  - (c) with which clergy is associated; and
  - (d) that is tax exempt under the laws of this state.
- (21) "Commission" means the Alcoholic Beverage Services Commission created in Section 32B-2-201.
  - (22) "Commissioner" means a member of the commission.
  - (23) "Community location" means:
  - (a) a public or private school;
  - (b) a church;
  - (c) a public library;
  - (d) a public playground; or
  - (e) a public park.
  - (24) "Community location governing authority" means:
  - (a) the governing body of the community location; or

- (b) if the commission does not know who is the governing body of a community location, a person who appears to the commission to have been given on behalf of the community location the authority to prohibit an activity at the community location.
  - (25) "Container" means a receptacle that contains an alcoholic product, including:
  - (a) a bottle;
  - (b) a vessel; or
  - (c) a similar item.
- (26) "Controlled group of manufacturers" means as the commission defines by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
  - (27) "Convention center" means a facility that is:
  - (a) in total at least 30,000 square feet; and
  - (b) otherwise defined as a "convention center" by the commission by rule.
- (28) (a) "Counter" means a surface or structure in a dining area of a licensed premises where seating is provided to a patron for service of food.
  - (b) "Counter" does not include a dispensing structure.
  - (29) "Crime involving moral turpitude" is as defined by the commission by rule.
- (30) "Department" means the Department of Alcoholic Beverage Services created in Section 32B-2-203.
  - (31) "Department compliance officer" means an individual who is:
  - (a) an auditor or inspector; and
  - (b) employed by the department.
- (32) "Department sample" means liquor that is placed in the possession of the department for testing, analysis, and sampling.
- (33) "Dining club license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the commission as a dining club license.
- (34) "Director," unless the context requires otherwise, means the director of the department.
- (35) "Disciplinary proceeding" means an adjudicative proceeding permitted under this title:
  - (a) against a person subject to administrative action; and

- (b) that is brought on the basis of a violation of this title.
- (36) (a) Subject to Subsection (36)(b), "dispense" means:
- (i) drawing an alcoholic product; and
- (ii) using the alcoholic product at the location from which it was drawn to mix or prepare an alcoholic product to be furnished to a patron of the retail licensee.
  - (b) The definition of "dispense" in this Subsection (36) applies only to:
  - (i) a full-service restaurant license;
  - (ii) a limited-service restaurant license;
  - (iii) a reception center license;
  - (iv) a beer-only restaurant license;
  - (v) a bar license;
  - (vi) an on-premise beer retailer;
  - (vii) an airport lounge license;
  - (viii) an on-premise banquet license; and
  - (ix) a hospitality amenity license.
  - (37) "Dispensing structure" means a surface or structure on a licensed premises:
  - (a) where an alcoholic product is dispensed; or
  - (b) from which an alcoholic product is served.
- (38) "Distillery manufacturing license" means a license issued in accordance with Chapter 11, Part 4, Distillery Manufacturing License.
- (39) "Distressed merchandise" means an alcoholic product in the possession of the department that is saleable, but for some reason is unappealing to the public.
- (40) "Equity license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the commission as an equity license.
  - (41) "Event permit" means:
  - (a) a single event permit; or
  - (b) a temporary beer event permit.
- (42) "Exempt license" means a license exempt under Section 32B-1-201 from being considered in determining the total number of retail licenses that the commission may issue at any time.

- (43) (a) "Flavored malt beverage" means a beverage:
- (i) that contains at least .5% alcohol by volume;
- (ii) for which the producer is required to file a formula for approval with the federal Alcohol and Tobacco Tax and Trade Bureau under 27 C.F.R. Sec. 25.55 because the beverage is treated by processing, filtration, or another method of manufacture that is not generally recognized as a traditional process in the production of a beer, ale, porter, stout, lager, or malt liquor; and
- (iii) for which the producer is required to file a formula for approval with the federal Alcohol and Tobacco Tax and Trade Bureau under 27 C.F.R. Sec. 25.55 because the beverage includes an ingredient containing alcohol.
  - (b) "Flavored malt beverage" is considered liquor for purposes of this title.
- (44) "Fraternal license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the commission as a fraternal license.
- (45) "Full-service restaurant license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 2, Full-Service Restaurant License.
- (46) (a) "Furnish" means by any means to provide with, supply, or give an individual an alcoholic product, by sale or otherwise.
  - (b) "Furnish" includes to:
  - (i) serve;
  - (ii) deliver; or
  - (iii) otherwise make available.
- (47) "Guest" means an individual who meets the requirements of Subsection 32B-6-407(9).
  - (48) "Hard cider" means the same as that term is defined in 26 U.S.C. Sec. 5041.
  - (49) "Health care practitioner" means:
  - (a) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;
  - (b) an optometrist licensed under Title 58, Chapter 16a, Utah Optometry Practice Act;
  - (c) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;
- (d) a physical therapist licensed under Title 58, Chapter 24b, Physical Therapy Practice Act;

- (e) a nurse or advanced practice registered nurse licensed under Title 58, Chapter 31b, Nurse Practice Act;
- (f) a recreational therapist licensed under Title 58, Chapter 40, Recreational Therapy Practice Act;
- (g) an occupational therapist licensed under Title 58, Chapter 42a, Occupational Therapy Practice Act;
  - (h) a nurse midwife licensed under Title 58, Chapter 44a, Nurse Midwife Practice Act;
- (i) a mental health professional licensed under Title 58, Chapter 60, Mental Health Professional Practice Act;
  - (i) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act;
- (k) an osteopath licensed under Title 58, Chapter 68, Utah Osteopathic Medical Practice Act;
- (l) a dentist or dental hygienist licensed under Title 58, Chapter 69, Dentist and Dental Hygienist Practice Act; and
- (m) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician Assistant Act.
  - (50) (a) "Heavy beer" means a product that:
  - (i) contains more than 5% alcohol by volume; and
  - (ii) is obtained by fermentation, infusion, or decoction of:
  - (A) malt; or
  - (B) a malt substitute.
  - (b) "Heavy beer" is considered liquor for the purposes of this title.
- (51) "Hospitality amenity license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 10, Hospitality Amenity License.
  - (52) (a) "Hotel" means a commercial lodging establishment that:
  - (i) offers at least 40 rooms as temporary sleeping accommodations for compensation;
- (ii) is capable of hosting conventions, conferences, and food and beverage functions under a banquet contract; and
- (iii) (A) has adequate kitchen or culinary facilities on the premises to provide complete meals;
  - (B) has at least 1,000 square feet of function space consisting of meeting or dining

rooms that can be reserved for a banquet and can accommodate at least 75 individuals; or

- (C) if the establishment is located in a small or unincorporated locality, has an appropriate amount of function space consisting of meeting or dining rooms that can be reserved for private use under a banquet contract, as determined by the commission.
  - (b) "Hotel" includes a commercial lodging establishment that:
  - (i) meets the requirements under Subsection (52)(a); and
  - (ii) has one or more privately owned dwelling units.
- (53) "Hotel license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 8b, Hotel License Act.
- (54) "Identification card" means an identification card issued under Title 53, Chapter 3, Part 8, Identification Card Act.
- (55) "Industry representative" means an individual who is compensated by salary, commission, or other means for representing and selling an alcoholic product of a manufacturer, supplier, or importer of liquor.
- (56) "Industry representative sample" means liquor that is placed in the possession of the department for testing, analysis, and sampling by a local industry representative on the premises of the department to educate the local industry representative of the quality and characteristics of the product.
- (57) "Interdicted person" means a person to whom the sale, offer for sale, or furnishing of an alcoholic product is prohibited by:
  - (a) law; or
  - (b) court order.
  - (58) "International airport" means an airport:
- (a) with a United States Customs and Border Protection office on the premises of the airport; and
  - (b) at which international flights may enter and depart.
  - (59) "Intoxicated" or "intoxication" means that [a person:] an individual
- [(a){]}\_is {[} significantly{]} impaired as to the {[} person's{] individual's} mental or physical functions{ as a result of}] {the use of, or } exhibits plain and easily observable outward manifestations of behavior or physical signs produced by {and} or as a result of the use of:

- [(i)] (a) an alcoholic product;
- [(ii)] (b) a controlled substance;
- [(iii)] (c) a substance having the property of releasing toxic vapors; or
- [(iv)] (d) a combination of <u>products or substances described in</u> Subsections [(59)(a)(i) through (iii); and] (59)(a) through (\frac{1}{16}c).
- [(b) exhibits plain and easily observed outward manifestations of behavior or physical signs produced by the overconsumption of an alcoholic product.]
  - (60) "Investigator" means an individual who is:
  - (a) a department compliance officer; or
  - (b) a nondepartment enforcement officer.
  - (61) "License" means:
  - (a) a retail license;
  - (b) a sublicense;
- (c) a license issued in accordance with Chapter 7, Part 4, Off-Premise Beer Retailer State License;
- (d) a license issued in accordance with Chapter 11, Manufacturing and Related Licenses Act;
  - (e) a license issued in accordance with Chapter 12, Liquor Warehousing License Act;
  - (f) a license issued in accordance with Chapter 13, Beer Wholesaling License Act; or
  - (g) a license issued in accordance with Chapter 17, Liquor Transport License Act.
  - (62) "Licensee" means a person who holds a license.
- (63) "Limited-service restaurant license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 3, Limited-Service Restaurant License.
- (64) "Limousine" means a motor vehicle licensed by the state or a local authority, other than a bus or taxicab:
- (a) in which the driver and a passenger are separated by a partition, glass, or other barrier:
- (b) that is provided by a business entity to one or more individuals at a fixed charge in accordance with the business entity's tariff; and
- (c) to give the one or more individuals the exclusive use of the limousine and a driver to travel to one or more specified destinations.

- (65) (a) (i) "Liquor" means a liquid that:
- (A) is:
- (I) alcohol;
- (II) an alcoholic, spirituous, vinous, fermented, malt, or other liquid;
- (III) a combination of liquids a part of which is spirituous, vinous, or fermented; or
- (IV) other drink or drinkable liquid; and
- (B) (I) contains at least .5% alcohol by volume; and
- (II) is suitable to use for beverage purposes.
- (ii) "Liquor" includes:
- (A) heavy beer;
- (B) wine; and
- (C) a flavored malt beverage.
- (b) "Liquor" does not include beer.
- (66) "Liquor Control Fund" means the enterprise fund created by Section 32B-2-301.
- (67) "Liquor transport license" means a license issued in accordance with Chapter 17, Liquor Transport License Act.
  - (68) "Liquor warehousing license" means a license that is issued:
  - (a) in accordance with Chapter 12, Liquor Warehousing License Act; and
- (b) to a person, other than a licensed manufacturer, who engages in the importation for storage, sale, or distribution of liquor regardless of amount.
  - (69) "Local authority" means:
- (a) for premises that are located in an unincorporated area of a county, the governing body of a county;
- (b) for premises that are located in an incorporated city, town, or metro township, the governing body of the city, town, or metro township; or
- (c) for premises that are located in a project area as defined in Section 63H-1-102 and in a project area plan adopted by the Military Installation Development Authority under Title 63H, Chapter 1, Military Installation Development Authority Act, the Military Installation Development Authority.
  - (70) "Lounge or bar area" is as defined by rule made by the commission.
  - (71) "Malt substitute" means:

- (a) rice;
- (b) grain;
- (c) bran;
- (d) glucose;
- (e) sugar; or
- (f) molasses.
- (72) "Manufacture" means to distill, brew, rectify, mix, compound, process, ferment, or otherwise make an alcoholic product for personal use or for sale or distribution to others.
- (73) "Member" means an individual who, after paying regular dues, has full privileges in an equity licensee or fraternal licensee.
- (74) (a) "Military installation" means a base, air field, camp, post, station, yard, center, or homeport facility for a ship:
  - (i) (A) under the control of the United States Department of Defense; or
  - (B) of the National Guard;
  - (ii) that is located within the state; and
  - (iii) including a leased facility.
  - (b) "Military installation" does not include a facility used primarily for:
  - (i) civil works;
  - (ii) a rivers and harbors project; or
  - (iii) a flood control project.
- (75) "Minibar" means an area of a hotel guest room where one or more alcoholic products are kept and offered for self-service sale or consumption.
  - (76) "Minor" means an individual under 21 years old.
  - (77) "Nondepartment enforcement agency" means an agency that:
  - (a) (i) is a state agency other than the department; or
  - (ii) is an agency of a county, city, town, or metro township; and
  - (b) has a responsibility to enforce one or more provisions of this title.
  - (78) "Nondepartment enforcement officer" means an individual who is:
  - (a) a peace officer, examiner, or investigator; and
  - (b) employed by a nondepartment enforcement agency.
  - (79) (a) "Off-premise beer retailer" means a beer retailer who is:

- (i) licensed in accordance with Chapter 7, Off-Premise Beer Retailer Act; and
- (ii) engaged in the retail sale of beer to a patron for consumption off the beer retailer's premises.
  - (b) "Off-premise beer retailer" does not include an on-premise beer retailer.
- (80) "Off-premise beer retailer state license" means a state license issued in accordance with Chapter 7, Part 4, Off-Premise Beer Retailer State License.
- (81) "On-premise banquet license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 6, On-Premise Banquet License.
  - (82) "On-premise beer retailer" means a beer retailer who is:
- (a) authorized to sell, offer for sale, or furnish beer under a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 7, On-Premise Beer Retailer License; and
- (b) engaged in the sale of beer to a patron for consumption on the beer retailer's premises:
- (i) regardless of whether the beer retailer sells beer for consumption off the licensed premises; and
  - (ii) on and after March 1, 2012, operating:
  - (A) as a tavern; or
  - (B) in a manner that meets the requirements of Subsection 32B-6-703(2)(e)(i).
  - (83) "Opaque" means impenetrable to sight.
  - (84) "Package agency" means a retail liquor location operated:
  - (a) under an agreement with the department; and
  - (b) by a person:
  - (i) other than the state; and
- (ii) who is authorized by the commission in accordance with Chapter 2, Part 6, Package Agency, to sell packaged liquor for consumption off the premises of the package agency.
  - (85) "Package agent" means a person who holds a package agency.
- (86) "Patron" means an individual to whom food, beverages, or services are sold, offered for sale, or furnished, or who consumes an alcoholic product including:
  - (a) a customer;
  - (b) a member;

- (c) a guest;
- (d) an attendee of a banquet or event;
- (e) an individual who receives room service;
- (f) a resident of a resort; or
- (g) a hospitality guest, as defined in Section 32B-6-1002, under a hospitality amenity license.
  - (87) (a) "Performing arts facility" means a multi-use performance space that:
- (i) is primarily used to present various types of performing arts, including dance, music, and theater;
  - (ii) contains over 2,500 seats;
  - (iii) is owned and operated by a governmental entity; and
  - (iv) is located in a city of the first class.
- (b) "Performing arts facility" does not include a space that is used to present sporting events or sporting competitions.
  - (88) "Permittee" means a person issued a permit under:
  - (a) Chapter 9, Event Permit Act; or
  - (b) Chapter 10, Special Use Permit Act.
  - (89) "Person subject to administrative action" means:
  - (a) a licensee;
  - (b) a permittee;
  - (c) a manufacturer;
  - (d) a supplier;
  - (e) an importer;
  - (f) one of the following holding a certificate of approval:
  - (i) an out-of-state brewer;
  - (ii) an out-of-state importer of beer, heavy beer, or flavored malt beverages; or
  - (iii) an out-of-state supplier of beer, heavy beer, or flavored malt beverages; or
  - (g) staff of:
  - (i) a person listed in Subsections (89)(a) through (f); or
  - (ii) a package agent.
  - (90) "Premises" means a building, enclosure, or room used in connection with the

storage, sale, furnishing, consumption, manufacture, or distribution, of an alcoholic product, unless otherwise defined in this title or rules made by the commission.

- (91) "Prescription" means an order issued by a health care practitioner when:
- (a) the health care practitioner is licensed under Title 58, Occupations and Professions, to prescribe a controlled substance, other drug, or device for medicinal purposes;
- (b) the order is made in the course of that health care practitioner's professional practice; and
  - (c) the order is made for obtaining an alcoholic product for medicinal purposes only.
  - (92) (a) "Primary spirituous liquor" means the main distilled spirit in a beverage.
  - (b) "Primary spirituous liquor" does not include a secondary flavoring ingredient.
  - (93) "Principal license" means:
  - (a) a resort license;
  - (b) a hotel license; or
  - (c) an arena license.
  - (94) (a) "Private event" means a specific social, business, or recreational event:
- (i) for which an entire room, area, or hall is leased or rented in advance by an identified group; and
- (ii) that is limited in attendance to people who are specifically designated and their guests.
- (b) "Private event" does not include an event to which the general public is invited, whether for an admission fee or not.
- (95) "Privately sponsored event" means a specific social, business, or recreational event:
  - (a) that is held in or on the premises of an on-premise banquet licensee; and
  - (b) to which entry is restricted by an admission fee.
  - (96) (a) "Proof of age" means:
  - (i) an identification card;
  - (ii) an identification that:
  - (A) is substantially similar to an identification card;
- (B) is issued in accordance with the laws of a state other than Utah in which the identification is issued;

- (C) includes date of birth; and
- (D) has a picture affixed;
- (iii) a valid driver license certificate that:
- (A) includes date of birth;
- (B) has a picture affixed; and
- (C) is issued:
- (I) under Title 53, Chapter 3, Uniform Driver License Act;
- (II) in accordance with the laws of the state in which it is issued; or
- (III) in accordance with federal law by the United States Department of State;
- (iv) a military identification card that:
- (A) includes date of birth; and
- (B) has a picture affixed; or
- (v) a valid passport.
- (b) "Proof of age" does not include a driving privilege card issued in accordance with Section 53-3-207.
  - (97) "Provisions applicable to a sublicense" means:
- (a) for a full-service restaurant sublicense, the provisions applicable to a full-service restaurant license under Chapter 6, Part 2, Full-Service Restaurant License;
- (b) for a limited-service restaurant sublicense, the provisions applicable to a limited-service restaurant license under Chapter 6, Part 3, Limited-Service Restaurant License;
- (c) for a bar establishment sublicense, the provisions applicable to a bar establishment license under Chapter 6, Part 4, Bar Establishment License;
- (d) for an on-premise banquet sublicense, the provisions applicable to an on-premise banquet license under Chapter 6, Part 6, On-Premise Banquet License;
- (e) for an on-premise beer retailer sublicense, the provisions applicable to an on-premise beer retailer license under Chapter 6, Part 7, On-Premise Beer Retailer License;
- (f) for a beer-only restaurant sublicense, the provisions applicable to a beer-only restaurant license under Chapter 6, Part 9, Beer-Only Restaurant License;
- (g) for a hospitality amenity license, the provisions applicable to a hospitality amenity license under Chapter 6, Part 10, Hospitality Amenity License; and
  - (h) for a spa sublicense, the provisions applicable to the sublicense under \text{\text{Chapter}} Chapter

- 8d, Part 2, Spa Sublicense { Chapter 8d, Part 2, Resort Spa Sublicense }.
  - (98) (a) "Public building" means a building or permanent structure that is:
  - (i) owned or leased by:
  - (A) the state; or
  - (B) a local government entity; and
  - (ii) used for:
  - (A) public education;
  - (B) transacting public business; or
  - (C) regularly conducting government activities.
- (b) "Public building" does not include a building owned by the state or a local government entity when the building is used by a person, in whole or in part, for a proprietary function.
- (99) "Public conveyance" means a conveyance that the public or a portion of the public has access to and a right to use for transportation, including an airline, railroad, bus, boat, or other public conveyance.
  - (100) "Reception center" means a business that:
  - (a) operates facilities that are at least 5,000 square feet; and
- (b) has as its primary purpose the leasing of the facilities described in Subsection (100)(a) to a third party for the third party's event.
- (101) "Reception center license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 8, Reception Center License.
  - (102) (a) "Record" means information that is:
  - (i) inscribed on a tangible medium; or
  - (ii) stored in an electronic or other medium and is retrievable in a perceivable form.
  - (b) "Record" includes:
  - (i) a book;
  - (ii) a book of account;
  - (iii) a paper;
  - (iv) a contract;
  - (v) an agreement;
  - (vi) a document; or

- (vii) a recording in any medium.
- (103) "Residence" means a person's principal place of abode within Utah.
- (104) "Resident," in relation to a resort, means the same as that term is defined in Section 32B-8-102.
  - (105) "Resort" means the same as that term is defined in Section 32B-8-102.
  - (106) "Resort facility" is as defined by the commission by rule.
- (107) "Resort license" means a license issued in accordance with Chapter 5, Retail License Act, and Chapter 8, Resort License Act.
- (108) "Responsible alcohol service plan" means a written set of policies and procedures that outlines measures to prevent employees from:
  - (a) over-serving alcoholic beverages to customers;
- (b) serving alcoholic beverages to customers who are actually, apparently, or obviously intoxicated; and
  - (c) serving alcoholic beverages to minors.
  - (109) "Restaurant" means a business location:
  - (a) at which a variety of foods are prepared;
  - (b) at which complete meals are served; and
  - (c) that is engaged primarily in serving meals.
  - (110) "Restaurant license" means one of the following licenses issued under this title:
  - (a) a full-service restaurant license;
  - (b) a limited-service restaurant license; or
  - (c) a beer-only restaurant license.
  - (111) "Retail license" means one of the following licenses issued under this title:
  - (a) a full-service restaurant license;
  - (b) a master full-service restaurant license;
  - (c) a limited-service restaurant license;
  - (d) a master limited-service restaurant license;
  - (e) a bar establishment license;
  - (f) an airport lounge license;
  - (g) an on-premise banquet license;
  - (h) an on-premise beer license;

- (i) a reception center license;
- (j) a beer-only restaurant license;
- (k) a hospitality amenity license;
- (1) a resort license;
- (m) a hotel license; or
- (n) an arena license.
- (112) "Room service" means furnishing an alcoholic product to a person in a guest room or privately owned dwelling unit of a:
  - (a) hotel; or
  - (b) resort facility.
- (113) (a) "School" means a building in which any part is used for more than three hours each weekday during a school year as a public or private:
  - (i) elementary school;
  - (ii) secondary school; or
  - (iii) kindergarten.
  - (b) "School" does not include:
  - (i) a nursery school;
  - (ii) a day care center;
  - (iii) a trade and technical school;
  - (iv) a preschool; or
  - (v) a home school.
- (114) "Secondary flavoring ingredient" means any spirituous liquor added to a beverage for additional flavoring that is different in type, flavor, or brand from the primary spirituous liquor in the beverage.
- (115) "Sell" or "offer for sale" means a transaction, exchange, or barter whereby, for consideration, an alcoholic product is either directly or indirectly transferred, solicited, ordered, delivered for value, or by a means or under a pretext is promised or obtained, whether done by a person as a principal, proprietor, or as staff, unless otherwise defined in this title or the rules made by the commission.
  - (116) "Serve" means to place an alcoholic product before an individual.
  - (117) "Sexually oriented entertainer" means a person who while in a state of

seminudity appears at or performs:

- (a) for the entertainment of one or more patrons;
- (b) on the premises of:
- (i) a bar licensee; or
- (ii) a tavern;
- (c) on behalf of or at the request of the licensee described in Subsection (117)(b);
- (d) on a contractual or voluntary basis; and
- (e) whether or not the person is designated as:
- (i) an employee;
- (ii) an independent contractor;
- (iii) an agent of the licensee; or
- (iv) a different type of classification.
- (118) "Shared seating area" means the licensed premises of two or more restaurant licensees that the restaurant licensees share as an area for alcoholic beverage consumption in accordance with Subsection 32B-5-207(3).
- (119) "Single event permit" means a permit issued in accordance with Chapter 9, Part 3, Single Event Permit.
- (120) "Small brewer" means a brewer who manufactures less than 60,000 barrels of beer, heavy beer, and flavored malt beverage per year, as the department calculates by:
- (a) if the brewer is part of a controlled group of manufacturers, including the combined volume totals of production for all breweries that constitute the controlled group of manufacturers; and
  - (b) excluding beer, heavy beer, or flavored malt beverage the brewer:
- (i) manufactures that is unfit for consumption as, or in, a beverage, as the commission determines by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act; and
  - (ii) does not sell for consumption as, or in, a beverage.
  - (121) "Small or unincorporated locality" means:
  - (a) a city of the third, fourth, or fifth class, as classified under Section 10-2-301;
  - (b) a town, as classified under Section 10-2-301; or
  - (c) an unincorporated area in a county of the third, fourth, or fifth class, as classified

under Section 17-50-501.

- (122) "Spa sublicense" means a sublicense:
- (a) to a resort license or hotel license; and
- (b) that the commission issues in accordance with {{}} Chapter 8d, Part 2, Spa Sublicense{{} Chapter 8d, Part 2, Resort Spa Sublicense{}}.
- (123) "Special use permit" means a permit issued in accordance with Chapter 10, Special Use Permit Act.
  - (124) (a) "Spirituous liquor" means liquor that is distilled.
- (b) "Spirituous liquor" includes an alcoholic product defined as a "distilled spirit" by 27 U.S.C. Sec. 211 and 27 C.F.R. Sec. 5.11 through 5.23.
  - (125) "Sports center" is as defined by the commission by rule.
  - (126) (a) "Staff" means an individual who engages in activity governed by this title:
- (i) on behalf of a business, including a package agent, licensee, permittee, or certificate holder;
- (ii) at the request of the business, including a package agent, licensee, permittee, or certificate holder; or
- (iii) under the authority of the business, including a package agent, licensee, permittee, or certificate holder.
  - (b) "Staff" includes:
  - (i) an officer;
  - (ii) a director;
  - (iii) an employee;
  - (iv) personnel management;
  - (v) an agent of the licensee, including a managing agent;
  - (vi) an operator; or
  - (vii) a representative.
  - (127) "State of nudity" means:
  - (a) the appearance of:
  - (i) the nipple or areola of a female human breast;
  - (ii) a human genital;
  - (iii) a human pubic area; or

- (iv) a human anus; or
- (b) a state of dress that fails to opaquely cover:
- (i) the nipple or areola of a female human breast;
- (ii) a human genital;
- (iii) a human pubic area; or
- (iv) a human anus.
- (128) "State of seminudity" means a state of dress in which opaque clothing covers no more than:
- (a) the nipple and areola of the female human breast in a shape and color other than the natural shape and color of the nipple and areola; and
  - (b) the human genitals, pubic area, and anus:
  - (i) with no less than the following at its widest point:
  - (A) four inches coverage width in the front of the human body; and
  - (B) five inches coverage width in the back of the human body; and
  - (ii) with coverage that does not taper to less than one inch wide at the narrowest point.
  - (129) (a) "State store" means a facility for the sale of packaged liquor:
  - (i) located on premises owned or leased by the state; and
  - (ii) operated by a state employee.
  - (b) "State store" does not include:
  - (i) a package agency;
  - (ii) a licensee; or
  - (iii) a permittee.
- (130) (a) "Storage area" means an area on licensed premises where the licensee stores an alcoholic product.
  - (b) "Store" means to place or maintain in a location an alcoholic product.
  - (131) "Sublicense" means:
- (a) any of the following licenses issued as a subordinate license to, and contingent on the issuance of, a principal license:
  - (i) a full-service restaurant license;
  - (ii) a limited-service restaurant license;
  - (iii) a bar establishment license;

- (iv) an on-premise banquet license;
- (v) an on-premise beer retailer license;
- (vi) a beer-only restaurant license; or
- (vii) a hospitality amenity license; or
- (b) a spa sublicense.
- (132) "Supplier" means a person who sells an alcoholic product to the department.
- (133) "Tavern" means an on-premise beer retailer who is:
- (a) issued a license by the commission in accordance with Chapter 5, Retail License Act, and Chapter 6, Part 7, On-Premise Beer Retailer License; and
- (b) designated by the commission as a tavern in accordance with Chapter 6, Part 7, On-Premise Beer Retailer License.
- (134) "Temporary beer event permit" means a permit issued in accordance with Chapter 9, Part 4, Temporary Beer Event Permit.
- (135) "Temporary domicile" means the principal place of abode within Utah of a person who does not have a present intention to continue residency within Utah permanently or indefinitely.
- (136) "Translucent" means a substance that allows light to pass through, but does not allow an object or person to be seen through the substance.
  - (137) "Unsaleable liquor merchandise" means a container that:
  - (a) is unsaleable because the container is:
  - (i) unlabeled;
  - (ii) leaky;
  - (iii) damaged;
  - (iv) difficult to open; or
  - (v) partly filled;
  - (b) (i) has faded labels or defective caps or corks;
  - (ii) has contents that are:
  - (A) cloudy;
  - (B) spoiled; or
  - (C) chemically determined to be impure; or
  - (iii) contains:

- (A) sediment; or
- (B) a foreign substance; or
- (c) is otherwise considered by the department as unfit for sale.
- (138) (a) "Wine" means an alcoholic product obtained by the fermentation of the natural sugar content of fruits, plants, honey, or milk, or other like substance, whether or not another ingredient is added.
  - (b) "Wine" includes:
- (i) an alcoholic beverage defined as wine under 27 U.S.C. Sec. 211 and 27 C.F.R. Sec. 4.10; and
  - (ii) hard cider.
- (c) "Wine" is considered liquor for purposes of this title, except as otherwise provided in this title.
- (139) "Winery manufacturing license" means a license issued in accordance with Chapter 11, Part 3, Winery Manufacturing License.
  - Section 2. Section **32B-4-505** is amended to read:

## 32B-4-505. Obstructing a search, official proceeding, or investigation.

- (1) A person who is in the premises or has charge over premises may not refuse or fail to admit to the premises or obstruct the entry of any of the following who demands entry when acting under this title:
  - (a) a commissioner;
  - (b) an authorized representative of the commission or department; or
  - (c) a law enforcement officer.
- (2) A person who is in the premises or has charge of the premises may not interfere with any of the following who is conducting an investigation under this title at the premises:
  - (a) a commissioner;
  - (b) an authorized representative of the commission or department; or
  - (c) a law enforcement officer.
- (3) After receiving written notice of an official proceeding or investigation under Chapter 15, Alcoholic Product Liability Act, or a criminal proceeding or investigation for a violation of Section 41-6a-502 or 41-6a-517, a person may not knowingly alter, destroy, conceal, or remove a record {if the record} that is relevant to {an} the official proceeding or

#### investigation { under this title }.

- (4) A person [is guilty of a class A misdemeanor if, believing] who believes that an official proceeding or investigation is pending or about to be instituted under this title[, that person:] may not:
- {[]}(a) [alters, destroys, conceals, or removes] alter, destroy, conceal, or remove a record with a purpose to impair the record's verity or availability in the proceeding or investigation; or {[]}
- {[}(b){] (a)} [makes, presents, or uses] make, present, or use anything that the person knows to be false with [a] the purpose to deceive any of the following who may be engaged in [a] the proceeding or investigation [under this title]:
  - (i) a commissioner;
  - (ii) an authorized representative of the commission or department;
  - (iii) a law enforcement officer; or
  - (iv) [other] another person.
- (5) (a) Except as provided in Subsection (5)(b), a violation of Subsection (1), (2), or (3) is a class B misdemeanor.
- (b) A violation of Subsection (3) is a class A misdemeanor if the record is relevant to an official proceeding or investigation for a violation of Section 32B-4-404.
  - (c) A violation of Subsection (4) is a class A misdemeanor.

Section 3. Section 32B-5-202 is amended to read:

#### 32B-5-202. Renewal requirements.

- (1) A retail license expires each year on the day specified in the relevant chapter or part for that type of retail license.
- (2) (a) To renew a person's retail license, a retail licensee shall, on or before the day specified in the relevant chapter or part for the type of retail license that the person seeks to renew, submit:
  - (i) a completed renewal application in a form prescribed by the department;
- (ii) a renewal fee in the amount specified in the relevant chapter or part for the type of retail license that the person seeks to renew; [and]
- (iii) a responsible alcohol service plan if, since the retail licensee's most recent application or renewal, the retail licensee:

- (A) made substantial changes to the retail licensee's responsible alcohol service plan; or
  - (B) violated a provision of this chapter[-]; and
- (iv) a certification in a form prescribed by the department of the retail licensee's compliance with Section 32B-5-302.
  - (b) The department may audit a retail licensee's responsible alcohol service plan.
- (3) Failure to meet the renewal requirements results in an automatic forfeiture of the retail license effective on the day on which the existing retail license expires.

Section 4. Section 32B-5-302 is amended to read:

## 32B-5-302. Recordkeeping -- Retention.

- (1) (a) A retail licensee shall make and maintain a record showing in detail:
- [(a)] (i) quarterly expenditures made separately for:
- [(i)] (A) malt or brewed beverages;
- $[\frac{\text{(ii)}}{\text{(B)}}]$  liquor;
- $[\frac{\text{(iii)}}{\text{(C)}}]$  set-ups;
- [(iv)] (D) food; and
- [<del>(v)</del>] (E) any other item required by the department; and
- [(b)] (ii) sales made separately for:
- [(i)] (A) malt or brewed beverages;
- $\left[\frac{\text{(ii)}}{\text{(B)}}\right]$  set-ups;
- $[\frac{\text{(iii)}}{\text{(C)}}]$  food; and
- [(iv)] (D) any other item required by the department.
- [(2)] (b) A retail licensee shall make and maintain a record required by Subsection (1)(a):
  - [(a)] (i) in a form approved by the department; and
  - [(b)] (ii) current for each three-month period.
  - [(3)] (c) A retail licensee shall support an expenditure by:
  - [(a)] (i) a delivery ticket;
  - [(b)] (ii) an invoice;
  - [(c)] (iii) a receipted bill;
  - [<del>(d)</del>] (iv) a canceled check;

- [(e)] (v) a petty cash voucher; or
- [(f)] (vi) other sustaining datum or memorandum.
- $[\underbrace{(4)}]$  (d) In addition to a record required under Subsection  $[\underbrace{(1)}]$  (1)(a), a retail licensee shall make and maintain any other record the department may require.
- { (2) A retail licensee shall:
- (a) provide video surveillance of the retail licensee's premises used for the sale, furnishing, or consumption of an alcoholic product during hours of operation;
- (b) retain the video surveillance footage for 30 days after the day on which the video surveillance footage is made; and
- (c) ensure staff who is trained to access the video surveillance footage is on the retail licensee's premises during hours of operation.
- Chapter 15, Alcoholic Product Liability Act, or a criminal proceeding or investigation under violation of Section 41-6a-502 or 41-6a-517, a retail licensee shall retain a record that is relevant to the proceeding or investigation, including any video surveillance, for a period of at least two years after the day on which the notice is received.
- $[\underbrace{(5)}]$  ( $\underbrace{4+3}$ ) (a) A record of a retail licensee is subject to inspection by an authorized representative of the commission [and] or the department.
- (b) A retail licensee shall allow the department, through an auditor or examiner of the department, to audit the records of the retail licensee at times the department considers advisable.
- [(6)] (5)4) [Section] Sections 32B-1-205 [applies] and 32B-4-505 apply to a record required to be made or maintained in accordance with this section.
  - Section 5. Section **32B-6-205.2** is amended to read:
- 32B-6-205.2. Specific operational requirements for a full-service restaurant license -- On and after July 1, 2018, or July 1, 2022.
- (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, a full-service restaurant licensee and staff of the full-service restaurant licensee shall comply with this section.
- (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

- (i) a full-service restaurant licensee;
- (ii) individual staff of a full-service restaurant licensee; or
- (iii) both a full-service restaurant licensee and staff of the full-service restaurant licensee.
- (2) (a) An individual who serves an alcoholic product in a full-service restaurant licensee's premises shall make a beverage tab for each table or group that orders or consumes an alcoholic product on the premises.
- (b) A beverage tab described in this Subsection (2) shall state the type and amount of each alcoholic product ordered or consumed.
- (3) A full-service restaurant licensee may not make an individual's willingness to serve an alcoholic product a condition of employment with a full-service restaurant licensee.
- (4) (a) A full-service restaurant licensee may sell, offer for sale, or furnish liquor at the licensed premises during the following time periods only:
  - (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or
- (ii) on a weekend or a state or federal legal holiday or for a private event, during the period that begins at 10:30 a.m. and ends at 11:59 p.m.
- (b) A full-service restaurant licensee may sell, offer for sale, or furnish beer at the licensed premises during the following time periods only:
  - (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or
- (ii) on a weekend or a state or federal legal holiday or for a private event, during the period that begins at 10:30 a.m. and ends at 12:59 a.m.
- (5) (a) A full-service restaurant licensee may not furnish an alcoholic product for on-premise consumption except after:
- (i) the patron to whom the full-service restaurant licensee furnishes the alcoholic product is seated at:
  - (A) a table that is located in a dining area or a dispensing area;
  - (B) a counter that is located in a dining area or a dispensing area; or
  - (C) a dispensing structure that is located in a dispensing area; and
  - (ii) the full-service restaurant licensee confirms that the patron intends to:
  - (A) order food prepared, sold, and furnished at the licensed premises; and
  - (B) except as provided in Subsection (5)(b), consume the food at the same location

where the patron is seated and furnished the alcoholic product.

- (b) (i) While a patron waits for a seat at a table or counter in the dining area of a full-service restaurant licensee, the full-service restaurant licensee may sell, offer for sale, or furnish to the patron one drink that contains a single portion of an alcoholic product as described in Section 32B-5-304 if:
- (A) the patron is in a dispensing area and seated at a table, counter, or dispensing structure; and
- (B) the full-service restaurant licensee first confirms that after the patron is seated in the dining area, the patron intends to order food prepared, sold, and furnished at the licensed premises.
- (ii) If the patron does not finish the patron's alcoholic product before moving to a seat in the dining area, an employee of the full-service restaurant licensee who is qualified to sell and serve an alcoholic product under Section 32B-5-306 shall transport any unfinished portion of the patron's alcoholic product to the patron's seat in the dining area.
  - (iii) For purposes of Subsection (5)(b)(i) a single portion of wine is five ounces or less.
- (c) Notwithstanding Section 32B-5-307, a full-service restaurant licensee may not furnish beer for off-premise consumption except after the patron consumes on the licensed premises food prepared, sold, and furnished at the licensed premises.
- (d) A full-service restaurant licensee shall maintain on the licensed premises adequate culinary facilities for food preparation and dining accommodations.
- (6) A patron may consume an alcoholic product on the full-service restaurant licensee's licensed premises only if the patron is seated at:
  - (a) a table that is located in a dining area or dispensing area;
  - (b) a counter that is located in a dining area or dispensing area; or
  - (c) a dispensing structure located in a dispensing area.
- (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have more than two alcoholic products of any kind at a time before the patron.
- (b) A patron may not have more than one spirituous liquor drink at a time before the patron.
- (c) An individual portion of wine is considered to be one alcoholic product under Subsection (7)(a).

- (8) In accordance with the provisions of this section, an individual who is at least 21 years old may consume food and beverages in a dispensing area.
- (9) (a) Except as provided in Subsection (9)(b), a minor may not sit, remain, or consume food or beverages in a dispensing area.
  - (b) (i) A minor may be in a dispensing area if the minor is:
- (A) at least 16 years old and working as an employee of the full-service restaurant licensee; or
- (B) performing maintenance and cleaning services as an employee of the full-service restaurant licensee when the full-service restaurant licensee is not open for business.
- (ii) If there is no alternative route available, a minor may momentarily pass through a dispensing area without remaining or sitting in the dispensing area en route to an area of the full-service restaurant licensee's premises in which the minor is permitted to be.
- (10) Except as provided in Subsection 32B-5-307(3), a full-service restaurant licensee may dispense an alcoholic product only if:
  - (a) the alcoholic product is dispensed from:
  - (i) a dispensing structure that is located in a dispensing area;
  - (ii) an area that is:
- (A) separated from an area for the consumption of food by a patron by a solid, translucent, permanent structural barrier such that the facilities for the dispensing of an alcoholic product are not readily visible to a patron and not accessible by a patron; and
  - (B) apart from an area used for dining, for staging, or as a waiting area; or
  - (iii) the premises of a bar licensee that is:
  - (A) owned by the same person or persons as the full-service restaurant licensee; and
- (B) located immediately adjacent to the premises of the full-service restaurant licensee; and
- (b) any instrument or equipment used to dispense alcoholic product is located in an area described in Subsection (10)(a).
- (11) (a) A full-service restaurant licensee may have more than one dispensing area in the licensed premises.
- (b) Each dispensing area in a licensed premises may satisfy the requirements for a dispensing area under Subsection 32B-6-202(2)(a)(i), (ii), or (iii), regardless of how any other

dispensing area in the licensed premises satisfies the requirements for a dispensing area.

- (12) A full-service restaurant licensee may not:
- (a) transfer, dispense, or serve an alcoholic product on or from a movable cart; or
- (b) display an alcoholic product or a product intended to appear like an alcoholic product by moving a cart or similar device around the licensed premises.
- (13) A full-service restaurant licensee may state in a food or alcoholic product menu a charge or fee made in connection with the sale, service, or consumption of liquor, including:
  - (a) a set-up charge;
  - (b) a service charge; or
  - (c) a chilling fee.
- (14) (a) In addition to the requirements described in Section 32B-5-302, a full-service restaurant licensee shall maintain each of the following records for at least three years:
  - (i) a record required by [Section] Subsection 32B-5-302(1); and
- (ii) a record that the commission requires a full-service restaurant licensee to use or maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (b) The department shall audit the records of a full-service restaurant licensee at least once annually.
- (15) A full-service restaurant licensee may lease to a patron of the full-service restaurant licensee a locked storage space:
  - (a) that the commission considers proper for the storage of wine; and
  - (b) for the storage of wine that:
  - (i) the patron purchases from the full-service restaurant licensee; and
- (ii) only the full-service restaurant licensee or staff of the full-service restaurant licensee may remove from the locker for the patron's use in accordance with this title, including:
- (A) service and consumption on licensed premises as described in Section 32B-5-306; or
- (B) removal from the full-service retail licensee's licensed premises in accordance with Section 32B-5-307.

Section 6. Section 32B-6-305.2 is amended to read:

# 32B-6-305.2. Specific operational requirements for a limited-service restaurant license -- On and after July 1, 2018, or July 1, 2022.

- (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, a limited-service restaurant licensee and staff of the limited-service restaurant licensee shall comply with this section.
- (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
  - (i) a limited-service restaurant licensee;
  - (ii) individual staff of a limited-service restaurant licensee; or
- (iii) both a limited-service restaurant licensee and staff of the limited-service restaurant licensee.
- (2) (a) An individual who serves an alcoholic product in a limited-service restaurant licensee's premises shall make a beverage tab for each table or group that orders or consumes an alcoholic product on the premises.
- (b) A beverage tab described in this Subsection (2) shall state the type and amount of each alcoholic product ordered or consumed.
- (3) A limited-service restaurant licensee may not make an individual's willingness to serve an alcoholic product a condition of employment with a limited-service restaurant licensee.
- (4) (a) A limited-service restaurant licensee may sell, offer for sale, or furnish wine or heavy beer at the licensed premises during the following time periods only:
  - (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or
- (ii) on a weekend or a state or federal legal holiday or for a private event, during the period that begins at 10:30 a.m. and ends at 11:59 p.m.
- (b) A limited-service restaurant licensee may sell, offer for sale, or furnish beer at the licensed premises during the following time periods only:
  - (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or
- (ii) on a weekend or a state or federal legal holiday or for a private event, during the period that begins at 10:30 a.m. and ends at 12:59 a.m.
- (5) (a) A limited-service restaurant licensee may not furnish an alcoholic product for on-premise consumption except after:

- (i) the patron to whom the limited-service restaurant licensee furnishes the alcoholic product is seated at:
  - (A) a table that is located in a dining area or a dispensing area;
  - (B) a counter that is located in a dining area or a dispensing area; or
  - (C) a dispensing structure that is located in a dispensing area; and
  - (ii) the limited-service restaurant licensee confirms that the patron intends to:
  - (A) order food prepared, sold, and furnished at the licensed premises; and
- (B) except as provided in Subsection (5)(b), consume the food at the same location where the patron is seated and furnished the alcoholic product.
- (b) (i) While a patron waits for a seat at a table or counter in the dining area of a limited-service restaurant licensee, the limited-service restaurant licensee may sell, offer for sale, or furnish to the patron one drink that contains a single portion of an alcoholic product as described in Section 32B-5-304 if:
- (A) the patron is in a dispensing area and seated at a table, counter, or dispensing structure; and
- (B) the limited-service restaurant licensee first confirms that after the patron is seated in the dining area, the patron intends to order food prepared, sold, and furnished at the licensed premises.
- (ii) If the patron does not finish the patron's alcoholic product before moving to a seat in the dining area, an employee of the limited-service restaurant licensee who is qualified to sell and serve an alcoholic product under Section 32B-5-306 shall transport any unfinished portion of the patron's alcoholic product to the patron's seat in the dining area.
  - (iii) For purposes of Subsection (5)(b)(i) a single portion of wine is 5 ounces or less.
- (c) Notwithstanding Section 32B-5-307, a limited-service restaurant licensee may not furnish beer for off-premise consumption except after the patron consumes on the licensed premises food prepared, sold, and furnished at the licensed premises.
- (d) A limited-service restaurant licensee shall maintain on the licensed premises adequate culinary facilities for food preparation and dining accommodations.
- (6) A patron may consume an alcoholic product on the limited-service restaurant licensee's licensed premises only if the patron is seated at:
  - (a) a table that is located in a dining area or a dispensing area;

- (b) a counter that is located in a dining area or a dispensing area; or
- (c) a dispensing structure located in a dispensing area.
- (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have more than two alcoholic products of any kind at a time before the patron.
- (b) An individual portion of wine is considered to be one alcoholic product under Subsection (7)(a).
- (8) In accordance with the provisions of this section, an individual who is at least 21 years old may consume food and beverages in a dispensing area.
- (9) (a) Except as provided in Subsection (9)(b), a minor may not sit, remain, or consume food or beverages in a dispensing area.
  - (b) (i) A minor may be in a dispensing area if the minor is:
- (A) at least 16 years old and working as an employee of the limited-service restaurant licensee; or
- (B) performing maintenance and cleaning services as an employee of the limited-service restaurant licensee when the limited-service restaurant licensee is not open for business.
- (ii) If there is no alternative route available, a minor may momentarily pass through a dispensing area without remaining or sitting in the dispensing area en route to an area of the limited-service restaurant licensee's premises in which the minor is permitted to be.
- (10) Except as provided in Subsection 32B-5-307(3), a limited-service restaurant licensee may dispense an alcoholic product only if:
  - (a) the alcoholic product is dispensed from:
  - (i) a dispensing structure that is located in a dispensing area;
  - (ii) an area that is:
- (A) separated from an area for the consumption of food by a patron by a solid, translucent, permanent structural barrier such that the facilities for the dispensing of an alcoholic product are not readily visible to a patron and not accessible by a patron; and
  - (B) apart from an area used for dining, for staging, or as a waiting area; or
  - (iii) the premises of a bar licensee that is:
  - (A) owned by the same person or persons as the limited-service restaurant licensee; and
  - (B) located immediately adjacent to the premises of the limited-service restaurant

licensee; and

- (b) any instrument or equipment used to dispense alcoholic product is located in an area described in Subsection (10)(a).
- (11) (a) A limited-service restaurant licensee may have more than one dispensing area in the licensed premises.
- (b) Each dispensing area in a licensed premises may satisfy the requirements for a dispensing area under Subsection 32B-6-202(2)(a)(i), (ii), or (iii), regardless of how any other dispensing area in the licensed premises satisfies the requirements for a dispensing area.
  - (12) A limited-service restaurant licensee may not:
  - (a) transfer, dispense, or serve an alcoholic product on or from a movable cart; or
- (b) display an alcoholic product or a product intended to appear like an alcoholic product by moving a cart or similar device around the licensed premises.
- (13) A limited-service restaurant licensee may state in a food or alcoholic product menu a charge or fee made in connection with the sale, service, or consumption of wine or heavy beer, including:
  - (a) a set-up charge;
  - (b) a service charge; or
  - (c) a chilling fee.
- (14) (a) In addition to the requirements described in Section 32B-5-302, a limited-service restaurant licensee shall maintain each of the following records for at least three years:
  - (i) a record required by [Section] Subsection 32B-5-302(1); and
- (ii) a record that the commission requires a limited-service restaurant licensee to use or maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (b) The department shall audit the records of a limited-service restaurant licensee at least once each calendar year.

Section 7. Section **32B-6-406** is amended to read:

#### 32B-6-406. Specific operational requirements for a bar establishment license.

(1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, a bar establishment licensee and staff of the bar establishment licensee shall

comply with this section.

- (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
  - (i) a bar establishment licensee;
  - (ii) individual staff of a bar establishment licensee; or
  - (iii) both a bar establishment licensee and staff of the bar establishment licensee.
- (2) In addition to complying with Subsection 32B-5-301(3), a bar licensee shall display in a conspicuous place at the entrance to the licensed premises a sign that:
  - (a) measures at least 8-1/2 inches long and 11 inches wide; and
- (b) clearly states that the bar licensee is a bar and that no one under 21 years [of age] old is allowed.
- (3) (a) In addition to complying with Section 32B-5-302, a bar establishment licensee shall maintain for a minimum of three years:
  - (i) a record required by [Section] Subsection 32B-5-302(1); and
- (ii) a record maintained or used by the bar establishment licensee, as the department requires.
- (b) Section 32B-1-205 applies to a record required to be made, maintained, or used in accordance with this Subsection (3).
- (c) The department shall audit the records of a bar establishment licensee at least once annually.
- (4) (a) A bar establishment licensee may not sell, offer for sale, or furnish liquor on the licensed premises on any day during a period that:
  - (i) begins at 1 a.m.; and
  - (ii) ends at 9:59 a.m.
- (b) A bar establishment licensee may sell, offer for sale, or furnish beer during the hours specified in Part 7, On-Premise Beer Retailer License, for an on-premise beer retailer license.
- (c) (i) Notwithstanding Subsections (4)(a) and (b), a bar establishment licensee shall keep its licensed premises open for one hour after the bar establishment licensee ceases the sale and furnishing of an alcoholic product during which time a patron of the bar establishment licensee may finish consuming:

- (A) a single drink containing spirituous liquor;
- (B) a single serving of wine not exceeding five ounces;
- (C) a single serving of heavy beer;
- (D) a single serving of beer not exceeding 26 ounces; or
- (E) a single serving of a flavored malt beverage.
- (ii) A bar establishment licensee is not required to remain open:
- (A) after all patrons have vacated the premises; or
- (B) during an emergency.
- (5) (a) A minor:
- (i) may not be admitted into, use, or be in the licensed premises of:
- (A) a dining club licensee unless accompanied by an individual who is 21 years [of age] old or older; or
  - (B) a bar licensee, except to the extent provided for under Section 32B-6-406.1;
- (ii) may only be admitted into, use, or be in the lounge or bar area of an equity licensee's or fraternal licensee's licensed premises:
  - (A) when accompanied by an individual who is 21 years [of age] old or older; and
  - (B) momentarily while en route to another area of the licensee's premises; and
- (iii) may not remain or sit in the lounge or bar area of an equity licensee's or fraternal licensee's licensed premises.
- (b) Notwithstanding Section 32B-5-308, a bar establishment licensee may not employ a minor to:
- (i) work in a lounge or bar area of an equity licensee, fraternal licensee, or dining club licensee; or
  - (ii) handle an alcoholic product.
- (c) Notwithstanding Section 32B-5-308, a minor may not be employed on the licensed premises of a bar licensee.
- (d) Nothing in this part or Section 32B-5-308 precludes a local authority from being more restrictive of a minor's admittance to, use of, or presence on the licensed premises of a bar establishment licensee.
- (6) A bar establishment licensee shall have food available at all times when an alcoholic product is sold, offered for sale, furnished, or consumed on the licensed premises.

- (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have more than two alcoholic products of any kind at a time before the patron.
- (b) A patron may not have two spirituous liquor drinks before the bar establishment licensee patron if one of the spirituous liquor drinks consists only of the primary spirituous liquor for the other spirituous liquor drink.
- (c) An individual portion of wine is considered to be one alcoholic product under Subsection (7)(a).
- (8) A bar establishment licensee shall have available on the premises for a patron to review at the time that the patron requests it, a written alcoholic product price list or a menu containing the price of an alcoholic product sold, offered for sale, or furnished by the bar establishment licensee including:
  - (a) a set-up charge;
  - (b) a service charge; or
  - (c) a chilling fee.
- (9) Subject to Section 32B-5-309, a bar establishment licensee may not temporarily rent or otherwise temporarily lease its premises to a person unless:
- (a) the person to whom the bar establishment licensee rents or leases the premises agrees in writing to comply with this title as if the person is the bar establishment licensee, except for a requirement related to making or maintaining a record; and
- (b) the bar establishment licensee takes reasonable steps to ensure that the person complies with this section as provided in Subsection (9)(a).
- (10) If a bar establishment licensee is an equity licensee or fraternal licensee, the bar establishment licensee shall comply with Section 32B-6-407.
- (11) If a bar establishment licensee is a dining club licensee or bar licensee, the bar establishment licensee shall comply with Section 32B-1-407.
- (12) (a) A bar establishment licensee shall own or lease premises suitable for the bar establishment licensee's activities.
- (b) A bar establishment licensee may not maintain licensed premises in a manner that barricades or conceals the bar establishment licensee's operation.

Section 8. Section **32B-6-605** is amended to read:

32B-6-605. Specific operational requirements for on-premise banquet license.

- (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, an on-premise banquet licensee and staff of the on-premise banquet licensee shall comply with this section.
- (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
  - (i) an on-premise banquet licensee;
  - (ii) individual staff of an on-premise banquet licensee; or
  - (iii) both an on-premise banquet licensee and staff of the on-premise banquet licensee.
- (2) An on-premise banquet licensee shall comply with Subsections 32B-5-301(4) and (5) for the entire premises of the hotel, resort facility, sports center, convention center, performing arts facility, or arena that is the basis for the on-premise banquet license.
- (3) (a) For the purpose described in Subsection (3)(b), an on-premise banquet licensee shall provide the department with advance notice of a scheduled banquet in accordance with rules made by the commission.
  - (b) Any of the following may conduct a random inspection of a banquet:
  - (i) an authorized representative of the commission or the department; or
  - (ii) a law enforcement officer.
- (4) (a) An on-premise banquet licensee is not subject to [Section] Subsection 32B-5-302(1), but shall make and maintain the records described in Subsection 32B-5-302(2) and the records the commission or department requires.
- (b) Section 32B-1-205 applies to a record required to be made or maintained in accordance with this Subsection (4).
- (5) (a) Except as otherwise provided in this title, an on-premise banquet licensee may sell, offer for sale, or furnish an alcoholic product at a banquet only for consumption at the location of the banquet.
- (b) Except as provided in Subsection 32B-5-307(4), a host of a banquet, a patron, or a person other than the on-premise banquet licensee or staff of the on-premise banquet licensee, may not remove an alcoholic product from the premises of the banquet.
- (c) Notwithstanding Subsections 32B-5-307(3) and (5) and except as provided in Subsection 32B-5-307(4), a patron at a banquet may not bring an alcoholic product into or onto, or remove an alcoholic product from, the premises of a banquet.

- (6) (a) An on-premise banquet licensee may not leave an unsold alcoholic product at the banquet following the conclusion of the banquet.
  - (b) At the conclusion of a banquet, an on-premise banquet licensee shall:
- (i) destroy an opened and unused alcoholic product that is not saleable, under conditions established by the department; and
  - (ii) return to the on-premise banquet licensee's approved locked storage area any:
  - (A) opened and unused alcoholic product that is saleable; and
  - (B) unopened container of an alcoholic product.
- (c) Except as provided in Subsection (6)(b) with regard to an open or sealed container of an alcoholic product not sold or consumed at a banquet, an on-premise banquet licensee:
- (i) shall store the alcoholic product in the on-premise banquet licensee's approved locked storage area; and
  - (ii) may use the alcoholic product at more than one banquet.
- (7) Notwithstanding Section 32B-5-308, an on-premise banquet licensee may not employ a minor to sell, furnish, or dispense an alcoholic product in connection with the on-premise banquet licensee's banquet and room service activities.
  - (8) An on-premise banquet licensee:
  - (a) may provide room service in portions described in Section 32B-5-304;
- (b) may not sell, offer for sale, or furnish an alcoholic product at a banquet or in connection with room service any day during a period that:
  - (i) begins at 1 a.m.; and
  - (ii) ends at 9:59 a.m.; and
- (c) notwithstanding Section 32B-5-305, may provide as room service one alcoholic product free of charge per guest reservation, per guest room, if the alcoholic product:
  - (i) is not a spirituous liquor; and
  - (ii) is in an unopened container not to exceed 750 milliliters.
- (9) (a) Subject to the other provisions of this Subsection (9), a patron may not have more than two alcoholic products of any kind at a time before the patron.
- (b) A patron may not have more than one spirituous liquor drink at a time before the patron.
  - (c) An individual portion of wine is considered to be one alcoholic product under

Subsection (9)(a).

- (10) (a) An on-premise banquet licensee shall supervise and direct a person involved in the sale, offer for sale, or furnishing of an alcoholic product.
- (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product shall complete an alcohol training and education seminar.
- (11) A staff person of an on-premise banquet licensee shall remain at the banquet at all times when an alcoholic product is sold, offered for sale, furnished, or consumed at the banquet.
- (12) (a) Room service of an alcoholic product to a guest room or privately owned dwelling unit of a hotel or resort facility shall be provided in person by staff of an on-premise banquet licensee only to an adult guest in the guest room or privately owned dwelling unit.
- (b) An alcoholic product may not be left outside a guest room or privately owned dwelling unit for retrieval by a guest or resident.
  - (13) An on-premise banquet licensee may not maintain a minibar.

Section 9. Section **32B-6-706** is amended to read:

#### 32B-6-706. Specific operational requirements for on-premise beer retailer license.

- (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, an on-premise beer retailer and staff of the on-premise beer retailer shall comply with this section.
- (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
  - (i) an on-premise beer retailer;
  - (ii) individual staff of an on-premise beer retailer; or
  - (iii) both an on-premise beer retailer and staff of the on-premise beer retailer.
- (2) (a) An on-premise beer retailer is not subject to [Section] Subsection 32B-5-302(1), but shall make and maintain the records described in Subsection 32B-5-302(2) and the records the department requires.
- (b) Section 32B-1-205 applies to a record required to be made or maintained in accordance with this Subsection (2).
- (3) Notwithstanding Section 32B-5-303, an on-premise beer retailer may not store or sell liquor on its licensed premises.

- (4) (a) An on-premise beer retailer may not sell, offer for sale, or furnish beer at the on-premise beer retailer's licensed premises during a period that:
  - (i) begins at 1 a.m.; and
  - (ii) ends at 9:59 a.m.
- (b) (i) Notwithstanding Subsection (4)(a), a tavern shall remain open for one hour after the tavern ceases the sale and furnishing of beer during which time a patron of the tavern may finish consuming a single serving of beer not exceeding 26 ounces.
  - (ii) A tavern is not required to remain open:
  - (A) after all patrons have vacated the premises; or
  - (B) during an emergency.
- (5) Notwithstanding Section 32B-5-308, a minor may not be on the premises of a tayern.
- (6) (a) (i) An on-premise beer retailer may not purchase, acquire, possess for the purpose of resale, or sell beer except beer that the on-premise beer retailer lawfully purchases from:
  - (A) a beer wholesaler licensee; or
  - (B) a small brewer that manufactures the beer.
  - (ii) Violation of Subsection (6)(a)(i) is a class A misdemeanor.
- (b) (i) If an on-premise beer retailer purchases beer under this Subsection (6) from a beer wholesaler licensee, the on-premise beer retailer shall purchase beer only from a beer wholesaler licensee who is designated by the manufacturer to sell beer in the geographical area in which the on-premise beer retailer is located, unless an alternate wholesaler is authorized by the department to sell to the on-premise beer retailer as provided in Section 32B-13-301.
  - (ii) Violation of Subsection (6)(b)(i) is a class B misdemeanor.
  - (7) A tavern shall comply with Section 32B-1-407.
  - Section 10. Section **32B-6-905.1** is amended to read:
- 32B-6-905.1. Specific operational requirements for a beer-only restaurant license -- On and after July 1, 2018, or July 1, 2022.
- (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, a beer-only restaurant licensee and staff of the beer-only restaurant licensee shall comply with this section.

- (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
  - (i) a beer-only restaurant licensee;
  - (ii) individual staff of a beer-only restaurant licensee; or
  - (iii) both a beer-only restaurant licensee and staff of the beer-only restaurant licensee.
- (2) (a) A beer-only restaurant licensee on the licensed premises may not sell, offer for sale, furnish, or allow consumption of liquor.
  - (b) Liquor may not be on the premises of a beer-only restaurant licensee except for use:
  - (i) as a flavoring on a dessert; or
  - (ii) in the preparation of a flaming food dish, drink, or dessert.
- (3) (a) An individual who serves beer in a beer-only restaurant licensee's premises shall make a beverage tab for each table or group that orders or consumes beer on the premises.
- (b) A beverage tab described in this Subsection (3) shall state the type and amount of each beer ordered or consumed.
- (4) A beer-only restaurant licensee may not make an individual's willingness to serve beer a condition of employment as a server with a beer-only restaurant licensee.
- (5) A beer-only restaurant licensee may sell, offer for sale, or furnish beer at the licensed premises during the following time periods only:
  - (a) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or
- (b) on a weekend or a state or federal legal holiday or for a private event, during the period that begins at 10:30 a.m. and ends at 12:59 a.m.
- (6) (a) A beer-only restaurant licensee may not furnish beer for on-premise consumption except after:
  - (i) the patron to whom the beer-only restaurant licensee furnishes the beer is seated at:
  - (A) a table that is located in a dining area or a dispensing area;
  - (B) a counter that is located in a dining area or a dispensing area; or
  - (C) a dispensing structure that is located in a dispensing area; and
  - (ii) the beer-only restaurant licensee confirms that the patron intends to:
  - (A) order food prepared, sold, and furnished at the licensed premises; and
- (B) except as provided in Subsection (6)(b), consume the food at the same location where the patron is seated and furnished the beer.

- (b) (i) While a patron waits for a seat at a table or counter in the dining area of a beer-only restaurant licensee, the beer-only restaurant licensee may sell, offer for sale, or furnish to the patron one portion of beer as described in Section 32B-5-304 if:
- (A) the patron is in a dispensing area and seated at a table, counter, or dispensing structure; and
- (B) the beer-only restaurant licensee first confirms that after the patron is seated in the dining area, the patron intends to order food prepared, sold, and furnished at the licensed premises.
- (ii) If the patron does not finish the patron's beer before moving to a seat in the dining area, an employee of the beer-only restaurant licensee who is qualified to sell and serve an alcoholic product under Section 32B-5-306 shall transport any unfinished portion of the patron's beer to the patron's seat in the dining area.
- (c) Notwithstanding Section 32B-5-307, a beer-only restaurant licensee may not furnish beer for off-premise consumption except after the patron consumes on the licensed premises food prepared, sold, and furnished at the licensed premises.
- (d) A beer-only restaurant licensee shall maintain on the licensed premises adequate culinary facilities for food preparation and dining accommodations.
  - (7) A patron may consume a beer on the beer-only licensee's licensed premises only at:
  - (a) a table that is located in a dining area or a dispensing area;
  - (b) a counter that is located in a dining area or a dispensing area; or
  - (c) a dispensing structure located in a dispensing area.
  - (8) A patron may not have more than two beers at a time before the patron.
- (9) In accordance with the provisions of this section, an individual who is at least 21 years old may consume food and beverages in a dispensing area.
- (10) (a) Except as provided in Subsection (10)(b), a minor may not sit, remain, or consume food or beverages in a dispensing area.
  - (b) (i) A minor may be in a dispensing area if the minor is:
- (A) at least 16 years old and working as an employee of the beer-only restaurant licensee; or
- (B) performing maintenance and cleaning services as an employee of the beer-only restaurant licensee when the beer-only restaurant licensee is not open for business.

- (ii) If there is no alternative route available, a minor may momentarily pass through a dispensing area without remaining or sitting in the dispensing area en route to an area of the beer-only restaurant licensee's premises in which the minor is permitted to be.
  - (11) A beer-only restaurant licensee may dispense a beer only if:
  - (a) the beer is dispensed from:
  - (i) a dispensing structure that is located in a dispensing area;
  - (ii) an area that is:
- (A) separated from an area for the consumption of food by a patron by a solid, translucent, permanent structural barrier such that the facilities for the dispensing of an alcoholic product are not readily visible to a patron and not accessible by a patron; and
  - (B) apart from an area used for dining, for staging, or as a waiting area; or
  - (iii) the premises of a bar licensee that is:
  - (A) owned by the same person or persons as the beer-only restaurant licensee; and
- (B) located immediately adjacent to the premises of the beer-only restaurant licensee; and
- (b) any instrument or equipment used to dispense the beer is located in an area described in Subsection (11)(a).
- (12) (a) A beer-only restaurant licensee may have more than one dispensing area in the licensed premises.
- (b) Each dispensing area in a licensed premises may satisfy the requirements for a dispensing area under Subsection 32B-6-902(1)(b)(i)(A), (B), or (C), regardless of how any other dispensing area in the licensed premises satisfies the requirements for a dispensing area.
- (13) A beer-only restaurant licensee may not transfer, dispense, or serve beer on or from a movable cart.
- (14) (a) In addition to the requirements described in Section 32B-5-302, a beer-only restaurant licensee shall maintain each of the following records for at least three years:
  - (i) a record required by [Section] Subsection 32B-5-302(1); and
- (ii) a record that the commission requires a beer-only restaurant licensee to use or maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
  - (b) The department shall audit the records of a beer-only restaurant licensee at least

once annually.

Section 11. Section 32B-6-1005 is amended to read:

#### 32B-6-1005. Specific operational requirements for hospitality amenity license.

- (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, a hospitality amenity licensee and staff of the hospitality amenity licensee shall comply with this section.
- (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
  - (i) the hospitality amenity licensee;
  - (ii) individual staff of the hospitality amenity licensee; or
  - (iii) both the hospitality amenity licensee and staff of the hospitality amenity licensee.
- (2) (a) A hospitality amenity licensee may sell, offer for sale, or furnish an alcoholic product:
  - (i) to a hospitality guest; and
  - (ii) for consumption in or on the hospitality amenity licensee's licensed premises.
- (b) (i) A hospitality amenity licensee may sell, offer for sale, or furnish an alcoholic product that is not spirituous liquor in or on:
- (A) licensed premises physically separated from an area to which a hospitality guest or the public has access by a permanent or temporary structure or barrier; or
  - (B) licensed premises described in Subsection (2)(b)(ii).
- (ii) A hospitality amenity licensee may sell, offer for sale, or furnish spirituous liquor in or on licensed premises that:
  - (A) allows access only through the use of a key or code; and
- (B) fills the entirety of a physically and permanently enclosed area within the hotel or resort.
- (c) Spirituous liquor may not be in or on the licensed premises described in Subsection (2)(b)(i)(A) of a hospitality amenity licensee, except for use:
  - (i) as a flavoring on a dessert; and
  - (ii) in the preparation of a flaming food dish or dessert.
- (d) A hospitality amenity licensee may not allow self-service of an alcoholic product in or on the hospitality amenity licensee's licensed premises.

- (3) (a) Subject to Subsections (3)(b) and (c), a hospitality guest may not have more than two alcoholic products of any kind at a time before the hospitality guest.
- (b) A hospitality guest may not have more than one spirituous liquor drink at a time before the hospitality guest.
- (c) An individual portion of wine is considered to be one alcoholic product under Subsection (3)(a).
- (4) A hospitality amenity licensee shall make food available at all times that the licensee sells, offers for sale, furnishes, or allows the consumption of an alcoholic product on the licensed premises.
- (5) (a) A hospitality amenity licensee may not sell, offer for sale, or furnish an alcoholic product any day during a period that:
  - (i) begins at 1:00 a.m.; and
  - (ii) ends at 9:59 a.m.
- (b) A hospitality amenity licensee shall remain open for one hour after the licensee ceases to sell and furnish an alcoholic product, during which time a hospitality guest in or on the hospitality amenity licensed premises may finish consuming:
  - (i) a single drink containing spirituous liquor;
  - (ii) a single serving of wine not exceeding five ounces;
  - (iii) a single serving of heavy beer;
  - (iv) a single serving of beer not exceeding 26 ounces; or
  - (v) a single serving of a flavored malt beverage.
  - (c) A hospitality amenity licensee is not required to remain open:
  - (i) after all individuals have vacated the licensee's licensed premises; or
  - (ii) during an emergency.
- (6) (a) Notwithstanding Section 32B-5-305, a hospitality amenity licensee may provide a hospitality guest up to two single servings of an alcoholic product free of charge or at a reduced rate, if:
  - (i) the alcoholic product is not a spirituous liquor; and
  - (ii) the hospitality amenity licensee offers the alcohol product:
  - (A) to all hospitality guests;
  - (B) during a specific time; and

- (C) on the hospitality amenity licensee's licensed premises.
- (b) Before a hospitality amenity licensee provides an alcoholic product free of charge or at a reduced rate as described in Subsection (6)(a), the licensee shall provide the department with advance notice of the event, in accordance with commission rules that permit a licensee to provide a single notice for a reoccurring event or multiple events.
- (7) A hospitality amenity licensee may permit a hospitality guest to purchase an alcoholic product through a charge to the hospitality guest's lodging accommodations.
- (8) (a) Notwithstanding Section 32B-5-307, a hospitality guest, or a person other than the hospitality amenity licensee or staff of the hospitality amenity licensee, may not remove an alcoholic product from the hospitality amenity licensee's licensed premises.
- (b) Notwithstanding Subsection 32B-5-307(3), a hospitality guest may not bring an alcoholic product within the hospitality amenity licensee's licensed premises.
- (9) A hospitality amenity licensee shall display at each entrance to the licensee's licensed premises a conspicuous sign that:
  - (a) measures at least 8-1/2 inches long and 11 inches wide; and
- (b) clearly states that entry is limited to individuals who are hospitality guests, as defined in this title.
- (10) A hospitality amenity licensee may not permit a minor to enter the licensee's licensed premises at any time during which an alcoholic product is sold, offered for sale, furnished, or consumed, unless the minor is accompanied at all times on the licensed premises by a hospitality guest.
- (11) A staff person of a hospitality amenity licensee shall remain on the licensed premises at all times when an alcoholic product is sold, offered for sale, furnished, or consumed in or on the licensed premises.
- (12) A hospitality amenity licensee may transfer an alcoholic product to or from another licensee within the boundary of the hotel or within the boundary of the resort building, if:
- (a) the hospitality amenity licensee and each licensee involved in the transfer tracks the transfer of the alcoholic product; and
  - (b) the alcoholic product is in a sealed, unopened container.
  - (13) (a) In addition to the requirements described in Section 32B-5-302, a hospitality

amenity licensee shall maintain each of the following records for at least three years:

- (i) a record required under [Section] Subsection 32B-5-302(1); and
- (ii) a record that the commission requires a hospitality amenity licensee to use or maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (b) The department shall audit the records of a hospitality amenity licensee at least once annually.

Section 12. Section 32B-15-102.5 is {amended}enacted to read:

- 32B-15-102. \* Definitions \* 5. Study on overservice and prohibited service of alcohol.
  - (1) As used in this <del>{chapter:</del>
  - (1) "Adjust for inflation" means increase or decrease in section:
- (a) "Overservice incident" means service of an alcoholic product to an intoxicated individual.
- (b) "Prohibited service incident" means service of an alcoholic product to an interdicted person.
- (2) The Department of Public Safety shall conduct a study regarding prevention of overservice incidents and prohibited service incidents in the state.
  - (3) The study shall:
- (a) evaluate overservice incidents and prohibited service incidents in the state, including:
- (i) the impact of dramshop insurance coverage requirements on deterring the service of an intoxicated individual; and
  - (ii) any benefit of damage caps to a person involved in an overservice incident;
- (b) research the circumstances under which a person may reasonably determine an individual is intoxicated or an interdicted person; and
- (c) examine policies or legislation enacted in response to an overservice incident or prohibited service incident and the effectiveness of the policies or legislation in preventing overservice incidents or prohibited service incidents.
- (4) In accordance with {the seasonally adjusted consumer price index for all urban consumers published by the Bureau of Labor Statistics within the United States Department of

# <u>Labor.</u>

- (2) "Damages cap settlement" means a settlement that:
- (a) is between a person who asserts a claim for damages or injury under this chapter and the person against whom the claim is asserted; and
- (b) that provides for the person against whom the claim is asserted to pay the person who asserts the claim an amount equal to the damages cap described in Subsection 32B-15-301(2).
- (3) "Death of a third person" includes recovery for all damages, special and general, resulting from the death, except punitive damages.
- (4) "Excess damages" means the amount of damages claimed in an action under this chapter that exceeds the damages cap described in Subsection 32B-15-301(2).
  - [(2)] (5) (a) "Injury" includes injury in person, property, or means of support.
  - (b) "Injury" also includes recovery for intangibles such as:
    - (i) mental and emotional injuries;
  - (ii) loss of affection; and
- (iii) loss of companionship.} Title 63G, Chapter 6a, Utah Procurement Code, the

  Department of Public Safety may contract with another state agency, private entity, or research institution to assist the Department of Public Safety with the study.
- (5) (a) Before November 30, 2024, the Department of Public Safety shall submit a written report to the Law Enforcement and Criminal Justice Interim Committee regarding the findings of the study.
  - (b) The report shall include:
- (i) any recommendations for legislation to prevent overservice incidents and prohibited service incidents; and
  - (ii) references to all sources of information and data used in the report.
  - Section 13. Section 32B-15-201 is amended to read:
- 32B-15-201. Liability for injuries and damage resulting from distribution of alcoholic products -- Rebuttable presumption.
- (1) (a) Except as provided in Subsections 32B-15-202(2) and (3), a person described in Subsection (1)(b) is liable for:
  - (i) any and all injury and damage, except punitive damages to:

- (A) a third person; or
- (B) the heir, as defined in Section 78B-3-105, of [that] the third person; or
- (ii) the death of a third person.
- (b) A person is liable under Subsection (1)(a) if:
- (i) the person directly gives, sells, or otherwise provides an alcoholic product:
- (A) to a person described in Subsection (1)(b)(ii); and
- (B) as part of the commercial sale, storage, service, manufacture, distribution, or consumption of an alcoholic product;
  - (ii) those actions are a cause of the intoxication of:
  - (A) an individual under [the age of] 21 years old;
- (B) an individual who is apparently under the influence of [intoxicating alcoholic products or drugs] an alcoholic product or drug;
- (C) an individual whom the person furnishing the alcoholic product knew or should have known from the circumstances was under the influence of [intoxicating alcoholic products or drugs] an alcoholic product or drug; or
  - (D) an individual who is a known interdicted person; and
- (iii) the injury or death described in Subsection (1)(a) results from the intoxication of the individual who is provided the alcoholic product.
- (c) {There}(i) Subject to Subsection (1)(c)(ii), there is a rebuttable presumption that a person's actions under Subsection (1)(b)(i) are a cause of the intoxication of an individual described in Subsection (1)(b)(ii)(B) or (C) if:
- (\{\first\A\}) the person directly gives, sells, or otherwise provides the individual the last alcoholic product the individual \{\text{consumes}\}\text{consumes}\) before the injury or death described in Subsection (1)(b)(iii); \{\frac{and}{and}\}\
- ({ii}B) the individual {has sufficient alcohol in the individual's body that a subsequent chemical test shows that}consumes the alcoholic product at the location where the person directly gives, sells, or otherwise provides the individual {has a blood or breath alcohol concentration of .05 grams or greater at the time of the test}the alcoholic product;
- (C) the injury or death occurs within 30 minutes after the time at which the individual leaves, and within a 10 mile radius of, the location where the person gives, sells, or otherwise provides the individual the alcoholic product; and

- (D) the individual is charged with a criminal violation of Section 41-6a-502 for driving under the influence of an alcoholic product in relation to the injury or death.
- (ii) The rebuttable presumption described in Subsection (1)(c)(i) does not apply if there is an intervening cause that may have caused the injury or death.
- (2) (a) A person 21 years [of age] old or older who is described in Subsection (2)(b) is liable for:
  - (i) any and all injury and damage, except punitive damages to:
  - (A) a third person; or
  - (B) the heir, as defined in Section 78B-3-105, of [that] the third person; or
  - (ii) the death of the third person.
  - (b) A person is liable under Subsection (2)(a) if:
- (i) [that] the person directly gives or otherwise provides an alcoholic product to an individual who the person knows or should have known is under [the age of] 21 years old;
- (ii) those actions [eaused] are a cause of the intoxication of the individual provided the alcoholic product;
- (iii) the injury or death described in Subsection (2)(a) results from the intoxication of the individual who is provided the alcoholic product; and
- (iv) the person is not liable under Subsection (1), because the person did not directly give or provide the alcoholic product as part of the commercial sale, storage, service, manufacture, distribution, or consumption of an alcoholic product.
- (3) This section does not apply to a business licensed in accordance with Chapter 7, Off-Premise Beer Retailer Act, to sell beer at retail only for off-premise consumption.

Section 14. Section {32B-15-301}63I-2-232 is amended to read:

{32B-15-301. Cause of action -- Statute of limitations -- Damages -- Excess damages claim.

- (1) (a) A person who suffers an injury under Section 32B-15-201 has a cause of action against the person who provided the alcoholic product in violation of Section 32B-15-201.
- (b) If [a person] <u>an individual</u> having rights or liabilities under this chapter dies, the rights or liabilities provided by this chapter survive to or against [that person's] <u>the individual's estate.</u>

(2) [The] (a) Except as provided in Subsection (4), the total amount that may be awarded to any person pursuant to a cause of action for injury and damage under this chapter that arises after January 1, 2010, is limited to \$1,000,000 and the aggregate amount which may be awarded to all persons injured as a result of one occurrence is limited to \$2,000,000. (b) (i) Beginning July 1, 2023, and each July 1 thereafter, the state treasurer shall adjust for inflation the damages caps under Subsection (2)(a). (ii) On or before July 15, 2023, and on or before each July 15 thereafter, the state treasurer shall: (A) certify the adjustment under Subsection (2)(b)(i); and (B) inform the Administrative Office of the Courts of the certified adjustment. (iii) The certified adjustment under Subsection (2)(b)(ii) applies to a cause of action under this chapter arising on or after the date on which the certified adjustment is made. (3) An action based upon a cause of action under this chapter shall be commenced within two years after the date of the injury and damage. (4) (a) [Nothing in this chapter precludes] This chapter does not preclude any cause of action or additional recovery against the person causing the injury. (b) A cause of action or additional recovery against the person causing the injury and damage, [which action] that is not brought under this chapter[,] is exempt from the [damage] damages cap in Subsection [(2)] (2)(a). (c) A court may award excess damages in an action brought under this chapter if: (i) the person seeking excess damages serves the other party a written demand for a damages cap settlement in accordance with Utah Rules of Civil Procedure, Rule 5, at least 60 days before the day on which trial for the action begins; (ii) the jury verdict in the trial awards damages to the person seeking excess damages in an amount greater than the damages cap described in Subsection (2)(a); and (iii) the written demand is filed with the proposed judgment for the jury verdict in accordance with Utah Rules of Civil Procedure, Rule 58A. (c) (d) A cause of action brought under this chapter is exempt from Sections

78B-5-817 through 78B-5-823.

(5) This section does not apply to a business licensed in accordance with Chapter 7, Off-Premise Beer Retailer Act, to sell beer at retail only for off-premise consumption. **†63I-2-232.** Repeal dates: Title **32B.** [(1) Subsection 32B-1-102(9) is repealed July 1, 2022.] [(2) Subsection 32B-1-407(3)(d) is repealed July 1, 2022.] [<del>(3)</del> Subsections 32B-6-202(3) and (4) are repealed July 1, 2022.] [<del>(4)</del> Section 32B-6-205 is repealed July 1, 2022.] [<del>(5)</del> Subsection 32B-6-205.2(16) is repealed July 1, 2022.] [<del>(6)</del> Section 32B-6-205.3 is repealed July 1, 2022.] [<del>(7)</del> Subsections 32B-6-302(3) and (4) are repealed July 1, 2022.] [(8) Section 32B-6-305 is repealed July 1, 2022.] [<del>(9)</del> Subsection 32B-6-305.2(15) is repealed July 1, 2022.] [(10) Section 32B-6-305.3 is repealed July 1, 2022.]

[(11) Section 32B-6-404.1 is repealed July 1, 2022.]

[(12) Section 32B-6-409 is repealed July 1, 2022.]

(13) Subsection 32B-6-703(2)(e)(iii) is repealed July 1, 2022.

[(14) Subsections 32B-6-902(1)(c), (1)(d), and (2) are repealed July 1, 2022.]

[(15) Section 32B-6-905 is repealed July 1, 2022.]

(16) Subsection 32B-6-905.1(15) is repealed July 1, 2022.

[(17) Section 32B-6-905.2 is repealed July 1, 2022.]

[(18) Subsection 32B-8d-104(3) is repealed July 1, 2022.]

Section 32B-15-102.5, regarding a study on alcohol service, is repealed January 1,

2025.