

**Senator Jerry W. Stevenson** proposes the following substitute bill:

**ALCOHOLIC BEVERAGE CONTROL ACT AMENDMENTS**

2023 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Jerry W. Stevenson**

House Sponsor: Jefferson S. Burton

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**LONG TITLE**

**General Description:**

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

**Highlighted Provisions:**

This bill:

- ▶ creates and modifies definitions;
- ▶ modifies the proximity within which a hotel licensee may be to a community location;
- ▶ clarifies hotel and resort licensee room service requirements;
- ▶ modifies provisions related to flavored beer, heavy beer, and other malt beverages;
- ▶ addresses minor ownership in an entity that applies for an alcohol license, package agency, or permit;
- ▶ modifies alcohol training and education requirements for certain staff of an alcohol licensee;
- ▶ requires the Alcoholic Beverage Services Commission (commission) to provide information regarding an off-premise beer retailer licensee's sale of an alcoholic product to a minor to the Department of Public Safety and requires the Department of Public Safety to manage the information;
- ▶ modifies alcohol license renewal fee requirements;



- 26           ▶ removes provisions requiring the clerk of the court to notify the Department of
- 27 Alcoholic Beverage Services (department) of violations of the Alcoholic Beverage
- 28 Control Act or alcohol-related local ordinances;
- 29           ▶ prohibits storage of an alcoholic beverage for sale if a person is not authorized to
- 30 sell the alcoholic beverage;
- 31           ▶ modifies license forfeiture requirements for retail licensees that cease operations;
- 32           ▶ allows certain restaurant venues to obtain an on-premise banquet license for the
- 33 same premises as a restaurant license;
- 34           ▶ limits the number of on-premise banquet licenses the commission may issue to a
- 35 restaurant venue;
- 36           ▶ allows a restaurant patron who is escorted by a restaurant employee to carry an
- 37 unfinished drink from the dispensing area to the dining area;
- 38           ▶ modifies serving size requirements for hard cider;
- 39           ▶ modifies requirements for master full-service restaurant licensees;
- 40           ▶ exempts resort sublicenses from the commission's calculation regarding the total
- 41 number of retail licenses issued;
- 42           ▶ exempts a certain number of bar establishment licenses from the population quota
- 43 applicable to bar establishment licenses;
- 44           ▶ modifies equity licensee renewal requirements;
- 45           ▶ provides that an equity licensee may have more than one dispensing structure on the
- 46 equity licensee's premises;
- 47           ▶ increases the number of airport lounge licenses the commission may issue for an
- 48 international airport;
- 49           ▶ allows the commission to issue a certain number of airport lounge licenses to a
- 50 domestic airport;
- 51           ▶ requires a person who transports liquor to a domestic airport to obtain a liquor
- 52 transport license;
- 53           ▶ extends the hours during which an airport lounge licensee may sell, offer for sale, or
- 54 furnish alcohol;
- 55           ▶ modifies department notice requirements for, and the process for issuance of, an
- 56 event permit;

- 57           ▶ allows the commission to deem certain licenses forfeited for the licensee's failure to
- 58 meet change in ownership notice requirements;
- 59           ▶ modifies the time period within which a local industry representative licensee and
- 60 liquor warehousing licensee is required to notify the department regarding change of
- 61 ownership;
- 62           ▶ modifies provisions related to management agreements concerning a business that is
- 63 utilizing an alcohol license;
- 64           ▶ clarifies provisions related to alcohol inventory transfer agreements; and
- 65           ▶ makes technical and conforming changes.

66 **Money Appropriated in this Bill:**

67           None

68 **Other Special Clauses:**

69           None

70 **Utah Code Sections Affected:**

71 AMENDS:

- 72           **32B-1-102**, as last amended by Laws of Utah 2022, Chapter 447
- 73           **32B-1-202.1**, as last amended by Laws of Utah 2022, Chapter 447
- 74           **32B-1-304**, as last amended by Laws of Utah 2021, Chapter 291
- 75           **32B-1-603**, as last amended by Laws of Utah 2022, Chapter 447
- 76           **32B-1-703**, as renumbered and amended by Laws of Utah 2019, Chapter 403
- 77           **32B-1-705**, as renumbered and amended by Laws of Utah 2019, Chapter 403
- 78           **32B-2-202**, as last amended by Laws of Utah 2022, Chapter 447
- 79           **32B-4-202**, as last amended by Laws of Utah 2016, Chapter 176
- 80           **32B-4-418**, as enacted by Laws of Utah 2010, Chapter 276
- 81           **32B-5-304**, as last amended by Laws of Utah 2022, Chapter 447
- 82           **32B-5-309**, as last amended by Laws of Utah 2022, Chapter 447
- 83           **32B-6-205.2**, as last amended by Laws of Utah 2022, Chapter 447
- 84           **32B-6-206**, as last amended by Laws of Utah 2019, Chapter 403
- 85           **32B-6-305.2**, as last amended by Laws of Utah 2022, Chapter 447
- 86           **32B-6-403**, as last amended by Laws of Utah 2018, Chapter 249
- 87           **32B-6-404**, as last amended by Laws of Utah 2018, Chapter 249

- 88            **32B-6-406**, as last amended by Laws of Utah 2020, Chapter 219
- 89            **32B-6-503**, as last amended by Laws of Utah 2020, Fifth Special Session, Chapter 3
- 90            **32B-6-505**, as enacted by Laws of Utah 2010, Chapter 276
- 91            **32B-6-603**, as last amended by Laws of Utah 2020, Chapter 219
- 92            **32B-6-605**, as last amended by Laws of Utah 2022, Chapter 447
- 93            **32B-6-905.1**, as last amended by Laws of Utah 2022, Chapter 447
- 94            **32B-6-1005**, as last amended by Laws of Utah 2022, Chapter 447
- 95            **32B-8-401**, as last amended by Laws of Utah 2020, Chapter 219
- 96            **32B-8b-102**, as last amended by Laws of Utah 2020, Chapter 219
- 97            **32B-8b-301**, as last amended by Laws of Utah 2022, Chapter 447
- 98            **32B-8d-103**, as last amended by Laws of Utah 2022, Chapter 447
- 99            **32B-8d-205**, as last amended by Laws of Utah 2022, Chapter 447
- 100           **32B-9-202**, as last amended by Laws of Utah 2016, Chapter 35
- 101           **32B-11-209**, as enacted by Laws of Utah 2010, Chapter 276
- 102           **32B-11-210**, as enacted by Laws of Utah 2016, Chapter 266
- 103           **32B-11-609**, as enacted by Laws of Utah 2010, Chapter 276
- 104           **32B-12-302**, as enacted by Laws of Utah 2010, Chapter 276
- 105           **32B-17-102**, as enacted by Laws of Utah 2020, Fifth Special Session, Chapter 3
- 106           **32B-18-204**, as renumbered and amended by Laws of Utah 2022, Chapter 447
- 107           **32B-18-205**, as enacted by Laws of Utah 2022, Chapter 447
- 108           **62A-15-401**, as last amended by Laws of Utah 2022, Chapter 447

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

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

112            **32B-1-102. Definitions.**

113            As used in this title:

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

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

116            (b) that is located at an international airport or domestic airport.

117            (2) "Airport lounge license" means a license issued in accordance with Chapter 5,

118 Retail License Act, and Chapter 6, Part 5, Airport Lounge License.

- 119 (3) "Alcoholic beverage" means the following:
- 120 (a) beer; or
- 121 (b) liquor.
- 122 (4) (a) "Alcoholic product" means a product that:
- 123 (i) contains at least .5% of alcohol by volume; and
- 124 (ii) is obtained by fermentation, infusion, decoction, brewing, distillation, or other
- 125 process that uses liquid or combinations of liquids, whether drinkable or not, to create alcohol
- 126 in an amount equal to or greater than .5% of alcohol by volume.
- 127 (b) "Alcoholic product" includes an alcoholic beverage.
- 128 (c) "Alcoholic product" does not include any of the following common items that
- 129 otherwise come within the definition of an alcoholic product:
- 130 (i) except as provided in Subsection (4)(d), an extract;
- 131 (ii) vinegar;
- 132 (iii) preserved nonintoxicating cider;
- 133 (iv) essence;
- 134 (v) tincture;
- 135 (vi) food preparation; or
- 136 (vii) an over-the-counter medicine.
- 137 (d) "Alcoholic product" includes an extract containing alcohol obtained by distillation
- 138 when it is used as a flavoring in the manufacturing of an alcoholic product.
- 139 (5) "Alcohol training and education seminar" means a seminar that is:
- 140 (a) required by Chapter 1, Part 7, Alcohol Training and Education Act; and
- 141 (b) described in Section [62A-15-401](#).
- 142 (6) "Arena" means an enclosed building:
- 143 (a) that is managed by:
- 144 (i) the same person who owns the enclosed building;
- 145 (ii) a person who has a majority interest in each person who owns or manages a space
- 146 in the enclosed building; or
- 147 (iii) a person who has authority to direct or exercise control over the management or
- 148 policy of each person who owns or manages a space in the enclosed building;
- 149 (b) that operates as a venue; and

- 150 (c) that has an occupancy capacity of at least 12,500.
- 151 (7) "Arena license" means a license issued in accordance with Chapter 5, Retail  
152 License Act, and Chapter 8c, Arena License Act.
- 153 (8) "Banquet" means an event:
- 154 (a) that is a private event or a privately sponsored event;
- 155 (b) that is held at one or more designated locations approved by the commission in or  
156 on the premises of:
- 157 (i) a hotel;
- 158 (ii) a resort facility;
- 159 (iii) a sports center;
- 160 (iv) a convention center;
- 161 (v) a performing arts facility; [~~or~~]
- 162 (vi) an arena; or
- 163 (vii) a restaurant venue;
- 164 (c) for which there is a contract:
- 165 (i) between a person operating a facility listed in Subsection (8)(b) and another person  
166 that has common ownership of less than 20% with the person operating the facility; and
- 167 (ii) under which the person operating a facility listed in Subsection (8)(b) is required to  
168 provide an alcoholic product at the event; and
- 169 (d) at which food and alcoholic products may be sold, offered for sale, or furnished.
- 170 (9) (a) "Bar establishment license" means a license issued in accordance with Chapter  
171 5, Retail License Act, and Chapter 6, Part 4, Bar Establishment License.
- 172 (b) "Bar establishment license" includes:
- 173 (i) a dining club license;
- 174 (ii) an equity license;
- 175 (iii) a fraternal license; or
- 176 (iv) a bar license.
- 177 (10) "Bar license" means a license issued in accordance with Chapter 5, Retail License  
178 Act, and Chapter 6, Part 4, Bar Establishment License.
- 179 (11) (a) "Beer" means a product that:
- 180 (i) contains:

- 181 (A) at least .5% of alcohol by volume; and
- 182 (B) no more than 5% of alcohol by volume or 4% by weight;
- 183 (ii) is obtained by fermentation, infusion, or decoction of:
- 184 (A) malt; or
- 185 (B) a malt substitute; and
- 186 (iii) is clearly marketed, labeled, and identified as:
- 187 (A) beer;
- 188 (B) ale;
- 189 (C) porter;
- 190 (D) stout;
- 191 (E) lager;
- 192 (F) a malt;
- 193 (G) a malted beverage; or
- 194 (H) seltzer.
- 195 (b) "Beer" may contain:
- 196 (i) hops extract; ~~or~~
- 197 (ii) caffeine, if the caffeine is a natural constituent of an added ingredient~~[-];~~ or
- 198 (iii) a propylene glycol-, ethyl alcohol-, or ethanol-based flavoring agent that:
- 199 (A) is used in the production of beer;
- 200 (B) is in a formula approved by the federal Alcohol and Tobacco Tax and Trade
- 201 Bureau after the formula is filed for approval under 27 C.F.R. Sec. 25.55; and
- 202 (C) does not contribute more than 10% of the overall alcohol content of the beer.
- 203 (c) "Beer" does not include:
- 204 (i) a flavored malt beverage;
- 205 (ii) a product that contains alcohol derived from:
- 206 (A) spirituous liquor; or
- 207 (B) wine; or
- 208 (iii) a product that contains an additive masking or altering a physiological effect of
- 209 alcohol, including kratom, kava, cannabidiol, or natural or synthetic tetrahydrocannabinol.
- 210 (12) "Beer-only restaurant license" means a license issued in accordance with Chapter
- 211 5, Retail License Act, and Chapter 6, Part 9, Beer-Only Restaurant License.

- 212 (13) "Beer retailer" means a business that:
- 213 (a) is engaged, primarily or incidentally, in the retail sale of beer to a patron, whether
- 214 for consumption on or off the business premises; and
- 215 (b) is licensed as:
- 216 (i) an off-premise beer retailer, in accordance with Chapter 7, Part 2, Off-Premise Beer
- 217 Retailer Local Authority; or
- 218 (ii) an on-premise beer retailer, in accordance with Chapter 5, Retail License Act, and
- 219 Chapter 6, Part 7, On-Premise Beer Retailer License.
- 220 (14) "Beer wholesaling license" means a license:
- 221 (a) issued in accordance with Chapter 13, Beer Wholesaling License Act; and
- 222 (b) to import for sale, or sell beer in wholesale or jobbing quantities to one or more
- 223 retail licensees or off-premise beer retailers.
- 224 (15) "Billboard" means a public display used to advertise, including:
- 225 (a) a light device;
- 226 (b) a painting;
- 227 (c) a drawing;
- 228 (d) a poster;
- 229 (e) a sign;
- 230 (f) a signboard; or
- 231 (g) a scoreboard.
- 232 (16) "Brewer" means a person engaged in manufacturing:
- 233 (a) beer;
- 234 (b) heavy beer; or
- 235 (c) a flavored malt beverage.
- 236 (17) "Brewery manufacturing license" means a license issued in accordance with
- 237 Chapter 11, Part 5, Brewery Manufacturing License.
- 238 (18) "Certificate of approval" means a certificate of approval obtained from the
- 239 department under Section [32B-11-201](#).
- 240 (19) "Chartered bus" means a passenger bus, coach, or other motor vehicle provided by
- 241 a bus company to a group of persons pursuant to a common purpose:
- 242 (a) under a single contract;



243 (b) at a fixed charge in accordance with the bus company's tariff; and  
244 (c) to give the group of persons the exclusive use of the passenger bus, coach, or other  
245 motor vehicle, and a driver to travel together to one or more specified destinations.

246 (20) "Church" means a building:

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

251 (21) "Commission" means the Alcoholic Beverage Services Commission created in  
252 Section [32B-2-201](#).

253 (22) "Commissioner" means a member of the commission.

254 (23) "Community location" means:

- 255 (a) a public or private school;
- 256 (b) a church;
- 257 (c) a public library;
- 258 (d) a public playground; or
- 259 (e) a public park.

260 (24) "Community location governing authority" means:

- 261 (a) the governing body of the community location; or
- 262 (b) if the commission does not know who is the governing body of a community  
263 location, a person who appears to the commission to have been given on behalf of the  
264 community location the authority to prohibit an activity at the community location.

265 (25) "Container" means a receptacle that contains an alcoholic product, including:

- 266 (a) a bottle;
- 267 (b) a vessel; or
- 268 (c) a similar item.

269 (26) "Controlled group of manufacturers" means as the commission defines by rule  
270 made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

271 (27) "Convention center" means a facility that is:

- 272 (a) in total at least 30,000 square feet; and
- 273 (b) otherwise defined as a "convention center" by the commission by rule.

274 (28) (a) "Counter" means a surface or structure in a dining area of a licensed premises  
275 where seating is provided to a patron for service of food.

276 (b) "Counter" does not include a dispensing structure.

277 (29) "Crime involving moral turpitude" is as defined by the commission by rule.

278 (30) "Department" means the Department of Alcoholic Beverage Services created in  
279 Section [32B-2-203](#).

280 (31) "Department compliance officer" means an individual who is:

281 (a) an auditor or inspector; and

282 (b) employed by the department.

283 (32) "Department sample" means liquor that is placed in the possession of the  
284 department for testing, analysis, and sampling.

285 (33) "Dining club license" means a license issued in accordance with Chapter 5, Retail  
286 License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the  
287 commission as a dining club license.

288 (34) "Director," unless the context requires otherwise, means the director of the  
289 department.

290 (35) "Disciplinary proceeding" means an adjudicative proceeding permitted under this  
291 title:

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

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

294 (36) (a) Subject to Subsection (36)(b), "dispense" means:

295 (i) drawing an alcoholic product; and

296 (ii) using the alcoholic product at the location from which it was drawn to mix or  
297 prepare an alcoholic product to be furnished to a patron of the retail licensee.

298 (b) The definition of "dispense" in this Subsection (36) applies only to:

299 (i) a full-service restaurant license;

300 (ii) a limited-service restaurant license;

301 (iii) a reception center license;

302 (iv) a beer-only restaurant license;

303 (v) a bar license;

304 (vi) an on-premise beer retailer;

305 (vii) an airport lounge license;

306 (viii) an on-premise banquet license; and

307 (ix) a hospitality amenity license.

308 (37) "Dispensing structure" means a surface or structure on a licensed premises:

309 (a) where an alcoholic product is dispensed; or

310 (b) from which an alcoholic product is served.

311 (38) "Distillery manufacturing license" means a license issued in accordance with

312 Chapter 11, Part 4, Distillery Manufacturing License.

313 (39) "Distressed merchandise" means an alcoholic product in the possession of the  
314 department that is saleable, but for some reason is unappealing to the public.

315 (40) "Domestic airport" means an airport that:

316 (a) has at least 15,000 commercial airline passenger boardings in any five-year period;

317 (b) receives scheduled passenger aircraft service; and

318 (c) is not an international airport.

319 [~~40~~] (41) "Equity license" means a license issued in accordance with Chapter 5,

320 Retail License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the

321 commission as an equity license.

322 [~~41~~] (42) "Event permit" means:

323 (a) a single event permit; or

324 (b) a temporary beer event permit.

325 [~~42~~] (43) "Exempt license" means a license exempt under Section [32B-1-201](#) from

326 being considered in determining the total number of retail licenses that the commission may

327 issue at any time.

328 [~~43~~] (44) (a) "Flavored malt beverage" means a beverage:

329 (i) that contains at least .5% alcohol by volume; and

330 (ii) for which the producer is required to file a formula for approval with the federal

331 Alcohol and Tobacco Tax and Trade Bureau under 27 C.F.R. Sec. 25.55 because the beverage;

332 (A) is treated by processing, filtration, or another method of manufacture that is not

333 generally recognized as a traditional process in the production of a beer, ale, porter, stout, lager,

334 or malt liquor; and

335 (B) includes spirituous liquor.

336 [~~(iii)~~ for which the producer is required to file a formula for approval with the federal  
337 Alcohol and Tobacco Tax and Trade Bureau under 27 C.F.R. Sec. 25.55 because the beverage  
338 includes an ingredient containing alcohol.]

339 (b) "Flavored malt beverage" may contain a propylene glycol-, ethyl alcohol-, or  
340 ethanol-based flavoring agent that contributes to the overall alcohol content of the beverage.

341 (c) "Flavored malt beverage" does not include beer or heavy beer.

342 (d) "Flavored malt beverage" is considered liquor for purposes of this title.

343 [~~(44)~~ (45) "Fraternal license" means a license issued in accordance with Chapter 5,  
344 Retail License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the  
345 commission as a fraternal license.

346 [~~(45)~~ (46) "Full-service restaurant license" means a license issued in accordance with  
347 Chapter 5, Retail License Act, and Chapter 6, Part 2, Full-Service Restaurant License.

348 [~~(46)~~ (47) (a) "Furnish" means by any means to provide with, supply, or give an  
349 individual an alcoholic product, by sale or otherwise.

350 (b) "Furnish" includes to:

351 (i) serve;

352 (ii) deliver; or

353 (iii) otherwise make available.

354 [~~(47)~~ (48) "Guest" means an individual who meets the requirements of Subsection  
355 [32B-6-407\(9\)](#).

356 [~~(48)~~ (49) "Hard cider" means the same as that term is defined in 26 U.S.C. Sec. 5041.

357 [~~(49)~~ (50) "Health care practitioner" means:

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

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

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

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

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

365 (f) a recreational therapist licensed under Title 58, Chapter 40, Recreational Therapy  
366 Practice Act;

- 367 (g) an occupational therapist licensed under Title 58, Chapter 42a, Occupational
- 368 Therapy Practice Act;
- 369 (h) a nurse midwife licensed under Title 58, Chapter 44a, Nurse Midwife Practice Act;
- 370 (i) a mental health professional licensed under Title 58, Chapter 60, Mental Health
- 371 Professional Practice Act;
- 372 (j) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act;
- 373 (k) an osteopath licensed under Title 58, Chapter 68, Utah Osteopathic Medical
- 374 Practice Act;
- 375 (l) a dentist or dental hygienist licensed under Title 58, Chapter 69, Dentist and Dental
- 376 Hygienist Practice Act; and
- 377 (m) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician
- 378 Assistant Act.
- 379 [~~(50)~~] (51) (a) "Heavy beer" means a product that:
- 380 (i) (A) contains more than 5% alcohol by volume; [~~and~~] or
- 381 (B) contains at least .5% of alcohol by volume and no more than 5% of alcohol by
- 382 volume or 4% by weight and a propolyne glycol-, ethyl alcohol-, or ethanol-based flavoring
- 383 agent that contributes more than 10% of the overall alcohol content of the product; and
- 384 (ii) is obtained by fermentation, infusion, or decoction of:
- 385 (A) malt; or
- 386 (B) a malt substitute.
- 387 (b) "Heavy beer" may, if the heavy beer contains more than 5% alcohol by volume,
- 388 contain a propolyne glycol-, ethyl alcohol-, or ethanol-based flavoring agent that contributes to
- 389 the overall alcohol content of the heavy beer.
- 390 (c) "Heavy beer" does not include:
- 391 (i) a flavored malt beverage;
- 392 (ii) a product that contains alcohol derived from:
- 393 (A) spirituous liquor; or
- 394 (B) wine; or
- 395 (iii) a product that contains an additive masking or altering a physiological effect of
- 396 alcohol, including kratom, kava, cannabidiol, or natural or synthetic tetrahydrocannabinol.
- 397 [~~(b)~~] (d) "Heavy beer" is considered liquor for the purposes of this title.

398           ~~[(51)]~~ (52) "Hospitality amenity license" means a license issued in accordance with  
399 Chapter 5, Retail License Act, and Chapter 6, Part 10, Hospitality Amenity License.

400           ~~[(52)]~~ (53) (a) "Hotel" means a commercial lodging establishment that:

401           (i) offers at least 40 rooms as temporary sleeping accommodations for compensation;

402           (ii) is capable of hosting conventions, conferences, and food and beverage functions  
403 under a banquet contract; and

404           (iii) (A) has adequate kitchen or culinary facilities on the premises to provide complete  
405 meals;

406           (B) has at least 1,000 square feet of function space consisting of meeting or dining  
407 rooms that can be reserved for a banquet and can accommodate at least 75 individuals; or

408           (C) if the establishment is located in a small or unincorporated locality, has an  
409 appropriate amount of function space consisting of meeting or dining rooms that can be  
410 reserved for private use under a banquet contract, as determined by the commission.

411           (b) "Hotel" includes a commercial lodging establishment that:

412           (i) meets the requirements under Subsection ~~[(52)(a);~~ (53)(a); and

413           (ii) has one or more privately owned dwelling units.

414           ~~[(53)]~~ (54) "Hotel license" means a license issued in accordance with Chapter 5, Retail  
415 License Act, and Chapter 8b, Hotel License Act.

416           ~~[(54)]~~ (55) "Identification card" means an identification card issued under Title 53,  
417 Chapter 3, Part 8, Identification Card Act.

418           ~~[(55)]~~ (56) "Industry representative" means an individual who is compensated by  
419 salary, commission, or other means for representing and selling an alcoholic product of a  
420 manufacturer, supplier, or importer of liquor.

421           ~~[(56)]~~ (57) "Industry representative sample" means liquor that is placed in the  
422 possession of the department for testing, analysis, and sampling by a local industry  
423 representative on the premises of the department to educate the local industry representative of  
424 the quality and characteristics of the product.

425           ~~[(57)]~~ (58) "Interdicted person" means a person to whom the sale, offer for sale, or  
426 furnishing of an alcoholic product is prohibited by:

427           (a) law; or

428           (b) court order.

429 [~~(58)~~] (59) "International airport" means an airport:

430 (a) with a United States Customs and Border Protection office on the premises of the  
431 airport; and

432 (b) at which international flights may enter and depart.

433 [~~(59)~~] (60) "Intoxicated" means that a person:

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

436 (i) an alcoholic product;

437 (ii) a controlled substance;

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

439 (iv) a combination of Subsections [~~(59)(a)(i)~~] (60)(a)(i) through (iii); and

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

442 [~~(60)~~] (61) "Investigator" means an individual who is:

443 (a) a department compliance officer; or

444 (b) a nondepartment enforcement officer.

445 [~~(61)~~] (62) "License" means:

446 (a) a retail license;

447 (b) a sublicense;

448 (c) a license issued in accordance with Chapter 7, Part 4, Off-Premise Beer Retailer  
449 State License;

450 (d) a license issued in accordance with Chapter 11, Manufacturing and Related  
451 Licenses Act;

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

453 (f) a license issued in accordance with Chapter 13, Beer Wholesaling License Act; or

454 (g) a license issued in accordance with Chapter 17, Liquor Transport License Act.

455 [~~(62)~~] (63) "Licensee" means a person who holds a license.

456 [~~(63)~~] (64) "Limited-service restaurant license" means a license issued in accordance  
457 with Chapter 5, Retail License Act, and Chapter 6, Part 3, Limited-Service Restaurant License.

458 [~~(64)~~] (65) "Limousine" means a motor vehicle licensed by the state or a local  
459 authority, other than a bus or taxicab:

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

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

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

466 [~~(65)~~] (66) (a) (i) "Liquor" means a liquid that:

467 (A) is:

468 (I) alcohol;

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

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

471 (IV) other drink or drinkable liquid; and

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

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

474 (ii) "Liquor" includes:

475 (A) heavy beer;

476 (B) wine; and

477 (C) a flavored malt beverage.

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

479 [~~(66)~~] (67) "Liquor Control Fund" means the enterprise fund created by Section  
480 32B-2-301.

481 [~~(67)~~] (68) "Liquor transport license" means a license issued in accordance with  
482 Chapter 17, Liquor Transport License Act.

483 [~~(68)~~] (69) "Liquor warehousing license" means a license that is issued:

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

485 (b) to a person, other than a licensed manufacturer, who engages in the importation for  
486 storage, sale, or distribution of liquor regardless of amount.

487 [~~(69)~~] (70) "Local authority" means:

488 (a) for premises that are located in an unincorporated area of a county, the governing  
489 body of a county;

490 (b) for premises that are located in an incorporated city, town, or metro township, the



491 governing body of the city, town, or metro township; or

492 (c) for premises that are located in a project area as defined in Section 63H-1-102 and  
493 in a project area plan adopted by the Military Installation Development Authority under Title  
494 63H, Chapter 1, Military Installation Development Authority Act, the Military Installation  
495 Development Authority.

496 [~~(70)~~] (71) "Lounge or bar area" is as defined by rule made by the commission.

497 [~~(71)~~] (72) "Malt substitute" means:

498 (a) rice;

499 (b) grain;

500 (c) bran;

501 (d) glucose;

502 (e) sugar; or

503 (f) molasses.

504 [~~(72)~~] (73) "Manufacture" means to distill, brew, rectify, mix, compound, process,  
505 ferment, or otherwise make an alcoholic product for personal use or for sale or distribution to  
506 others.

507 [~~(73)~~] (74) "Member" means an individual who, after paying regular dues, has full  
508 privileges in an equity licensee or fraternal licensee.

509 [~~(74)~~] (75) (a) "Military installation" means a base, air field, camp, post, station, yard,  
510 center, or homeport facility for a ship:

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

512 (B) of the National Guard;

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

514 (iii) including a leased facility.

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

516 (i) civil works;

517 (ii) a rivers and harbors project; or

518 (iii) a flood control project.

519 [~~(75)~~] (76) "Minibar" means an area of a hotel guest room where one or more alcoholic  
520 products are kept and offered for self-service sale or consumption.

521 [~~(76)~~] (77) "Minor" means an individual under 21 years old.

- 522            [~~(77)~~] (78) "Nondepartment enforcement agency" means an agency that:
- 523            (a) (i) is a state agency other than the department; or
- 524            (ii) is an agency of a county, city, town, or metro township; and
- 525            (b) has a responsibility to enforce one or more provisions of this title.
- 526            [~~(78)~~] (79) "Nondepartment enforcement officer" means an individual who is:
- 527            (a) a peace officer, examiner, or investigator; and
- 528            (b) employed by a nondepartment enforcement agency.
- 529            [~~(79)~~] (80) (a) "Off-premise beer retailer" means a beer retailer who is:
- 530            (i) licensed in accordance with Chapter 7, Off-Premise Beer Retailer Act; and
- 531            (ii) engaged in the retail sale of beer to a patron for consumption off the beer retailer's
- 532 premises.
- 533            (b) "Off-premise beer retailer" does not include an on-premise beer retailer.
- 534            [~~(80)~~] (81) "Off-premise beer retailer state license" means a state license issued in
- 535 accordance with Chapter 7, Part 4, Off-Premise Beer Retailer State License.
- 536            [~~(81)~~] (82) "On-premise banquet license" means a license issued in accordance with
- 537 Chapter 5, Retail License Act, and Chapter 6, Part 6, On-Premise Banquet License.
- 538            [~~(82)~~] (83) "On-premise beer retailer" means a beer retailer who is:
- 539            (a) authorized to sell, offer for sale, or furnish beer under a license issued in
- 540 accordance with Chapter 5, Retail License Act, and Chapter 6, Part 7, On-Premise Beer
- 541 Retailer License; and
- 542            (b) engaged in the sale of beer to a patron for consumption on the beer retailer's
- 543 premises:
- 544            (i) regardless of whether the beer retailer sells beer for consumption off the licensed
- 545 premises; and
- 546            (ii) on and after March 1, 2012, operating:
- 547            (A) as a tavern; or
- 548            (B) in a manner that meets the requirements of Subsection [32B-6-703\(2\)\(e\)\(i\)](#).
- 549            [~~(83)~~] (84) "Opaque" means impenetrable to sight.
- 550            [~~(84)~~] (85) "Package agency" means a retail liquor location operated:
- 551            (a) under an agreement with the department; and
- 552            (b) by a person:

- 553 (i) other than the state; and
- 554 (ii) who is authorized by the commission in accordance with Chapter 2, Part 6, Package
- 555 Agency, to sell packaged liquor for consumption off the premises of the package agency.
- 556 ~~[(85)]~~ (86) "Package agent" means a person who holds a package agency.
- 557 ~~[(86)]~~ (87) "Patron" means an individual to whom food, beverages, or services are sold,
- 558 offered for sale, or furnished, or who consumes an alcoholic product including:
- 559 (a) a customer;
- 560 (b) a member;
- 561 (c) a guest;
- 562 (d) an attendee of a banquet or event;
- 563 (e) an individual who receives room service;
- 564 (f) a resident of a resort; or
- 565 (g) a hospitality guest, as defined in Section [32B-6-1002](#), under a hospitality amenity
- 566 license.
- 567 ~~[(87)]~~ (88) (a) "Performing arts facility" means a multi-use performance space that:
- 568 (i) is primarily used to present various types of performing arts, including dance,
- 569 music, and theater;
- 570 (ii) contains over 2,500 seats;
- 571 (iii) is owned and operated by a governmental entity; and
- 572 (iv) is located in a city of the first class.
- 573 (b) "Performing arts facility" does not include a space that is used to present sporting
- 574 events or sporting competitions.
- 575 ~~[(88)]~~ (89) "Permittee" means a person issued a permit under:
- 576 (a) Chapter 9, Event Permit Act; or
- 577 (b) Chapter 10, Special Use Permit Act.
- 578 ~~[(89)]~~ (90) "Person subject to administrative action" means:
- 579 (a) a licensee;
- 580 (b) a permittee;
- 581 (c) a manufacturer;
- 582 (d) a supplier;
- 583 (e) an importer;

584 (f) one of the following holding a certificate of approval:

585 (i) an out-of-state brewer;

586 (ii) an out-of-state importer of beer, heavy beer, or flavored malt beverages; or

587 (iii) an out-of-state supplier of beer, heavy beer, or flavored malt beverages; or

588 (g) staff of:

589 (i) a person listed in Subsections [~~(89)~~(a) (90)(a) through (f); or

590 (ii) a package agent.

591 [~~(90)~~ (91)] "Premises" means a building, enclosure, or room used in connection with

592 the storage, sale, furnishing, consumption, manufacture, or distribution, of an alcoholic

593 product, unless otherwise defined in this title or rules made by the commission.

594 [~~(91)~~ (92)] "Prescription" means an order issued by a health care practitioner when:

595 (a) the health care practitioner is licensed under Title 58, Occupations and Professions,

596 to prescribe a controlled substance, other drug, or device for medicinal purposes;

597 (b) the order is made in the course of that health care practitioner's professional

598 practice; and

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

600 [~~(92)~~ (93)] (a) "Primary spirituous liquor" means the main distilled spirit in a beverage.

601 (b) "Primary spirituous liquor" does not include a secondary flavoring ingredient.

602 [~~(93)~~ (94)] "Principal license" means:

603 (a) a resort license;

604 (b) a hotel license; or

605 (c) an arena license.

606 [~~(94)~~ (95)] (a) "Private event" means a specific social, business, or recreational event:

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

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

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

613 [~~(95)~~ (96)] "Privately sponsored event" means a specific social, business, or  
614 recreational event:

- 615 (a) that is held in or on the premises of an on-premise banquet licensee; and
- 616 (b) to which entry is restricted by an admission fee.
- 617 ~~[(96)]~~ (97) (a) "Proof of age" means:
- 618 (i) an identification card;
- 619 (ii) an identification that:
- 620 (A) is substantially similar to an identification card;
- 621 (B) is issued in accordance with the laws of a state other than Utah in which the
- 622 identification is issued;
- 623 (C) includes date of birth; and
- 624 (D) has a picture affixed;
- 625 (iii) a valid driver license certificate that:
- 626 (A) includes date of birth;
- 627 (B) has a picture affixed; and
- 628 (C) is issued:
- 629 (I) under Title 53, Chapter 3, Uniform Driver License Act;
- 630 (II) in accordance with the laws of the state in which it is issued; or
- 631 (III) in accordance with federal law by the United States Department of State;
- 632 (iv) a military identification card that:
- 633 (A) includes date of birth; and
- 634 (B) has a picture affixed; or
- 635 (v) a valid passport.
- 636 (b) "Proof of age" does not include a driving privilege card issued in accordance with
- 637 Section [53-3-207](#).
- 638 ~~[(97)]~~ (98) "Provisions applicable to a sublicense" means:
- 639 (a) for a full-service restaurant sublicense, the provisions applicable to a full-service
- 640 restaurant license under Chapter 6, Part 2, Full-Service Restaurant License;
- 641 (b) for a limited-service restaurant sublicense, the provisions applicable to a
- 642 limited-service restaurant license under Chapter 6, Part 3, Limited-Service Restaurant License;
- 643 (c) for a bar establishment sublicense, the provisions applicable to a bar establishment
- 644 license under Chapter 6, Part 4, Bar Establishment License;
- 645 (d) for an on-premise banquet sublicense, the provisions applicable to an on-premise

646 banquet license under Chapter 6, Part 6, On-Premise Banquet License;

647 (e) for an on-premise beer retailer sublicense, the provisions applicable to an  
648 on-premise beer retailer license under Chapter 6, Part 7, On-Premise Beer Retailer License;

649 (f) for a beer-only restaurant sublicense, the provisions applicable to a beer-only  
650 restaurant license under Chapter 6, Part 9, Beer-Only Restaurant License;

651 (g) for a hospitality amenity license, the provisions applicable to a hospitality amenity  
652 license under Chapter 6, Part 10, Hospitality Amenity License; and

653 (h) for a spa sublicense, the provisions applicable to the sublicense under Chapter 8d,  
654 Part 2, Spa Sublicense.

655 [~~(98)~~] (99) (a) "Public building" means a building or permanent structure that is:

656 (i) owned or leased by:

657 (A) the state; or

658 (B) a local government entity; and

659 (ii) used for:

660 (A) public education;

661 (B) transacting public business; or

662 (C) regularly conducting government activities.

663 (b) "Public building" does not include a building owned by the state or a local  
664 government entity when the building is used by a person, in whole or in part, for a proprietary  
665 function.

666 [~~(99)~~] (100) "Public conveyance" means a conveyance that the public or a portion of  
667 the public has access to and a right to use for transportation, including an airline, railroad, bus,  
668 boat, or other public conveyance.

669 [~~(100)~~] (101) "Reception center" means a business that:

670 (a) operates facilities that are at least 5,000 square feet; and

671 (b) has as its primary purpose the leasing of the facilities described in Subsection

672 [~~(100)(a)~~] (101)(a) to a third party for the third party's event.

673 [~~(101)~~] (102) "Reception center license" means a license issued in accordance with  
674 Chapter 5, Retail License Act, and Chapter 6, Part 8, Reception Center License.

675 [~~(102)~~] (103) (a) "Record" means information that is:

676 (i) inscribed on a tangible medium; or

677 (ii) stored in an electronic or other medium and is retrievable in a perceivable form.

678 (b) "Record" includes:

679 (i) a book;

680 (ii) a book of account;

681 (iii) a paper;

682 (iv) a contract;

683 (v) an agreement;

684 (vi) a document; or

685 (vii) a recording in any medium.

686 [~~(103)~~] (104) "Residence" means a person's principal place of abode within Utah.

687 [~~(104)~~] (105) "Resident," in relation to a resort, means the same as that term is defined  
688 in Section [32B-8-102](#).

689 [~~(105)~~] (106) "Resort" means the same as that term is defined in Section [32B-8-102](#).

690 [~~(106)~~] (107) "Resort facility" is as defined by the commission by rule.

691 [~~(107)~~] (108) "Resort license" means a license issued in accordance with Chapter 5,  
692 Retail License Act, and Chapter 8, Resort License Act.

693 [~~(108)~~] (109) "Responsible alcohol service plan" means a written set of policies and  
694 procedures that outlines measures to prevent employees from:

695 (a) over-serving alcoholic beverages to customers;

696 (b) serving alcoholic beverages to customers who are actually, apparently, or obviously  
697 intoxicated; and

698 (c) serving alcoholic beverages to minors.

699 [~~(109)~~] (110) "Restaurant" means a business location:

700 (a) at which a variety of foods are prepared;

701 (b) at which complete meals are served; and

702 (c) that is engaged primarily in serving meals.

703 [~~(110)~~] (111) "Restaurant license" means one of the following licenses issued under  
704 this title:

705 (a) a full-service restaurant license;

706 (b) a limited-service restaurant license; or

707 (c) a beer-only restaurant license.

708 (112) "Restaurant venue" means a room within a restaurant that:  
709 (a) is located on the licensed premises of a restaurant licensee;  
710 (b) is separated from the area within the restaurant for a patron's consumption of food  
711 by a permanent, opaque, floor-to-ceiling wall such that the inside of the room is not visible to a  
712 patron in the area;

713 (c) (i) has at least 1,000 square feet that:  
714 (A) may be reserved for a banquet; and  
715 (B) accommodates at least 75 individuals; or  
716 (ii) if the restaurant is located in a small or unincorporated locality, has an appropriate  
717 amount of space, as determined by the commission, that may be reserved for a banquet.

718 [~~H1~~] (113) "Retail license" means one of the following licenses issued under this  
719 title:

- 720 (a) a full-service restaurant license;
- 721 (b) a master full-service restaurant license;
- 722 (c) a limited-service restaurant license;
- 723 (d) a master limited-service restaurant license;
- 724 (e) a bar establishment license;
- 725 (f) an airport lounge license;
- 726 (g) an on-premise banquet license;
- 727 (h) an on-premise beer license;
- 728 (i) a reception center license;
- 729 (j) a beer-only restaurant license;
- 730 (k) a hospitality amenity license;
- 731 (l) a resort license;
- 732 (m) a hotel license; or
- 733 (n) an arena license.

734 [~~H2~~] (114) "Room service" means furnishing an alcoholic product to a person in a  
735 guest room or privately owned dwelling unit of a:

- 736 (a) hotel; or
- 737 (b) resort facility.

738 [~~H3~~] (115) (a) "School" means a building in which any part is used for more than



739 three hours each weekday during a school year as a public or private:

740 (i) elementary school;

741 (ii) secondary school; or

742 (iii) kindergarten.

743 (b) "School" does not include:

744 (i) a nursery school;

745 (ii) a day care center;

746 (iii) a trade and technical school;

747 (iv) a preschool; or

748 (v) a home school.

749 ~~[(114)]~~ (116) "Secondary flavoring ingredient" means any spirituous liquor added to a  
750 beverage for additional flavoring that is different in type, flavor, or brand from the primary  
751 spirituous liquor in the beverage.

752 ~~[(115)]~~ (117) "Sell" or "offer for sale" means a transaction, exchange, or barter  
753 whereby, for consideration, an alcoholic product is either directly or indirectly transferred,  
754 solicited, ordered, delivered for value, or by a means or under a pretext is promised or  
755 obtained, whether done by a person as a principal, proprietor, or as staff, unless otherwise  
756 defined in this title or the rules made by the commission.

757 ~~[(116)]~~ (118) "Serve" means to place an alcoholic product before an individual.

758 ~~[(117)]~~ (119) "Sexually oriented entertainer" means a person who while in a state of  
759 seminudity appears at or performs:

760 (a) for the entertainment of one or more patrons;

761 (b) on the premises of:

762 (i) a bar licensee; or

763 (ii) a tavern;

764 (c) on behalf of or at the request of the licensee described in Subsection ~~[(117)(b)]~~

765 (119)(b);

766 (d) on a contractual or voluntary basis; and

767 (e) whether or not the person is designated as:

768 (i) an employee;

769 (ii) an independent contractor;

770 (iii) an agent of the licensee; or

771 (iv) a different type of classification.

772 ~~[(118)]~~ (120) "Shared seating area" means the licensed premises of two or more  
773 restaurant licensees that the restaurant licensees share as an area for alcoholic beverage  
774 consumption in accordance with Subsection [32B-5-207\(3\)](#).

775 ~~[(119)]~~ (121) "Single event permit" means a permit issued in accordance with Chapter  
776 9, Part 3, Single Event Permit.

777 ~~[(120)]~~ (122) "Small brewer" means a brewer who manufactures less than 60,000  
778 barrels of beer, heavy beer, and flavored malt beverage per year, as the department calculates  
779 by:

780 (a) if the brewer is part of a controlled group of manufacturers, including the combined  
781 volume totals of production for all breweries that constitute the controlled group of  
782 manufacturers; and

783 (b) excluding beer, heavy beer, or flavored malt beverage the brewer:

784 (i) manufactures that is unfit for consumption as, or in, a beverage, as the commission  
785 determines by rule made in accordance with Title 63G, Chapter 3, Utah Administrative  
786 Rulemaking Act; and

787 (ii) does not sell for consumption as, or in, a beverage.

788 ~~[(121)]~~ (123) "Small or unincorporated locality" means:

789 (a) a city of the third, fourth, or fifth class, as classified under Section [10-2-301](#);

790 (b) a town, as classified under Section [10-2-301](#); or

791 (c) an unincorporated area in a county of the third, fourth, or fifth class, as classified  
792 under Section [17-50-501](#).

793 ~~[(122)]~~ (124) "Spa sublicense" means a sublicense:

794 (a) to a resort license or hotel license; and

795 (b) that the commission issues in accordance with Chapter 8d, Part 2, Spa Sublicense.

796 ~~[(123)]~~ (125) "Special use permit" means a permit issued in accordance with Chapter  
797 10, Special Use Permit Act.

798 ~~[(124)]~~ (126) (a) "Spirituous liquor" means liquor that is distilled.

799 (b) "Spirituous liquor" includes an alcoholic product defined as a "distilled spirit" by  
800 27 U.S.C. Sec. 211 and 27 C.F.R. Sec. 5.11 through 5.23.

801           (c) "Spirituos liquor" does not include a propolyne glycol-, ethyl alcohol-, or  
802 ethanol-based flavoring agent contained in beer or heavy beer.

803           ~~[(125)]~~ (127) "Sports center" is as defined by the commission by rule.

804           ~~[(126)]~~ (128) (a) "Staff" means an individual who engages in activity governed by this  
805 title:

806           (i) on behalf of a business, including a package agent, licensee, permittee, or certificate  
807 holder;

808           (ii) at the request of the business, including a package agent, licensee, permittee, or  
809 certificate holder; or

810           (iii) under the authority of the business, including a package agent, licensee, permittee,  
811 or certificate holder.

812           (b) "Staff" includes:

813           (i) an officer;

814           (ii) a director;

815           (iii) an employee;

816           (iv) personnel management;

817           (v) an agent of the licensee, including a managing agent;

818           (vi) an operator; or

819           (vii) a representative.

820           ~~[(127)]~~ (129) "State of nudity" means:

821           (a) the appearance of:

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

823           (ii) a human genital;

824           (iii) a human pubic area; or

825           (iv) a human anus; or

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

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

828           (ii) a human genital;

829           (iii) a human pubic area; or

830           (iv) a human anus.

831           ~~[(128)]~~ (130) "State of seminudity" means a state of dress in which opaque clothing

832 covers no more than:

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

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

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

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

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

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

840 ~~[(129)]~~ (131) (a) "State store" means a facility for the sale of packaged liquor:

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

842 (ii) operated by a state employee.

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

844 (i) a package agency;

845 (ii) a licensee; or

846 (iii) a permittee.

847 ~~[(130)]~~ (132) (a) "Storage area" means an area on licensed premises where the licensee  
848 stores an alcoholic product.

849 (b) "Store" means to place or maintain in a location an alcoholic product.

850 ~~[(131)]~~ (133) "Sublicense" means:

851 (a) any of the following licenses issued as a subordinate license to, and contingent on  
852 the issuance of, a principal license:

853 (i) a full-service restaurant license;

854 (ii) a limited-service restaurant license;

855 (iii) a bar establishment license;

856 (iv) an on-premise banquet license;

857 (v) an on-premise beer retailer license;

858 (vi) a beer-only restaurant license; or

859 (vii) a hospitality amenity license; or

860 (b) a spa sublicense.

861 ~~[(132)]~~ (134) "Supplier" means a person who sells an alcoholic product to the  
862 department.

863            [~~(133)~~] (135) "Tavern" means an on-premise beer retailer who is:

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

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

868            [~~(134)~~] (136) "Temporary beer event permit" means a permit issued in accordance with  
869 Chapter 9, Part 4, Temporary Beer Event Permit.

870            [~~(135)~~] (137) "Temporary domicile" means the principal place of abode within Utah of  
871 a person who does not have a present intention to continue residency within Utah permanently  
872 or indefinitely.

873            [~~(136)~~] (138) "Translucent" means a substance that allows light to pass through, but  
874 does not allow an object or person to be seen through the substance.

875            [~~(137)~~] (139) "Unsaleable liquor merchandise" means a container that:

876            (a) is unsaleable because the container is:

877            (i) unlabeled;

878            (ii) leaky;

879            (iii) damaged;

880            (iv) difficult to open; or

881            (v) partly filled;

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

883            (ii) has contents that are:

884            (A) cloudy;

885            (B) spoiled; or

886            (C) chemically determined to be impure; or

887            (iii) contains:

888            (A) sediment; or

889            (B) a foreign substance; or

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

891            [~~(138)~~] (140) (a) "Wine" means an alcoholic product obtained by the fermentation of  
892 the natural sugar content of fruits, plants, honey, or milk, or other like substance, whether or  
893 not another ingredient is added.

- 894 (b) "Wine" includes:  
895 (i) an alcoholic beverage defined as wine under 27 U.S.C. Sec. 211 and 27 C.F.R. Sec.  
896 4.10; and  
897 (ii) hard cider.  
898 (c) "Wine" is considered liquor for purposes of this title, except as otherwise provided  
899 in this title.

900 [~~139~~] (141) "Winery manufacturing license" means a license issued in accordance  
901 with Chapter 11, Part 3, Winery Manufacturing License.

902 Section 2. Section **32B-1-202.1** is amended to read:

903 **32B-1-202.1. Proximity for certain hotel and arena licensees.**

904 (1) As used in this section, "hotel" means the same as that term is defined in Section  
905 [32B-8b-102](#).

906 (2) The commission may issue a hotel license for a proposed location that does not  
907 meet the proximity requirements under Section [32B-1-202](#), if:

908 (a) the proposed hotel is:

909 (i) located in a city classified as a city of the first class under Section [10-2-301](#);

910 (ii) within [~~600~~] 650 feet of two community locations, as measured from the nearest  
911 patron entrance of the proposed hotel by following the shortest route of ordinary pedestrian  
912 travel to the property boundary of each community location;

913 (iii) not within 300 feet of a community location, as measured from the nearest patron  
914 entrance of the proposed hotel by following the shortest route of ordinary pedestrian travel to  
915 the property boundary of the community location; and

916 (iv) not within 200 feet of a community location, as measured in a straight line from  
917 the nearest patron entrance of the proposed hotel to the nearest property boundary of the  
918 community location;

919 (b) the proposed sublicensed premises of a bar establishment sublicense under the hotel  
920 license:

921 (i) is on the second or higher floor of a hotel;

922 (ii) is not accessible at street level; and

923 (iii) is only accessible to an individual who passes through another area of the hotel in  
924 which the bar establishment sublicense is located; and

- 925 (c) the applicant meets all other criteria under this title for the hotel license.
- 926 (3) The commission may issue authority to operate as a package agency to a hotel  
927 licensee who meets the requirements described in Subsection (2).
- 928 (4) (a) The commission may issue an arena license for a proposed location that does  
929 not meet the proximity requirements described in Section 32B-1-202, if, on the day before the  
930 day on which the commission issues the license, each proposed sublicense of the arena license:
- 931 (i) operates as an outlet or restaurant; and
- 932 (ii) (A) operates on the proposed sublicense premises under a variance to one or more  
933 proximity requirements in accordance with Section 32B-1-202; or
- 934 (B) has been in operation on the proposed sublicense premises for at least 10 years.
- 935 (b) After the commission issues an arena license in accordance with Subsection (4)(a),  
936 the commission may not issue the arena licensee an additional sublicense.
- 937 Section 3. Section 32B-1-304 is amended to read:
- 938 **32B-1-304. Qualifications for a package agency, license, or permit -- Minors.**
- 939 (1) (a) Except as provided in Subsection (7), the commission may not issue a package  
940 agency, license, or permit to a person who has been convicted of:
- 941 (i) within seven years before the day on which the commission issues the package  
942 agency, license, or permit, a felony under a federal law or state law;
- 943 (ii) within four years before the day on which the commission issues the package  
944 agency, license, or permit:
- 945 (A) a violation of a federal law, state law, or local ordinance concerning the sale, offer  
946 for sale, warehousing, manufacture, distribution, transportation, or adulteration of an alcoholic  
947 product; or
- 948 (B) a crime involving moral turpitude; or
- 949 (iii) on two or more occasions within the five years before the day on which the  
950 package agency, license, or permit is issued, driving under the influence of alcohol, drugs, or  
951 the combined influence of alcohol and drugs.
- 952 (b) If the person is a partnership, corporation, or limited liability company, the  
953 proscription under Subsection (1)(a) applies if any of the following has been convicted of an  
954 offense described in Subsection (1)(a):
- 955 (i) a partner;

956 (ii) a managing agent;  
957 (iii) a manager;  
958 (iv) an officer;  
959 (v) a director;  
960 (vi) a stockholder who holds at least 20% of the total issued and outstanding stock of  
961 the corporation; or

962 (vii) a member who owns at least 20% of the limited liability company.

963 (c) Except as provided in Subsection (7), the proscription under Subsection (1)(a)  
964 applies if a person who is employed to act in a supervisory or managerial capacity for a  
965 package agency, licensee, or permittee has been convicted of an offense described in  
966 Subsection (1)(a).

967 (2) Except as described in Section [32B-8-501](#), the commission may immediately  
968 suspend or revoke a package agency, license, or permit, and terminate a package agency  
969 agreement, if a person described in Subsection (1):

970 (a) after the day on which the package agency, license, or permit is issued, is found to  
971 have been convicted of an offense described in Subsection (1)(a) before the package agency,  
972 license, or permit is issued; or

973 (b) on or after the day on which the package agency, license, or permit is issued:

974 (i) is convicted of an offense described in Subsection (1)(a)(i) or (ii); or

975 (ii) (A) is convicted of driving under the influence of alcohol, drugs, or the combined  
976 influence of alcohol and drugs; and

977 (B) was convicted of driving under the influence of alcohol, drugs, or the combined  
978 influence of alcohol and drugs within five years before the day on which the person is  
979 convicted of the offense described in Subsection (2)(b)(ii)(A).

980 (3) Except as described in Section [32B-8-501](#), the director may take emergency action  
981 by immediately suspending the operation of the package agency, licensee, or permittee for the  
982 period during which a criminal matter is being adjudicated if a person described in Subsection  
983 (1):

984 (a) is arrested on a charge for an offense described in Subsection (1)(a)(i) or (ii); or

985 (b) (i) is arrested on a charge for the offense of driving under the influence of alcohol,  
986 drugs, or the combined influence of alcohol and drugs; and



987 (ii) was convicted of driving under the influence of alcohol, drugs, or the combined  
988 influence of alcohol and drugs within five years before the day on which the person is arrested  
989 on a charge described in Subsection (3)(b)(i).

990 (4) (a) (i) The commission may not issue a package agency, license, or permit to a  
991 person who has had any type of agency, license, or permit issued under this title revoked within  
992 the last three years.

993 (ii) The commission may not issue a package agency, license, or permit to a  
994 partnership, corporation, or limited liability company if a partner, managing agent, manager,  
995 officer, director, stockholder who holds at least 20% of the total issued and outstanding stock  
996 of the corporation, or member who owns at least 20% of the limited liability company is or  
997 was:

998 (A) a partner or managing agent of a partnership that had any type of agency, license,  
999 or permit issued under this title revoked within the last three years;

1000 (B) a managing agent, officer, director, or stockholder who holds or held at least 20%  
1001 of the total issued and outstanding stock of any corporation that had any type of agency,  
1002 license, or permit issued under this title revoked within the last three years; or

1003 (C) a manager or member who owns or owned at least 20% of a limited liability  
1004 company that had any type of agency, license, or permit issued under this title revoked within  
1005 the last three years.

1006 (b) The commission may not issue a package agency, [~~license~~] license, or permit to a  
1007 partnership, corporation, or limited liability company if any of the following had any type of  
1008 agency, license, or permit issued under this title revoked while acting in that person's individual  
1009 capacity within the last three years:

1010 (i) a partner or managing agent of a partnership;

1011 (ii) a managing agent, officer, director, or stockholder who holds at least 20% of the  
1012 total issued and outstanding stock of a corporation; or

1013 (iii) a manager or member who owns at least 20% of a limited liability company.

1014 (c) The commission may not issue a package agency, license, or permit to a person  
1015 acting in an individual capacity if that person was:

1016 (i) a partner or managing agent of a partnership that had any type of agency, license, or  
1017 permit issued under this title revoked within the last three years;

1018 (ii) a managing agent, officer, director, or stockholder who held at least 20% of the  
1019 total issued and outstanding stock of a corporation that had any type of agency, license, or  
1020 permit issued under this title revoked within the last three years; or

1021 (iii) a manager or member who owned at least 20% of the limited liability company  
1022 that had any type of agency, license, or permit issued under this title revoked within the last  
1023 three years.

1024 (5) (a) The commission may not issue a package agency, license, or permit to a minor.

1025 (b) The commission may not issue a package agency, license, or permit to a  
1026 partnership, corporation, or limited liability company if any of the following is a minor:

1027 (i) a partner or managing agent of the partnership;

1028 (ii) a managing agent, officer, director, or stockholder who holds at least 20% of the  
1029 total issued and outstanding stock of the corporation; or

1030 (iii) a manager or member who owns at least 20% of the limited liability company.

1031 (c) For purposes of Subsection (5)(b), the commission may not consider a minor's  
1032 position with or ownership interest in an entity that has an ownership interest in the entity that  
1033 is applying for the package agency, license, or permit unless the minor would exercise direct  
1034 decision making control over the package agency, license, or permit.

1035 (6) Except as described in Section 32B-8-501, if a package agent, licensee, or permittee  
1036 no longer possesses the qualifications required by this title for obtaining a package agency,  
1037 license, or permit, the commission may terminate the package agency agreement, or revoke the  
1038 license or permit.

1039 (7) (a) If the licensee is a resort licensee:

1040 (i) Subsection (1)(a) only applies if an individual listed in Subsection (1)(b) engages in  
1041 the management of the resort, as the commission defines in rule; and

1042 (ii) Subsection (1)(c) only applies to an individual employed to act in a supervisory or  
1043 managerial capacity for the resort licensee or in relation to a sublicense of the resort license.

1044 (b) If the permittee is a public service permittee under Chapter 10, Special Use Permit  
1045 Act:

1046 (i) Subsection (1)(a) only applies if an individual listed in Subsection (1)(b) engages in  
1047 the management of the airline, railroad, or other public conveyance, as the commission defines  
1048 in rule; and

1049 (ii) Subsection (1)(c) only applies to an individual employed to act in a supervisory or  
1050 managerial capacity for the public service permittee.

1051 Section 4. Section **32B-1-603** is amended to read:

1052 **32B-1-603. Power of the commission and department to classify flavored malt**  
1053 **beverages.**

1054 (1) The commission and department shall regulate a flavored malt beverage as liquor.

1055 (2) (a) The department shall make available to the public on the Internet a list of the  
1056 flavored malt beverages authorized to be sold in this state as liquor.

1057 (b) The list described in Subsection (2)(a) shall be updated at least quarterly.

1058 (3) (a) A manufacturer shall file, under penalty of perjury, a report with the department  
1059 listing each flavored malt beverage manufactured by the manufacturer that the manufacturer  
1060 wants to distribute in this state subject to the manufacturer holding:

1061 (i) a brewery manufacturing license issued in accordance with Chapter 11, Part 5,  
1062 Brewery Manufacturing License; or

1063 (ii) a certificate of approval.

1064 (b) A manufacturer may not distribute or sell in this state a flavored malt beverage if  
1065 the manufacturer does not list the flavored malt beverage in a filing with the department in  
1066 accordance with this Subsection (3) before distributing or selling the flavored malt beverage.

1067 (4) The department may require a manufacturer of a flavored malt beverage to provide  
1068 the department with a copy of the following filed with the federal Alcohol and Tobacco Tax  
1069 and Trade Bureau, pursuant to 27 C.F.R. Sec. 25.55:

1070 (a) a statement of process; or

1071 (b) a formula.

1072 (5) (a) A manufacturer of an alcoholic product that the department is classifying or  
1073 proposes to classify as a flavored malt beverage may submit evidence to the department that the  
1074 manufacturer's alcoholic product should not be treated as ~~[liquor]~~ a flavored malt beverage  
1075 under this section because the alcoholic product is beer or heavy beer. ~~[no formula for the~~  
1076 ~~alcoholic product is required to be filed for a reason described in:].~~

1077 ~~[(i) Subsection 32B-1-102(43)(a)(ii), as shown by a determination issued by the federal~~  
1078 ~~Alcohol and Tobacco Tax and Trade Bureau; or]~~

1079 ~~[(ii) Subsection 32B-1-102(43)(a)(iii).]~~

1080 (b) The department shall review the evidence submitted by the manufacturer under this  
1081 Subsection (5).

1082 (c) The department shall make available to the public on the Internet a list of the  
1083 alcoholic products authorized under this Subsection (5) to be sold as beer in this state.

1084 (d) A decision of the department under this Subsection (5) may be appealed to the  
1085 commission.

1086 Section 5. Section **32B-1-703** is amended to read:

1087 **32B-1-703. Alcohol training and education for off-premise consumption.**

1088 (1) (a) A local authority that issues an off-premise beer retailer license to a business to  
1089 sell beer at retail for off-premise consumption shall require the following to have a valid record  
1090 that the individual completed an alcohol training and education seminar in the time periods  
1091 required by Subsection (1)(b):

1092 (i) an off-premise retail manager; or

1093 (ii) off-premise retail staff.

1094 (b) If an individual on the date the individual becomes staff to an off-premise beer  
1095 retailer does not have a valid record that the individual has completed an alcohol training and  
1096 education seminar for purposes of this part, the individual shall complete an alcohol training  
1097 and education seminar [~~within 30 days of~~] in accordance with Section 62A-15-401 before the  
1098 day on which the individual [~~becomes~~] begins work as staff of an off-premise beer retailer.

1099 (c) An off-premise beer retailer may not permit an individual who is not in compliance  
1100 with Subsection (1)(b) to:

1101 (i) directly supervise the sale of beer to a customer for consumption off the premises of  
1102 the off-premise beer retailer; or

1103 (ii) sell beer to a customer for consumption off the premises of the off-premise beer  
1104 retailer.

1105 [~~(c) Section 62A-15-401 governs the validity of a record that an individual has~~  
1106 ~~completed an alcohol training and education seminar required by this part.]~~

1107 (2) A licensee that violates this section is subject to Section 32B-1-702.

1108 [~~(2) In accordance with Section 32B-1-702, a local authority may immediately suspend~~  
1109 ~~the license of an off-premise beer retailer that allows an individual to work as an off-premise~~  
1110 ~~retail manager without having a valid record that the individual completed an alcohol training~~

1111 ~~and education seminar in accordance with Subsection (1).]~~

1112 Section 6. Section **32B-1-705** is amended to read:

1113 **32B-1-705. Tracking certain enforcement actions.**

1114 (1) For each violation of a provision of this title involving the sale of an alcoholic  
1115 product to a minor that staff of a retail licensee or off-premise beer retailer commits, the  
1116 commission shall:

1117 (a) maintain a record of the violation until the record is expunged in accordance with  
1118 Subsection (3);

1119 (b) include in the record described in Subsection (1)(a):

1120 (i) the name of the individual who committed the violation;

1121 (ii) the name of the retail licensee or off-premise beer retailer; and

1122 (iii) the date of the adjudication of the violation; and

1123 (c) provide the information described in Subsection (1)(b) to the Department of Public  
1124 Safety within 30 days after the day on which the violation is adjudicated.

1125 (2) (a) The Department of Public Safety shall develop and operate a system to collect,  
1126 analyze, maintain, track, and disseminate the information that the Department of Public Safety  
1127 receives in accordance with Subsection (1).

1128 (b) The Department of Public Safety shall make the system described in Subsection  
1129 (2)(a) available to:

1130 (i) assist the commission in assessing penalties under this title; and

1131 (ii) inform a retail licensee or off-premise beer retailer of an individual who has a  
1132 violation history in the system.

1133 (3) The commission and the Department of Public Safety shall expunge each record in  
1134 the system described in Subsection (2) that relates to an individual if the individual does not  
1135 violate a provision of this title related to the sale of an alcoholic product to a minor for a period  
1136 of 36 consecutive months from the day on which the individual's last violation related to the  
1137 sale of an alcoholic product to a minor was adjudicated.

1138 Section 7. Section **32B-2-202** is amended to read:

1139 **32B-2-202. Powers and duties of the commission.**

1140 (1) The commission shall:

1141 (a) consistent with the policy established by the Legislature by statute, act as a general

- 1142 policymaking body on the subject of alcoholic product control;
- 1143       (b) adopt and issue policies, rules, and procedures;
- 1144       (c) set policy by written rules that establish criteria and procedures for:
- 1145           (i) issuing, denying, not renewing, suspending, or revoking a package agency, license,
- 1146 permit, or certificate of approval; and
- 1147           (ii) determining the location of a state store, package agency, or retail licensee;
- 1148       (d) decide within the limits, and under the conditions imposed by this title, the number
- 1149 and location of state stores, package agencies, and retail licensees in the state;
- 1150       (e) issue, deny, suspend, revoke, or not renew the following package agencies, licenses,
- 1151 sublicenses, permits, or certificates of approval for the purchase, storage, sale, offer for sale,
- 1152 furnishing, consumption, manufacture, and distribution of an alcoholic product:
- 1153           (i) a package agency;
- 1154           (ii) a full-service restaurant license;
- 1155           (iii) a master full-service restaurant license;
- 1156           (iv) a limited-service restaurant license;
- 1157           (v) a master limited-service restaurant license;
- 1158           (vi) a bar establishment license;
- 1159           (vii) an airport lounge license;
- 1160           (viii) an on-premise banquet license;
- 1161           (ix) a resort license, which includes four or more sublicenses;
- 1162           (x) an on-premise beer retailer license;
- 1163           (xi) a reception center license;
- 1164           (xii) a beer-only restaurant license;
- 1165           (xiii) a hotel license, which includes three or more sublicenses;
- 1166           (xiv) an arena license, which includes three or more sublicenses;
- 1167           (xv) a hospitality amenity license;
- 1168           (xvi) subject to Subsection (5), a single event permit;
- 1169           (xvii) subject to Subsection (5), a temporary beer event permit;
- 1170           (xviii) a special use permit;
- 1171           (xix) a manufacturing license;
- 1172           (xx) a liquor warehousing license;

- 1173 (xxi) a beer wholesaling license;
- 1174 (xxii) a liquor transport license;
- 1175 (xxiii) an off-premise beer retailer state license;
- 1176 (xxiv) a master off-premise beer retailer state license;
- 1177 (xxv) one of the following that holds a certificate of approval:
  - 1178 (A) an out-of-state brewer;
  - 1179 (B) an out-of-state importer of beer, heavy beer, or flavored malt beverages; and
  - 1180 (C) an out-of-state supplier of beer, heavy beer, or flavored malt beverages; and
- 1181 (xxvi) a spa sublicense;
- 1182 (f) issue, deny, suspend, or revoke the following conditional licenses:
  - 1183 (i) a conditional retail license as defined in Section [32B-5-205](#); and
  - 1184 (ii) a conditional off-premise beer retailer state license as defined in Section
  - 1185 [32B-7-406](#);
- 1186 (g) prescribe the duties of the department in assisting the commission in issuing a
- 1187 package agency, license, permit, or certificate of approval under this title;
- 1188 (h) to the extent a fee is not specified in this title, establish a fee allowed under this title
- 1189 in accordance with Section [63J-1-504](#);
- 1190 (i) fix prices at which liquor is sold that are the same at all state stores, package
- 1191 agencies, and retail licensees;
- 1192 (j) issue and distribute price lists showing the price to be paid by a purchaser for each
- 1193 class, variety, or brand of liquor kept for sale by the department;
- 1194 (k) (i) require the director to follow sound management principles; and
- 1195 (ii) require periodic reporting from the director to ensure that:
  - 1196 (A) sound management principles are being followed; and
  - 1197 (B) policies established by the commission are being observed;
- 1198 (l) (i) receive, consider, and act in a timely manner upon the reports, recommendations,
- 1199 and matters submitted by the director to the commission; and
- 1200 (ii) do the things necessary to support the department in properly performing the
- 1201 department's duties;
- 1202 (m) obtain temporarily and for special purposes the services of an expert or person
- 1203 engaged in the practice of a profession, or a person who possesses a needed skill if:

1204 (i) considered expedient; and  
1205 (ii) approved by the governor;  
1206 (n) prescribe by rule the conduct, management, and equipment of premises upon which  
1207 an alcoholic product may be stored, sold, offered for sale, furnished, or consumed;  
1208 (o) make rules governing the credit terms of beer sales within the state to retail  
1209 licensees; and  
1210 (p) in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, take  
1211 disciplinary action against a person subject to administrative action.  
1212 (2) Consistent with the policy established by the Legislature by statute, the power of  
1213 the commission to do the following is plenary, except as otherwise provided by this title, and  
1214 not subject to review:  
1215 (a) establish a state store;  
1216 (b) issue authority to act as a package agent or operate a package agency; and  
1217 (c) issue, deny, or deem forfeit a license, permit, or certificate of approval.  
1218 (3) (a) Subject to ~~[Subsection]~~ Subsections (3)(b) and (c), the commission may[:]  
1219 ~~[(t)]~~ make rules permitting and establishing the parameters of a late license renewal[:  
1220 ~~and]~~.  
1221 ~~[(ii) establish a fee, in accordance with Section 63J-1-504, for a late license renewal.]~~  
1222 (b) The commission may not allow for the late renewal of a license after the later of:  
1223 (i) the tenth day of the month after the month in which the license type is required to be  
1224 renewed; or  
1225 (ii) if the tenth day of the month after the month in which the license type is required to  
1226 be renewed falls on a Saturday, Sunday, or state or federal holiday, the first business day after  
1227 the Saturday, Sunday, or holiday.  
1228 (c) The fee for a late license renewal is \$300.  
1229 (4) If the commission is authorized or required to make a rule under this title, the  
1230 commission shall make the rule in accordance with Title 63G, Chapter 3, Utah Administrative  
1231 Rulemaking Act.  
1232 (5) Notwithstanding Subsections (1)(e)(xvi) and (xvii), the director or deputy director  
1233 may issue an event permit in accordance with Chapter 9, Event Permit Act.  
1234 Section 8. Section **32B-4-202** is amended to read:



1235 **32B-4-202. Duties to enforce this title.**

1236 [(+) ] It is the duty of the following to diligently enforce this title in their respective  
1237 capacities:

1238 [(a)] (1) the governor;

1239 [(b)] (2) a commissioner;

1240 [(c)] (3) the director;

1241 [(d)] (4) an official, inspector, or department employee;

1242 [(e)] (5) a prosecuting official of the state or its political subdivisions;

1243 [(f)] (6) a county, city, town, or metro township;

1244 [(g)] (7) a peace officer, sheriff, deputy sheriff, constable, marshal, or law enforcement  
1245 official;

1246 [(h)] (8) a state health official; and

1247 [(i)] (9) a clerk of the court.

1248 [~~(2)~~] ~~Immediately upon conviction of a person for violation of this title or of a local~~  
1249 ~~ordinance relating to an alcoholic product, it is the duty of the clerk of the court to notify the~~  
1250 ~~department of the conviction in writing on forms supplied by the department.]~~

1251 Section 9. Section **32B-4-418** is amended to read:

1252 **32B-4-418. Unlawful storage.**

1253 It is unlawful for a person to store:

1254 (1) liquor on premises for which the person is authorized to sell beer for on-premise  
1255 consumption, but for which the person is not licensed under this title to sell liquor[-]; or

1256 (2) an alcoholic beverage for sale on premises for which the person is not licensed or  
1257 otherwise authorized under this title to sell the alcoholic beverage.

1258 Section 10. Section **32B-5-304** is amended to read:

1259 **32B-5-304. Portions in which alcoholic product may be sold.**

1260 (1) (a) A retail licensee may sell, offer for sale, or furnish spirituous liquor that is a  
1261 primary spirituous liquor only in a quantity that does not exceed 1.5 ounces per beverage  
1262 dispensed through a calibrated metered dispensing system approved by the department in  
1263 accordance with commission rules adopted under this title.

1264 (b) A retail license is not required to dispense spirituous liquor through a calibrated  
1265 metered dispensing system if the spirituous liquor is:

- 1266 (i) a secondary flavoring ingredient;
- 1267 (ii) used as a flavoring on a dessert; or
- 1268 (iii) used to set aflame a food dish, drink, or dessert.
- 1269 (c) A retail licensee that dispenses spirituous liquor that is a secondary flavoring
- 1270 ingredient shall:
- 1271 (i) designate a location where the retail licensee stores secondary flavoring ingredients
- 1272 on the floor plan the retail licensee submits to the department; and
- 1273 (ii) clearly and conspicuously label each secondary flavoring ingredient's container
- 1274 "flavorings".
- 1275 (d) A patron may have no more than 2.5 ounces of spirituous liquor at a time.
- 1276 (2) (a) (i) A retail licensee may sell, offer for sale, or furnish wine by the glass or in an
- 1277 individual portion that does not exceed 5 ounces per glass or individual portion.
- 1278 (ii) A retail licensee may sell, offer for sale, or furnish an individual portion of wine to
- 1279 a patron in more than one glass if the total amount of wine does not exceed 5 ounces.
- 1280 (b) (i) A retail licensee may sell, offer for sale, or furnish wine in a container not
- 1281 exceeding 1.5 liters at a price fixed by the commission to a table of four or more persons.
- 1282 (ii) A retail licensee may sell, offer for sale, or furnish wine in a container not to
- 1283 exceed 750 milliliters at a price fixed by the commission to a table of less than four persons.
- 1284 ~~[(3)]~~ (c) Notwithstanding Subsections (2)(a) and (b), a retail licensee may sell, offer for
- 1285 sale, or furnish hard cider that contains no more than 5% of alcohol by volume in a container
- 1286 not to exceed 16 ounces.
- 1287 (3) A retail licensee may sell, offer for sale, or furnish heavy beer in an original
- 1288 container at a price fixed by the commission, except that the original container may not exceed
- 1289 one liter.
- 1290 (4) A retail licensee may sell, offer for sale, or furnish a flavored malt beverage in an
- 1291 original container at a price fixed by the commission, except that the original container may not
- 1292 exceed one liter.
- 1293 (5) (a) (i) Subject to Subsection (5)(a)(ii), a retail licensee may sell, offer for sale, or
- 1294 furnish beer for on-premise consumption:
- 1295 (A) in an open original container; and
- 1296 (B) in a container on draft.

- 1297 (ii) A retail licensee may not sell, offer for sale, or furnish beer under Subsection  
1298 (5)(a)(i):
- 1299 (A) in a size of container that exceeds two liters; or  
1300 (B) to an individual patron in a size of container that exceeds one liter.
- 1301 (b) A retail licensee may sell, offer for sale, or furnish beer for off-premise  
1302 consumption:
- 1303 (i) in a sealed container; and  
1304 (ii) in a size of container that does not exceed two liters.
- 1305 (c) A retail licensee may sell, offer for sale, or furnish a flight of beer to an individual  
1306 patron if the total amount of beer does not exceed 16 ounces.
- 1307 Section 11. Section **32B-5-309** is amended to read:
- 1308 **32B-5-309. Ceasing operation.**
- 1309 (1) Except as provided in Subsection (8), a retail licensee may not close or cease  
1310 operation for a period longer than 240 hours, unless:
- 1311 (a) the retail licensee notifies the department in writing at least seven days before the  
1312 day on which the retail licensee closes or ceases operation; and  
1313 (b) the closure or cessation of operation is first approved by the department.
- 1314 (2) Notwithstanding Subsection (1), in the case of emergency closure, a retail licensee  
1315 shall immediately notify the department by telephone.
- 1316 (3) (a) The department may authorize an initial closure or cessation of operation of a  
1317 retail licensee for a period not to exceed 60 days.
- 1318 (b) Upon written request of the retail licensee and a showing of good cause, the  
1319 department may extend the initial period described in Subsection (3)(a) for a period not to  
1320 exceed the greater of:
- 1321 (i) 30 days; or  
1322 (ii) the number of days until the day on which the commission holds the commission's  
1323 next regularly scheduled meeting.
- 1324 (4) A closure or cessation of operation may not exceed the time limits described in  
1325 Subsection (3) without commission approval.
- 1326 (5) A notice required under this section shall include:  
1327 (a) the dates of closure or cessation of operation;

- 1328 (b) the reason for the closure or cessation of operation; and
- 1329 (c) the date on which the retail licensee will reopen or resume operation.
- 1330 (6) ~~[Failure of]~~ If a retail licensee fails to provide notice and to obtain department
- 1331 approval before closure or cessation of operation ~~[results in an automatic forfeiture of], the~~
- 1332 commission may:
- 1333 (a) suspend, revoke, or deem forfeited the retail license; ~~[and]~~ or
- 1334 (b) deem the unused portion of the retail license fee for the remainder of the retail
- 1335 license year ~~[effective immediately]~~ forfeited.
- 1336 (7) ~~[Failure of]~~ If a retail licensee fails to reopen or resume operation by the [approved
- 1337 date results in an automatic forfeiture of] date approved under Subsections (3) and (4), the
- 1338 commission may:
- 1339 (a) suspend, revoke, or deem forfeited the retail license; ~~[and]~~ or
- 1340 (b) deem the unused portion of the retail license fee for the remainder of the retail
- 1341 license year forfeited.
- 1342 (8) This section does not apply to:
- 1343 (a) an on-premise beer retailer who is not a tavern;
- 1344 (b) an airport lounge licensee; or
- 1345 (c) a hospitality amenity licensee.
- 1346 (9) For purposes of this section, the department may not base a determination that a
- 1347 retail licensee has ceased operation solely upon the retail licensee's lack of sales.
- 1348 Section 12. Section **32B-6-205.2** is amended to read:
- 1349 **32B-6-205.2. Specific operational requirements for a full-service restaurant**
- 1350 **license -- On and after July 1, 2018, or July 1, 2022.**
- 1351 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
- 1352 Requirements, a full-service restaurant licensee and staff of the full-service restaurant licensee
- 1353 shall comply with this section.
- 1354 (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in
- 1355 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
- 1356 (i) a full-service restaurant licensee;
- 1357 (ii) individual staff of a full-service restaurant licensee; or
- 1358 (iii) both a full-service restaurant licensee and staff of the full-service restaurant

1359 licensee.

1360 (2) (a) An individual who serves an alcoholic product in a full-service restaurant  
1361 licensee's premises shall make a beverage tab for each table or group that orders or consumes  
1362 an alcoholic product on the premises.

1363 (b) A beverage tab described in this Subsection (2) shall state the type and amount of  
1364 each alcoholic product ordered or consumed.

1365 (3) A full-service restaurant licensee may not make an individual's willingness to serve  
1366 an alcoholic product a condition of employment with a full-service restaurant licensee.

1367 (4) (a) A full-service restaurant licensee may sell, offer for sale, or furnish liquor at the  
1368 licensed premises during the following time periods only:

1369 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or

1370 (ii) on a weekend or a state or federal legal holiday or for a private event, during the  
1371 period that begins at 10:30 a.m. and ends at 11:59 p.m.

1372 (b) A full-service restaurant licensee may sell, offer for sale, or furnish beer at the  
1373 licensed premises during the following time periods only:

1374 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

1375 (ii) on a weekend or a state or federal legal holiday or for a private event, during the  
1376 period that begins at 10:30 a.m. and ends at 12:59 a.m.

1377 (5) (a) A full-service restaurant licensee may not furnish an alcoholic product for  
1378 on-premise consumption except after:

1379 (i) the patron to whom the full-service restaurant licensee furnishes the alcoholic  
1380 product is seated at:

1381 (A) a table that is located in a dining area or a dispensing area;

1382 (B) a counter that is located in a dining area or a dispensing area; or

1383 (C) a dispensing structure that is located in a dispensing area; and

1384 (ii) the full-service restaurant licensee confirms that the patron intends to:

1385 (A) order food prepared, sold, and furnished at the licensed premises; and

1386 (B) except as provided in Subsection (5)(b), consume the food at the same location  
1387 where the patron is seated and furnished the alcoholic product.

1388 (b) (i) While a patron waits for a seat at a table or counter in the dining area of a  
1389 full-service restaurant licensee, the full-service restaurant licensee may sell, offer for sale, or

1390 furnish to the patron one drink that contains a single portion of an alcoholic product as  
1391 described in Section 32B-5-304 if:

1392 (A) the patron is in a dispensing area and seated at a table, counter, or dispensing  
1393 structure; and

1394 (B) the full-service restaurant licensee first confirms that after the patron is seated in  
1395 the dining area, the patron intends to order food prepared, sold, and furnished at the licensed  
1396 premises.

1397 (ii) [H]

1398 (A) Subject to Subsection (5)(b)(ii)(B), if the patron does not finish the patron's  
1399 alcoholic product before moving to a seat in the dining area, [~~an employee of the full-service~~  
1400 ~~restaurant licensee who is qualified to sell and serve an alcoholic product under Section~~  
1401 ~~32B-5-306 shall~~] the patron may transport any unfinished portion of the patron's alcoholic  
1402 product to the patron's seat in the dining area.

1403 (B) An employee of the full-service restaurant licensee shall escort a patron who  
1404 transports an unfinished portion of the patron's alcoholic product to the patron's seat in the  
1405 dining area.

1406 (iii) For purposes of Subsection (5)(b)(i) a single portion of wine is five ounces or less.

1407 (c) Notwithstanding Section 32B-5-307, a full-service restaurant licensee may not  
1408 furnish beer for off-premise consumption except after the patron consumes on the licensed  
1409 premises food prepared, sold, and furnished at the licensed premises.

1410 (d) A full-service restaurant licensee shall maintain on the licensed premises adequate  
1411 culinary facilities for food preparation and dining accommodations.

1412 (6) A patron may consume an alcoholic product on the full-service restaurant licensee's  
1413 licensed premises only if the patron is seated at:

1414 (a) a table that is located in a dining area or dispensing area;

1415 (b) a counter that is located in a dining area or dispensing area; or

1416 (c) a dispensing structure located in a dispensing area.

1417 (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have  
1418 more than two alcoholic products of any kind at a time before the patron.

1419 (b) A patron may not have more than one spirituous liquor drink at a time before the  
1420 patron.

1421 (c) An individual portion of wine is considered to be one alcoholic product under  
1422 Subsection (7)(a).

1423 (8) In accordance with the provisions of this section, an individual who is at least 21  
1424 years old may consume food and beverages in a dispensing area.

1425 (9) (a) Except as provided in Subsection (9)(b), a minor may not sit, remain, or  
1426 consume food or beverages in a dispensing area.

1427 (b) (i) A minor may be in a dispensing area if the minor is:

1428 (A) at least 16 years old and working as an employee of the full-service restaurant  
1429 licensee; or

1430 (B) performing maintenance and cleaning services as an employee of the full-service  
1431 restaurant licensee when the full-service restaurant licensee is not open for business.

1432 (ii) If there is no alternative route available, a minor may momentarily pass through a  
1433 dispensing area without remaining or sitting in the dispensing area en route to an area of the  
1434 full-service restaurant licensee's premises in which the minor is permitted to be.

1435 (10) Except as provided in Subsection [32B-5-307\(3\)](#), a full-service restaurant licensee  
1436 may dispense an alcoholic product only if:

1437 (a) the alcoholic product is dispensed from:

1438 (i) a dispensing structure that is located in a dispensing area;

1439 (ii) an area that is:

1440 (A) separated from an area for the consumption of food by a patron by a solid,  
1441 translucent, permanent structural barrier such that the facilities for the dispensing of an  
1442 alcoholic product are not readily visible to a patron and not accessible by a patron; and

1443 (B) apart from an area used for dining, for staging, or as a waiting area; or

1444 (iii) the premises of a bar licensee that is:

1445 (A) owned by the same person or persons as the full-service restaurant licensee; and

1446 (B) located immediately adjacent to the premises of the full-service restaurant licensee;

1447 and

1448 (b) any instrument or equipment used to dispense alcoholic product is located in an  
1449 area described in Subsection (10)(a).

1450 (11) (a) A full-service restaurant licensee may have more than one dispensing area in  
1451 the licensed premises.

1452 (b) Each dispensing area in a licensed premises may satisfy the requirements for a  
1453 dispensing area under Subsection 32B-6-202(2)(a)(i), (ii), or (iii), regardless of how any other  
1454 dispensing area in the licensed premises satisfies the requirements for a dispensing area.

1455 (12) A full-service restaurant licensee may not:

1456 (a) transfer, dispense, or serve an alcoholic product on or from a movable cart; or

1457 (b) display an alcoholic product or a product intended to appear like an alcoholic  
1458 product by moving a cart or similar device around the licensed premises.

1459 (13) A full-service restaurant licensee may state in a food or alcoholic product menu a  
1460 charge or fee made in connection with the sale, service, or consumption of liquor, including:

1461 (a) a set-up charge;

1462 (b) a service charge; or

1463 (c) a chilling fee.

1464 (14) (a) In addition to the requirements described in Section 32B-5-302, a full-service  
1465 restaurant licensee shall maintain each of the following records for at least three years:

1466 (i) a record required by Section 32B-5-302; and

1467 (ii) a record that the commission requires a full-service restaurant licensee to use or  
1468 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative  
1469 Rulemaking Act.

1470 (b) The department shall audit the records of a full-service restaurant licensee at least  
1471 once annually.

1472 (15) A full-service restaurant licensee may lease to a patron of the full-service  
1473 restaurant licensee a locked storage space:

1474 (a) that the commission considers proper for the storage of wine; and

1475 (b) for the storage of wine that:

1476 (i) the patron purchases from the full-service restaurant licensee; and

1477 (ii) only the full-service restaurant licensee or staff of the full-service restaurant  
1478 licensee may remove from the locker for the patron's use in accordance with this title,  
1479 including:

1480 (A) service and consumption on licensed premises as described in Section 32B-5-306;  
1481 or

1482 (B) removal from the full-service retail licensee's licensed premises in accordance with



1483 Section [32B-5-307](#).

1484 Section 13. Section **32B-6-206** is amended to read:

1485 **32B-6-206. Master full-service restaurant license.**

1486 (1) (a) The commission may issue a master full-service restaurant license that  
1487 authorizes a person to store, sell, offer for sale, furnish, or allow the consumption of an  
1488 alcoholic product on premises at multiple locations as full-service restaurants if the person  
1489 applying for the master full-service restaurant license:

1490 (i) owns each of the full-service restaurants;

1491 (ii) except for the fee requirements, establishes to the satisfaction of the commission  
1492 that each location of a full-service restaurant under the master full-service restaurant license  
1493 separately meets the requirements of this part; and

1494 (iii) the master full-service restaurant license includes at least five full-service  
1495 restaurant locations.

1496 (b) The person seeking a master full-service restaurant license shall designate which  
1497 full-service restaurant locations the person seeks to have under the master full-service  
1498 restaurant license.

1499 (c) A full-service restaurant location under a master full-service restaurant license is  
1500 considered separately licensed for purposes of this title, except as provided in this section.

1501 (2) A master full-service restaurant license and each location designated under  
1502 Subsection (1) are considered a single full-service restaurant license for purposes of Subsection  
1503 [32B-6-203\(3\)\(a\)](#).

1504 (3) (a) A master full-service restaurant license expires on October 31 of each year.

1505 (b) To renew a person's master full-service restaurant license, a person shall comply  
1506 with the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than  
1507 September 30.

1508 (4) (a) The nonrefundable application fee for a master full-service restaurant license is  
1509 \$330.

1510 (b) (i) The initial license fee for a master full-service restaurant license is [~~\$10,000~~  
1511 \$5,000 plus a separate initial license fee for each newly licensed full-service restaurant license  
1512 under the master full-service restaurant license determined in accordance with Subsection  
1513 [32B-6-204\(3\)\(b\)](#).

1514           (ii) The department may prorate the \$5,000 initial license fee based on the number of  
1515 months out of a year the master full-service restaurant licensee is licensed before the day on  
1516 which the master full-service restaurant license expires.

1517           (c) [~~The renewal fee for a~~] To renew a master full-service restaurant license [~~is \$1,000~~  
1518 ~~plus a~~] the master full-service restaurant licensee shall pay a separate renewal fee for each  
1519 full-service license under the master full-service restaurant license determined in accordance  
1520 with Subsection 32B-6-204(3)(c).

1521           (5) A new location may be added to a master full-service restaurant license after the  
1522 master full-service restaurant license is issued if:

1523           (a) the master full-service restaurant licensee pays a nonrefundable application fee of  
1524 \$330; and

1525           (b) including payment of the initial license fee, the location separately meets the  
1526 requirements of this part.

1527           (6) (a) A master full-service restaurant licensee shall notify the department of a change  
1528 in the persons managing a location covered by a master full-service restaurant license:

1529           (i) immediately, if the management personnel is not management personnel at a  
1530 location covered by the master full-service restaurant licensee at the time of the change; or

1531           (ii) within 30 days of the change, if the master full-service restaurant licensee is  
1532 transferring management personnel from one location to another location covered by the master  
1533 full-service restaurant licensee.

1534           (b) A location covered by a master full-service restaurant license shall keep [~~its~~] the  
1535 location's own records on [~~its~~] the location's premises so that the department may audit the  
1536 records.

1537           (c) A master full-service restaurant licensee may not transfer alcoholic products  
1538 between different locations covered by the master full-service restaurant license.

1539           (7) [~~(a)~~] If there is a violation of this title at a location covered by a master full-service  
1540 restaurant license, the violation may result in disciplinary action in accordance with Chapter 3,  
1541 Disciplinary Actions and Enforcement Act, against:

1542           [~~(i)~~] (a) the single location under a master full-service restaurant license;

1543           [~~(ii)~~] (b) individual staff of the location under the master full-service restaurant license;

1544 or

1545            [(iii)] (c) a combination of persons or locations described in Subsections (7)(a)(i) and  
1546 (ii).

1547            [~~(b) In addition to disciplinary action under Subsection (7)(a), disciplinary action in~~  
1548 ~~accordance with Chapter 3, Disciplinary Actions and Enforcement Act, may be taken against a~~  
1549 ~~master full-service restaurant licensee or individual staff of the master full-service restaurant~~  
1550 ~~licensee if during a period beginning on November 1 and ending October 31:]~~

1551            [~~(i) at least 25% of the locations covered by the master full-service restaurant license~~  
1552 ~~have been found by the commission to have committed a serious or grave violation of this title,~~  
1553 ~~as defined by rule made by the commission; or]~~

1554            [~~(ii) at least 50% of the locations covered by the master full-service restaurant license~~  
1555 ~~have been found by the commission to have violated this title.]~~

1556            (8) The commission may make rules, in accordance with Title 63G, Chapter 3, Utah  
1557 Administrative Rulemaking Act, to establish how a person may apply for a master full-service  
1558 restaurant license under this section.

1559            Section 14. Section **32B-6-305.2** is amended to read:

1560            **32B-6-305.2. Specific operational requirements for a limited-service restaurant**  
1561 **license -- On and after July 1, 2018, or July 1, 2022.**

1562            (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
1563 Requirements, a limited-service restaurant licensee and staff of the limited-service restaurant  
1564 licensee shall comply with this section.

1565            (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in  
1566 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

1567            (i) a limited-service restaurant licensee;

1568            (ii) individual staff of a limited-service restaurant licensee; or

1569            (iii) both a limited-service restaurant licensee and staff of the limited-service restaurant  
1570 licensee.

1571            (2) (a) An individual who serves an alcoholic product in a limited-service restaurant  
1572 licensee's premises shall make a beverage tab for each table or group that orders or consumes  
1573 an alcoholic product on the premises.

1574            (b) A beverage tab described in this Subsection (2) shall state the type and amount of  
1575 each alcoholic product ordered or consumed.

1576 (3) A limited-service restaurant licensee may not make an individual's willingness to  
1577 serve an alcoholic product a condition of employment with a limited-service restaurant  
1578 licensee.

1579 (4) (a) A limited-service restaurant licensee may sell, offer for sale, or furnish wine or  
1580 heavy beer at the licensed premises during the following time periods only:

1581 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or

1582 (ii) on a weekend or a state or federal legal holiday or for a private event, during the  
1583 period that begins at 10:30 a.m. and ends at 11:59 p.m.

1584 (b) A limited-service restaurant licensee may sell, offer for sale, or furnish beer at the  
1585 licensed premises during the following time periods only:

1586 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

1587 (ii) on a weekend or a state or federal legal holiday or for a private event, during the  
1588 period that begins at 10:30 a.m. and ends at 12:59 a.m.

1589 (5) (a) A limited-service restaurant licensee may not furnish an alcoholic product for  
1590 on-premise consumption except after:

1591 (i) the patron to whom the limited-service restaurant licensee furnishes the alcoholic  
1592 product is seated at:

1593 (A) a table that is located in a dining area or a dispensing area;

1594 (B) a counter that is located in a dining area or a dispensing area; or

1595 (C) a dispensing structure that is located in a dispensing area; and

1596 (ii) the limited-service restaurant licensee confirms that the patron intends to:

1597 (A) order food prepared, sold, and furnished at the licensed premises; and

1598 (B) except as provided in Subsection (5)(b), consume the food at the same location  
1599 where the patron is seated and furnished the alcoholic product.

1600 (b) (i) While a patron waits for a seat at a table or counter in the dining area of a  
1601 limited-service restaurant licensee, the limited-service restaurant licensee may sell, offer for  
1602 sale, or furnish to the patron one drink that contains a single portion of an alcoholic product as  
1603 described in Section [32B-5-304](#) if:

1604 (A) the patron is in a dispensing area and seated at a table, counter, or dispensing  
1605 structure; and

1606 (B) the limited-service restaurant licensee first confirms that after the patron is seated

1607 in the dining area, the patron intends to order food prepared, sold, and furnished at the licensed  
1608 premises.

1609 (ii) [Hf] (A) Subject to Subsection (5)(b)(ii)(B), if the patron does not finish the  
1610 patron's alcoholic product before moving to a seat in the dining area, [an employee of the  
1611 limited-service restaurant licensee who is qualified to sell and serve an alcoholic product under  
1612 Section 32B-5-306 shall] the patron may transport any unfinished portion of the patron's  
1613 alcoholic product to the patron's seat in the dining area.

1614 (B) An employee of the limited-service restaurant licensee shall escort a patron who  
1615 transports an unfinished portion of the patron's alcoholic product to the patron's seat in the  
1616 dining area.

1617 (iii) For purposes of Subsection (5)(b)(i) a single portion of wine is 5 ounces or less.

1618 (c) Notwithstanding Section 32B-5-307, a limited-service restaurant licensee may not  
1619 furnish beer for off-premise consumption except after the patron consumes on the licensed  
1620 premises food prepared, sold, and furnished at the licensed premises.

1621 (d) A limited-service restaurant licensee shall maintain on the licensed premises  
1622 adequate culinary facilities for food preparation and dining accommodations.

1623 (6) A patron may consume an alcoholic product on the limited-service restaurant  
1624 licensee's licensed premises only if the patron is seated at:

1625 (a) a table that is located in a dining area or a dispensing area;

1626 (b) a counter that is located in a dining area or a dispensing area; or

1627 (c) a dispensing structure located in a dispensing area.

1628 (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have  
1629 more than two alcoholic products of any kind at a time before the patron.

1630 (b) An individual portion of wine is considered to be one alcoholic product under  
1631 Subsection (7)(a).

1632 (8) In accordance with the provisions of this section, an individual who is at least 21  
1633 years old may consume food and beverages in a dispensing area.

1634 (9) (a) Except as provided in Subsection (9)(b), a minor may not sit, remain, or  
1635 consume food or beverages in a dispensing area.

1636 (b) (i) A minor may be in a dispensing area if the minor is:

1637 (A) at least 16 years old and working as an employee of the limited-service restaurant

1638 licensee; or

1639 (B) performing maintenance and cleaning services as an employee of the  
1640 limited-service restaurant licensee when the limited-service restaurant licensee is not open for  
1641 business.

1642 (ii) If there is no alternative route available, a minor may momentarily pass through a  
1643 dispensing area without remaining or sitting in the dispensing area en route to an area of the  
1644 limited-service restaurant licensee's premises in which the minor is permitted to be.

1645 (10) Except as provided in Subsection 32B-5-307(3), a limited-service restaurant  
1646 licensee may dispense an alcoholic product only if:

1647 (a) the alcoholic product is dispensed from:

1648 (i) a dispensing structure that is located in a dispensing area;

1649 (ii) an area that is:

1650 (A) separated from an area for the consumption of food by a patron by a solid,  
1651 translucent, permanent structural barrier such that the facilities for the dispensing of an  
1652 alcoholic product are not readily visible to a patron and not accessible by a patron; and

1653 (B) apart from an area used for dining, for staging, or as a waiting area; or

1654 (iii) the premises of a bar licensee that is:

1655 (A) owned by the same person or persons as the limited-service restaurant licensee; and

1656 (B) located immediately adjacent to the premises of the limited-service restaurant  
1657 licensee; and

1658 (b) any instrument or equipment used to dispense alcoholic product is located in an  
1659 area described in Subsection (10)(a).

1660 (11) (a) A limited-service restaurant licensee may have more than one dispensing area  
1661 in the licensed premises.

1662 (b) Each dispensing area in a licensed premises may satisfy the requirements for a  
1663 dispensing area under Subsection 32B-6-202(2)(a)(i), (ii), or (iii), regardless of how any other  
1664 dispensing area in the licensed premises satisfies the requirements for a dispensing area.

1665 (12) A limited-service restaurant licensee may not:

1666 (a) transfer, dispense, or serve an alcoholic product on or from a movable cart; or

1667 (b) display an alcoholic product or a product intended to appear like an alcoholic  
1668 product by moving a cart or similar device around the licensed premises.

1669 (13) A limited-service restaurant licensee may state in a food or alcoholic product  
1670 menu a charge or fee made in connection with the sale, service, or consumption of wine or  
1671 heavy beer, including:

- 1672 (a) a set-up charge;
- 1673 (b) a service charge; or
- 1674 (c) a chilling fee.

1675 (14) (a) In addition to the requirements described in Section 32B-5-302, a  
1676 limited-service restaurant licensee shall maintain each of the following records for at least three  
1677 years:

- 1678 (i) a record required by Section 32B-5-302; and
- 1679 (ii) a record that the commission requires a limited-service restaurant licensee to use or  
1680 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative  
1681 Rulemaking Act.

1682 (b) The department shall audit the records of a limited-service restaurant licensee at  
1683 least once each calendar year.

1684 Section 15. Section 32B-6-403 is amended to read:

1685 **32B-6-403. Commission's power to issue bar establishment license.**

1686 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of  
1687 an alcoholic product on [its] the person's premises as a bar establishment licensee, the person  
1688 shall first obtain a bar establishment license from the commission in accordance with this part.

1689 (2) The commission may issue a bar establishment license to establish bar  
1690 establishment licensed premises at places and in numbers the commission considers proper for  
1691 the storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on  
1692 premises operated by a bar establishment licensee.

1693 (3) Subject to Section 32B-1-201:

1694 (a) [~~(i) before July 1, 2018, the commission may not issue a total number of bar~~  
1695 ~~establishment licenses that at any time exceeds the number determined by dividing the~~  
1696 ~~population of the state by 7,850; and]~~

1697 [(~~ii~~)] (i) [~~beginning on July 1, 2018;~~] the commission may not issue a total number of  
1698 bar establishment licenses that at any time exceeds the [~~number~~] sum of:

1699 (A) 20; and

1700 (B) the number determined by dividing the population of the state by 10,200;

1701 (b) the commission may issue a seasonal bar establishment license in accordance with

1702 Section 32B-5-206 to[?]

1703 [~~(i) a dining club licensee; or~~]

1704 [~~(ii)~~] a bar licensee;

1705 (c) [~~(i) if the location, design, and construction of a hotel may require more than one~~

1706 ~~dining club license or bar license location within the hotel to serve the public convenience,~~] the

1707 commission may authorize as many as three bar establishment license locations within [~~the~~] a

1708 hotel under one bar establishment license if:

1709 [~~(A)~~] (i) the location, design, and construction of the hotel requires more than one bar

1710 license location within the hotel to serve the public convenience;

1711 (ii) the hotel has a minimum of 150 guest rooms;

1712 [~~(B)~~] (iii) all locations under the bar establishment license are:

1713 [~~(i)~~] (A) within the same hotel; and

1714 [~~(ii)~~] (B) on premises that are managed or operated, and owned or leased, by the bar

1715 establishment licensee; [and]

1716 [~~(C) the locations under the bar establishment license operate under the same type of~~

1717 ~~bar establishment license; and]~~

1718 (d) the commission may authorize up to five dispensing structures under one equity

1719 license if the locations under the equity license:

1720 (i) are connected by a private roadway to which the equity licensee, each member of

1721 the equity licensee, and each guest has a legal right of access; and

1722 (ii) are managed or operated, and owned or leased, by the equity licensee;

1723 [~~(ii)~~] (e) except for a facility operating in accordance with Subsection (3)(d) or a hotel,

1724 a facility [~~other than a hotel~~] shall have a separate bar establishment license for each bar

1725 establishment license location where an alcoholic product is sold, offered for sale, or furnished;

1726 [~~(i)~~] (f) when a business establishment undergoes a change of ownership, the

1727 commission may issue a bar establishment license to the new owner of the business

1728 establishment notwithstanding that there is no bar establishment license available under

1729 Subsection (3)(a) if:

1730 (i) the primary business activity at the business establishment before and after the



1731 change of ownership is not the sale, offer for sale, or furnishing of an alcoholic product;

1732 (ii) before the change of ownership there are two or more licensed premises on the  
1733 business establishment that operate under a retail license, with at least one of the retail licenses  
1734 being a bar establishment license;

1735 (iii) subject to Subsection [~~(3)(e)~~; (3)(g)] the licensed premises of the bar establishment  
1736 license issued under this Subsection [~~(3)(d)~~] (3)(f) is at the same location where the bar  
1737 establishment license licensed premises was located before the change of ownership; and

1738 (iv) the person who is the new owner of the business establishment qualifies for the bar  
1739 establishment license, except for there being no bar establishment license available under  
1740 Subsection (3)(a); and

1741 [~~(e)~~] (g) if a bar establishment licensee of a bar establishment license issued under  
1742 Subsection [~~(3)(d)~~] (3)(f) requests a change of location, the bar establishment licensee may  
1743 retain the bar establishment license after the change of location only if on the day on which the  
1744 bar establishment licensee seeks a change of location a bar establishment license is available  
1745 under Subsection (3)(a).

1746 Section 16. Section **32B-6-404** is amended to read:

1747 **32B-6-404. Types of bar license.**

1748 (1) To obtain an equity license, in addition to meeting the other requirements of this  
1749 part, a person shall:

1750 (a) whether incorporated or unincorporated:

1751 (i) be organized and operated solely for a social, recreational, patriotic, or fraternal  
1752 purpose;

1753 (ii) have members;

1754 (iii) limit access to its licensed premises to a member or a guest of the member; and

1755 (iv) desire to maintain premises upon which an alcoholic product may be stored, sold  
1756 to, offered for sale to, furnished to, and consumed by a member or a guest of a member;

1757 (b) except as provided in Subsection (8), own, maintain, or operate a substantial  
1758 recreational facility in conjunction with a club house such as:

1759 (i) a golf course; or

1760 (ii) a tennis facility;

1761 (c) have at least 50% of the total membership having an equal share of the equity of the

1762 entity or a right to redemption or refund at the equal value; and

1763 (d) if there is more than one class of membership, have at least one class of  
1764 membership that entitles each member in that class to an equal share of the equity of the entity  
1765 or a right to redemption or refund at the equal value.

1766 (2) To obtain a fraternal license, in addition to meeting the other requirements of this  
1767 part, a person shall:

1768 (a) whether incorporated or unincorporated:

1769 (i) be organized and operated solely for a social, recreational, patriotic, or fraternal  
1770 purpose;

1771 (ii) have members;

1772 (iii) limit access to its licensed premises to a member or a guest of the member; and

1773 (iv) desire to maintain premises upon which an alcoholic product may be stored, sold  
1774 to, offered for sale to, furnished to, and consumed by a member or a guest of a member;

1775 (b) have no capital stock;

1776 (c) exist solely for:

1777 (i) the benefit of its members and their beneficiaries; and

1778 (ii) a lawful social, intellectual, educational, charitable, benevolent, moral, fraternal,  
1779 patriotic, or religious purpose for the benefit of its members or the public, carried on through  
1780 voluntary activity of its members in their local lodges;

1781 (d) have a representative form of government;

1782 (e) have a lodge system in which:

1783 (i) there is a supreme governing body;

1784 (ii) subordinate to the supreme governing body are local lodges, however designated,  
1785 into which individuals are admitted as members in accordance with the laws of the fraternal;

1786 (iii) the local lodges are required by the laws of the fraternal to hold regular meetings at  
1787 least monthly; and

1788 (iv) the local lodges regularly engage in one or more programs involving member  
1789 participation to implement the purposes of Subsection (2)(c); and

1790 (f) own or lease a building or space in a building used for lodge activities.

1791 (3) To obtain a dining club license, in addition to meeting the other requirements of  
1792 this part, a person shall:

1793 (a) maintain at least the following percentages of its total club business from the sale of  
1794 food, not including mix for alcoholic products, or service charges:

1795 (i) for a dining club license that is issued as an original license on or after July 1, 2011,  
1796 60%; and

1797 (ii) for a dining club license that is issued on or before June 30, 2011:

1798 (A) 50% on or before June 30, 2012; and

1799 (B) 60% on and after July 1, 2012; and

1800 (b) obtain a determination by the commission that the person will operate as a dining  
1801 club licensee, as part of which the commission may consider:

1802 (i) the square footage and seating capacity of the premises;

1803 (ii) what portion of the square footage and seating capacity will be used for a dining  
1804 area in comparison to the portion that will be used as a lounge or bar area;

1805 (iii) whether full meals including appetizers, main courses, and desserts are served;

1806 (iv) whether the person will maintain adequate on-premise culinary facilities to prepare  
1807 full meals, except a person who is located on the premise of a hotel or resort facility may use  
1808 the culinary facilities of the hotel or resort facility;

1809 (v) whether the entertainment provided at the premises is suitable for minors; and

1810 (vi) the club management's ability to manage and operate a dining club license

1811 including:

1812 (A) management experience;

1813 (B) past dining club licensee or restaurant management experience; and

1814 (C) the type of management scheme used by the dining club license.

1815 (4) To obtain a bar license, a person is required to meet the requirements of this part  
1816 except those listed in Subsection (1), (2), or (3).

1817 (5) (a) At the time that the commission issues a bar establishment license, the  
1818 commission shall designate the type of bar establishment license for which the person qualifies.

1819 (b) If requested by a bar establishment licensee, the commission may approve a change  
1820 in the type of bar establishment license in accordance with rules made by the commission.

1821 (6) To the extent not prohibited by law, this part does not prevent a dining club  
1822 licensee or bar licensee from restricting access to the licensed premises on the basis of an  
1823 individual:

1824 (a) paying a fee; or  
1825 (b) agreeing to being on a list of individuals who have access to the licensed premises.

1826 (7) (a) (i) On or after July 1, 2017, the commission may not issue or renew a dining  
1827 club license.

1828 (ii) No later than July 1, 2018, the department shall convert each dining club license to  
1829 a full-service restaurant license or a bar license in accordance with the provisions of this  
1830 Subsection (7).

1831 (b) (i) (A) A person licensed as a dining club on July 1, 2017, shall notify the  
1832 department no later than May 31, 2018, whether the person elects to be licensed as a  
1833 full-service restaurant or a bar.

1834 (B) No later than July 1, 2018, the department shall convert a dining club license to a  
1835 full-service restaurant license or a bar license in accordance with the dining club licensee's  
1836 election under Subsection (7)(b)(i)(A).

1837 (ii) If a dining club licensee fails to timely notify the department in accordance with  
1838 Subsection (7)(b)(i), the dining club license is automatically converted to a full-service  
1839 restaurant license on July 1, 2018.

1840 (c) Subject to Section [32B-6-404.1](#), after a dining club license converts to a full-service  
1841 restaurant license or a bar license, the retail licensee shall operate under the provisions that  
1842 govern the full-service restaurant license or the bar license, as applicable.

1843 (d) After a dining club license converts to a full-service restaurant license or a bar  
1844 license in accordance with this Subsection (7):

1845 (i) the full-service restaurant license is not considered in determining the total number  
1846 of full-service restaurant licenses available under Section [32B-6-203](#); or

1847 (ii) the bar license is not considered in determining the total number of bar  
1848 establishment licenses available under Section [32B-6-403](#).

1849 (e) Except as provided in Subsections (7)(a) and (b), before July 1, 2018, the  
1850 commission may not issue a full-service restaurant license, a limited-service restaurant license,  
1851 or a beer-only restaurant license to a person who holds a dining club license on May 9, 2017,  
1852 for the same premises.

1853 (f) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1854 commission may make rules establishing a procedure by which a dining club licensee elects

1855 and converts to a full-service restaurant licensee or a bar licensee under this Subsection (7).

1856 (8) Subsection (1)(b) does not apply to a person who renews an equity license issued  
1857 before January 1, 2020, if the person did not meet the requirements under Subsection (1)(b) at  
1858 the time the equity license was issued.

1859 Section 17. Section **32B-6-406** is amended to read:

1860 **32B-6-406. Specific operational requirements for a bar establishment license.**

1861 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
1862 Requirements, a bar establishment licensee and staff of the bar establishment licensee shall  
1863 comply with this section.

1864 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action  
1865 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

- 1866 (i) a bar establishment licensee;
- 1867 (ii) individual staff of a bar establishment licensee; or
- 1868 (iii) both a bar establishment licensee and staff of the bar establishment licensee.

1869 (2) In addition to complying with Subsection **32B-5-301**(3), a bar licensee shall display  
1870 in a conspicuous place at the entrance to the licensed premises a sign that:

- 1871 (a) measures at least 8-1/2 inches long and 11 inches wide; and
- 1872 (b) clearly states that the bar licensee is a bar and that no one under 21 years of age is  
1873 allowed.

1874 (3) (a) In addition to complying with Section **32B-5-302**, a bar establishment licensee  
1875 shall maintain for a minimum of three years:

- 1876 (i) a record required by Section **32B-5-302**; and
- 1877 (ii) a record maintained or used by the bar establishment licensee, as the department  
1878 requires.

1879 (b) Section **32B-1-205** applies to a record required to be made, maintained, or used in  
1880 accordance with this Subsection (3).

1881 (c) The department shall audit the records of a bar establishment licensee at least once  
1882 annually.

1883 (4) (a) A bar establishment licensee may not sell, offer for sale, or furnish liquor on the  
1884 licensed premises on any day during a period that:

- 1885 (i) begins at 1 a.m.; and

1886 (ii) ends at 9:59 a.m.

1887 (b) A bar establishment licensee may sell, offer for sale, or furnish beer during the  
1888 hours specified in Part 7, On-Premise Beer Retailer License, for an on-premise beer retailer  
1889 license.

1890 (c) (i) Notwithstanding Subsections (4)(a) and (b), a bar establishment licensee shall  
1891 keep its licensed premises open for one hour after the bar establishment licensee ceases the sale  
1892 and furnishing of an alcoholic product during which time a patron of the bar establishment  
1893 licensee may finish consuming:

1894 (A) a single drink containing spirituous liquor;

1895 (B) except as provided in Subsection (4)(c)(i)(D), a single serving of wine not  
1896 exceeding five ounces;

1897 (C) a single serving of heavy beer;

1898 (D) a single serving [~~of beer~~] not exceeding 26 ounces of hard cider that contains no  
1899 more than 5% of alcohol by volume or beer; or

1900 (E) a single serving of a flavored malt beverage.

1901 (ii) A bar establishment licensee is not required to remain open:

1902 (A) after all patrons have vacated the premises; or

1903 (B) during an emergency.

1904 (5) (a) A minor:

1905 (i) may not be admitted into, use, or be in the licensed premises of:

1906 (A) a dining club licensee unless accompanied by an individual who is 21 years of age  
1907 or older; or

1908 (B) a bar licensee, except to the extent provided for under Section [32B-6-406.1](#);

1909 (ii) may only be admitted into, use, or be in the lounge or bar area of an equity  
1910 licensee's or fraternal licensee's licensed premises:

1911 (A) when accompanied by an individual who is 21 years of age or older; and

1912 (B) momentarily while en route to another area of the licensee's premises; and

1913 (iii) may not remain or sit in the lounge or bar area of an equity licensee's or fraternal  
1914 licensee's licensed premises.

1915 (b) Notwithstanding Section [32B-5-308](#), a bar establishment licensee may not employ a  
1916 minor to:

1917 (i) work in a lounge or bar area of an equity licensee, fraternal licensee, or dining club  
1918 licensee; or

1919 (ii) handle an alcoholic product.

1920 (c) Notwithstanding Section 32B-5-308, a minor may not be employed on the licensed  
1921 premises of a bar licensee.

1922 (d) Nothing in this part or Section 32B-5-308 precludes a local authority from being  
1923 more restrictive of a minor's admittance to, use of, or presence on the licensed premises of a bar  
1924 establishment licensee.

1925 (6) A bar establishment licensee shall have food available at all times when an  
1926 alcoholic product is sold, offered for sale, furnished, or consumed on the licensed premises.

1927 (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have  
1928 more than two alcoholic products of any kind at a time before the patron.

1929 (b) A patron may not have two spirituous liquor drinks before the bar establishment  
1930 licensee patron if one of the spirituous liquor drinks consists only of the primary spirituous  
1931 liquor for the other spirituous liquor drink.

1932 (c) An individual portion of wine is considered to be one alcoholic product under  
1933 Subsection (7)(a).

1934 (8) A bar establishment licensee shall have available on the premises for a patron to  
1935 review at the time that the patron requests it, a written alcoholic product price list or a menu  
1936 containing the price of an alcoholic product sold, offered for sale, or furnished by the bar  
1937 establishment licensee including:

1938 (a) a set-up charge;

1939 (b) a service charge; or

1940 (c) a chilling fee.

1941 (9) Subject to Section 32B-5-309, a bar establishment licensee may not temporarily  
1942 rent or otherwise temporarily lease its premises to a person unless:

1943 (a) the person to whom the bar establishment licensee rents or leases the premises  
1944 agrees in writing to comply with this title as if the person is the bar establishment licensee,  
1945 except for a requirement related to making or maintaining a record; and

1946 (b) the bar establishment licensee takes reasonable steps to ensure that the person  
1947 complies with this section as provided in Subsection (9)(a).

1948 (10) If a bar establishment licensee is an equity licensee or fraternal licensee, the bar  
1949 establishment licensee shall comply with Section 32B-6-407.

1950 (11) If a bar establishment licensee is a dining club licensee or bar licensee, the bar  
1951 establishment licensee shall comply with Section 32B-1-407.

1952 (12) (a) A bar establishment licensee shall own or lease premises suitable for the bar  
1953 establishment licensee's activities.

1954 (b) A bar establishment licensee may not maintain licensed premises in a manner that  
1955 barricades or conceals the bar establishment licensee's operation.

1956 Section 18. Section 32B-6-503 is amended to read:

1957 **32B-6-503. Commission's power to issue airport lounge license.**

1958 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of  
1959 an alcoholic product on its premises as an airport lounge licensee, the person shall first obtain  
1960 an airport lounge license from the commission in accordance with this part.

1961 (2) ~~[The]~~ Subject to Subsection (3), the commission may issue an airport lounge  
1962 license:

1963 (a) to establish airport lounge licensed premises beyond the security point at an  
1964 international airport or a domestic airport; and

1965 (b) in the numbers the commission considers proper for the storage, sale, offer for sale,  
1966 furnishing, and consumption of an alcoholic product on licensed premises operated as an  
1967 airport lounge.

1968 (3) (a) The commission may not issue more than ~~[13]~~ 26 airport lounge licenses for an  
1969 international airport at any time.

1970 (b) The commission may not issue more than three domestic airport lounge licenses at  
1971 any time.

1972 Section 19. Section 32B-6-505 is amended to read:

1973 **32B-6-505. Specific operational requirements for an airport lounge license.**

1974 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
1975 Requirements, an airport lounge licensee and staff of the airport lounge licensee shall comply  
1976 with this section.

1977 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action  
1978 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:



- 1979 (i) an airport lounge licensee;
- 1980 (ii) individual staff of an airport lounge licensee; or
- 1981 (iii) both an airport lounge licensee and staff of the airport lounge licensee.
- 1982 (2) In addition to complying with Subsection 32B-5-301(3), an airport lounge licensee
- 1983 shall display in a prominent place in the airport lounge:
- 1984 (a) a list of the types and brand names of liquor being furnished through airport lounge
- 1985 licensee's calibrated metered dispensing system; and
- 1986 (b) a sign to inform the public that alcoholic products are sold and consumed on the
- 1987 licensed premises.
- 1988 (3) Notwithstanding Section 32B-5-307:
- 1989 (a) An airport lounge licensee may not permit a patron to bring a bottled wine onto the
- 1990 premises of the retail licensee.
- 1991 (b) An airport lounge licensee may not permit a patron to remove an alcoholic product
- 1992 from the licensed premises.
- 1993 (4) (a) A server of an alcoholic product in an airport lounge licensee's premises shall
- 1994 make a written beverage tab for each table or group that orders or consumes an alcoholic
- 1995 product on the premises.
- 1996 (b) A beverage tab required by this Subsection (4) shall list the type and amount of an
- 1997 alcoholic product ordered or consumed.
- 1998 (5) An airport lounge licensee may not sell, offer for sale, or furnish an alcoholic
- 1999 product at an airport lounge on any day during a period that:
- 2000 (a) begins at [~~midnight~~] 1:00 a.m.; and
- 2001 (b) ends at 7:59 a.m.
- 2002 (6) (a) Subject to the other provisions of this Subsection (6), a patron may not have
- 2003 more than two alcoholic products of any kind at a time before the patron.
- 2004 (b) A patron may not have two spirituous liquor drinks before the patron if one of the
- 2005 spirituous liquor drinks consists only of the primary spirituous liquor for the other spirituous
- 2006 liquor drink.
- 2007 (c) An individual portion of wine is considered to be one alcoholic product under this
- 2008 Subsection (6).
- 2009 (7) An airport lounge licensee may state in a food or alcoholic product menu a charge

2010 or fee made in connection with the sale, furnishing, or consumption of liquor menu including:

2011 (a) a set-up charge;

2012 (b) a service charge; or

2013 (c) a chilling fee.

2014 (8) An airport lounge liquor licensee's premises may not be leased for a private event.

2015 Section 20. Section **32B-6-603** is amended to read:

2016 **32B-6-603. Commission's power to issue on-premise banquet license -- Contracts**  
2017 **as host.**

2018 (1) (a) Before a person may store, sell, offer for sale, furnish, or allow the consumption  
2019 of an alcoholic product in connection with the person's banquet and room service activities at  
2020 one of the following, the person shall first obtain an on-premise banquet license in accordance  
2021 with this part:

2022 (i) a hotel;

2023 (ii) a resort facility;

2024 (iii) a sports center;

2025 (iv) a convention center;

2026 (v) a performing arts facility; ~~[or]~~

2027 (vi) an arena~~[-];~~ or

2028 (vii) a restaurant venue.

2029 (b) This part does not prohibit an alcoholic product on the premises of a person listed  
2030 in Subsection (1)(a) to the extent otherwise permitted by this title.

2031 (c) This section does not prohibit a person who applies for an on-premise banquet  
2032 license to also apply for a package agency if otherwise qualified.

2033 (2) The commission may issue an on-premise banquet license to establish on-premise  
2034 banquet licensees in the numbers the commission considers proper for the storage, sale, offer  
2035 for sale, furnishing, and consumption of an alcoholic product at a banquet or as part of room  
2036 service activities operated by an on-premise banquet licensee.

2037 (3) Subject to Section **32B-1-201**, the commission may not:

2038 (a) issue a total number of restaurant venue on-premise banquet licenses that at any  
2039 time exceeds 20; or

2040 (b) issue a total number of on-premise banquet licenses that at any time [exceed]

2041 exceeds the number determined by dividing the population of the state by 28,765.

2042 (4) Pursuant to a contract between the host of a banquet and an on-premise banquet  
2043 licensee:

2044 (a) the host of the banquet may request an on-premise banquet licensee to provide an  
2045 alcoholic product served at the banquet; and

2046 (b) an on-premise banquet licensee may provide an alcoholic product served at the  
2047 banquet.

2048 (5) At a banquet, an on-premise banquet licensee may furnish an alcoholic product:

2049 (a) without charge to a patron at a banquet, except that the host of the banquet shall pay  
2050 for an alcoholic product furnished at the banquet; or

2051 (b) with a charge to a patron at the banquet.

2052 (6) To be licensed as an on-premise banquet, a person shall maintain at least 50% of  
2053 the person's total annual banquet gross receipts from the sale of food, which does not include:

2054 (a) mix for an alcoholic product; or

2055 (b) a charge in connection with the furnishing of an alcoholic product.

2056 Section 21. Section **32B-6-605** is amended to read:

2057 **32B-6-605. Specific operational requirements for on-premise banquet license.**

2058 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
2059 Requirements, an on-premise banquet licensee and staff of the on-premise banquet licensee  
2060 shall comply with this section.

2061 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action  
2062 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2063 (i) an on-premise banquet licensee;

2064 (ii) individual staff of an on-premise banquet licensee; or

2065 (iii) both an on-premise banquet licensee and staff of the on-premise banquet licensee.

2066 (2) An on-premise banquet licensee shall comply with Subsections **32B-5-301**(4) and  
2067 (5) for the entire premises of the hotel, resort facility, sports center, convention center,  
2068 performing arts facility, [~~or arena~~] arena, or restaurant venue that is the basis for the on-premise  
2069 banquet license.

2070 (3) (a) For the purpose described in Subsection (3)(b), an on-premise banquet licensee  
2071 shall provide the department with advance notice of a scheduled banquet in accordance with

2072 rules made by the commission.

2073 (b) Any of the following may conduct a random inspection of a banquet:

2074 (i) an authorized representative of the commission or the department; or

2075 (ii) a law enforcement officer.

2076 (4) (a) An on-premise banquet licensee is not subject to Section 32B-5-302, but shall  
2077 make and maintain the records the commission or department requires.

2078 (b) Section 32B-1-205 applies to a record required to be made or maintained in  
2079 accordance with this Subsection (4).

2080 (5) (a) Except as otherwise provided in this title, an on-premise banquet licensee may  
2081 sell, offer for sale, or furnish an alcoholic product at a banquet only for consumption at the  
2082 location of the banquet.

2083 (b) Except as provided in Subsection 32B-5-307(4), a host of a banquet, a patron, or a  
2084 person other than the on-premise banquet licensee or staff of the on-premise banquet licensee,  
2085 may not remove an alcoholic product from the premises of the banquet.

2086 (c) Notwithstanding Subsections 32B-5-307(3) and (5) and except as provided in  
2087 Subsection 32B-5-307(4), a patron at a banquet may not bring an alcoholic product into or  
2088 onto, or remove an alcoholic product from, the premises of a banquet.

2089 (6) (a) An on-premise banquet licensee may not leave an unsold alcoholic product at  
2090 the banquet following the conclusion of the banquet.

2091 (b) At the conclusion of a banquet, an on-premise banquet licensee shall:

2092 (i) destroy an opened and unused alcoholic product that is not saleable, under  
2093 conditions established by the department; and

2094 (ii) return to the on-premise banquet licensee's approved locked storage area any:

2095 (A) opened and unused alcoholic product that is saleable; and

2096 (B) unopened container of an alcoholic product.

2097 (c) Except as provided in Subsection (6)(b) with regard to an open or sealed container  
2098 of an alcoholic product not sold or consumed at a banquet, an on-premise banquet licensee:

2099 (i) shall store the alcoholic product in the on-premise banquet licensee's approved  
2100 locked storage area; and

2101 (ii) may use the alcoholic product at more than one banquet.

2102 (7) Notwithstanding Section 32B-5-308, an on-premise banquet licensee may not

2103 employ a minor to sell, furnish, or dispense an alcoholic product in connection with the  
2104 on-premise banquet licensee's banquet and room service activities.

2105 (8) An on-premise banquet licensee:

2106 (a) may provide room service in portions described in Section 32B-5-304;

2107 (b) may not sell, offer for sale, or furnish an alcoholic product at a banquet or in  
2108 connection with room service any day during a period that:

2109 (i) begins at 1 a.m.; and

2110 (ii) ends at 9:59 a.m.; and

2111 (c) notwithstanding Section 32B-5-305, may provide as room service one alcoholic  
2112 product free of charge per guest reservation, per guest room, if the alcoholic product:

2113 (i) is not a spirituous liquor; and

2114 (ii) is in an unopened container not to exceed 750 milliliters.

2115 (9) (a) Subject to the other provisions of this Subsection (9), a patron may not have  
2116 more than two alcoholic products of any kind at a time before the patron.

2117 (b) A patron may not have more than one spirituous liquor drink at a time before the  
2118 patron.

2119 (c) An individual portion of wine is considered to be one alcoholic product under  
2120 Subsection (9)(a).

2121 (10) (a) An on-premise banquet licensee shall supervise and direct a person involved in  
2122 the sale, offer for sale, or furnishing of an alcoholic product.

2123 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product  
2124 shall complete an alcohol training and education seminar.

2125 (11) A staff person of an on-premise banquet licensee shall remain at the banquet at all  
2126 times when an alcoholic product is sold, offered for sale, furnished, or consumed at the  
2127 banquet.

2128 (12) (a) Room service of an alcoholic product to a guest room or privately owned  
2129 dwelling unit of a hotel or resort facility shall be provided in person by staff of an on-premise  
2130 banquet licensee only to an adult guest in the guest room or privately owned dwelling unit.

2131 (b) An alcoholic product may not be left outside a guest room or privately owned  
2132 dwelling unit for retrieval by a guest or resident.

2133 (13) An on-premise banquet licensee may not maintain a minibar.

2134 Section 22. Section **32B-6-905.1** is amended to read:

2135 **32B-6-905.1. Specific operational requirements for a beer-only restaurant license**  
2136 **-- On and after July 1, 2018, or July 1, 2022.**

2137 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
2138 Requirements, a beer-only restaurant licensee and staff of the beer-only restaurant licensee  
2139 shall comply with this section.

2140 (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in  
2141 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2142 (i) a beer-only restaurant licensee;

2143 (ii) individual staff of a beer-only restaurant licensee; or

2144 (iii) both a beer-only restaurant licensee and staff of the beer-only restaurant licensee.

2145 (2) (a) A beer-only restaurant licensee on the licensed premises may not sell, offer for  
2146 sale, furnish, or allow consumption of liquor.

2147 (b) Liquor may not be on the premises of a beer-only restaurant licensee except for use:

2148 (i) as a flavoring on a dessert; or

2149 (ii) in the preparation of a flaming food dish, drink, or dessert.

2150 (3) (a) An individual who serves beer in a beer-only restaurant licensee's premises shall  
2151 make a beverage tab for each table or group that orders or consumes beer on the premises.

2152 (b) A beverage tab described in this Subsection (3) shall state the type and amount of  
2153 each beer ordered or consumed.

2154 (4) A beer-only restaurant licensee may not make an individual's willingness to serve  
2155 beer a condition of employment as a server with a beer-only restaurant licensee.

2156 (5) A beer-only restaurant licensee may sell, offer for sale, or furnish beer at the  
2157 licensed premises during the following time periods only:

2158 (a) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

2159 (b) on a weekend or a state or federal legal holiday or for a private event, during the  
2160 period that begins at 10:30 a.m. and ends at 12:59 a.m.

2161 (6) (a) A beer-only restaurant licensee may not furnish beer for on-premise  
2162 consumption except after:

2163 (i) the patron to whom the beer-only restaurant licensee furnishes the beer is seated at:

2164 (A) a table that is located in a dining area or a dispensing area;

- 2165 (B) a counter that is located in a dining area or a dispensing area; or  
2166 (C) a dispensing structure that is located in a dispensing area; and  
2167 (ii) the beer-only restaurant licensee confirms that the patron intends to:  
2168 (A) order food prepared, sold, and furnished at the licensed premises; and  
2169 (B) except as provided in Subsection (6)(b), consume the food at the same location  
2170 where the patron is seated and furnished the beer.
- 2171 (b) (i) While a patron waits for a seat at a table or counter in the dining area of a  
2172 beer-only restaurant licensee, the beer-only restaurant licensee may sell, offer for sale, or  
2173 furnish to the patron one portion of beer as described in Section 32B-5-304 if:  
2174 (A) the patron is in a dispensing area and seated at a table, counter, or dispensing  
2175 structure; and  
2176 (B) the beer-only restaurant licensee first confirms that after the patron is seated in the  
2177 dining area, the patron intends to order food prepared, sold, and furnished at the licensed  
2178 premises.
- 2179 (ii) [H] (A) Subject to Subsection (6)(b)(ii)(B), if the patron does not finish the  
2180 patron's beer before moving to a seat in the dining area, [an employee of the beer-only  
2181 restaurant licensee who is qualified to sell and serve an alcoholic product under Section  
2182 32B-5-306 shall] the patron may transport any unfinished portion of the patron's beer to the  
2183 patron's seat in the dining area.
- 2184 (B) An employee of the beer-only restaurant licensee shall escort a patron who  
2185 transports an unfinished portion of the patron's beer to the patron's seat in the dining area.
- 2186 (c) Notwithstanding Section 32B-5-307, a beer-only restaurant licensee may not  
2187 furnish beer for off-premise consumption except after the patron consumes on the licensed  
2188 premises food prepared, sold, and furnished at the licensed premises.
- 2189 (d) A beer-only restaurant licensee shall maintain on the licensed premises adequate  
2190 culinary facilities for food preparation and dining accommodations.
- 2191 (7) A patron may consume a beer on the beer-only licensee's licensed premises only at:  
2192 (a) a table that is located in a dining area or a dispensing area;  
2193 (b) a counter that is located in a dining area or a dispensing area; or  
2194 (c) a dispensing structure located in a dispensing area.  
2195 (8) A patron may not have more than two beers at a time before the patron.

2196 (9) In accordance with the provisions of this section, an individual who is at least 21  
2197 years old may consume food and beverages in a dispensing area.

2198 (10) (a) Except as provided in Subsection (10)(b), a minor may not sit, remain, or  
2199 consume food or beverages in a dispensing area.

2200 (b) (i) A minor may be in a dispensing area if the minor is:

2201 (A) at least 16 years old and working as an employee of the beer-only restaurant  
2202 licensee; or

2203 (B) performing maintenance and cleaning services as an employee of the beer-only  
2204 restaurant licensee when the beer-only restaurant licensee is not open for business.

2205 (ii) If there is no alternative route available, a minor may momentarily pass through a  
2206 dispensing area without remaining or sitting in the dispensing area en route to an area of the  
2207 beer-only restaurant licensee's premises in which the minor is permitted to be.

2208 (11) A beer-only restaurant licensee may dispense a beer only if:

2209 (a) the beer is dispensed from:

2210 (i) a dispensing structure that is located in a dispensing area;

2211 (ii) an area that is:

2212 (A) separated from an area for the consumption of food by a patron by a solid,  
2213 translucent, permanent structural barrier such that the facilities for the dispensing of an  
2214 alcoholic product are not readily visible to a patron and not accessible by a patron; and

2215 (B) apart from an area used for dining, for staging, or as a waiting area; or

2216 (iii) the premises of a bar licensee that is:

2217 (A) owned by the same person or persons as the beer-only restaurant licensee; and

2218 (B) located immediately adjacent to the premises of the beer-only restaurant licensee;

2219 and

2220 (b) any instrument or equipment used to dispense the beer is located in an area  
2221 described in Subsection (11)(a).

2222 (12) (a) A beer-only restaurant licensee may have more than one dispensing area in the  
2223 licensed premises.

2224 (b) Each dispensing area in a licensed premises may satisfy the requirements for a  
2225 dispensing area under Subsection 32B-6-902(1)(b)(i)(A), (B), or (C), regardless of how any  
2226 other dispensing area in the licensed premises satisfies the requirements for a dispensing area.



2227 (13) A beer-only restaurant licensee may not transfer, dispense, or serve beer on or  
2228 from a movable cart.

2229 (14) (a) In addition to the requirements described in Section 32B-5-302, a beer-only  
2230 restaurant licensee shall maintain each of the following records for at least three years:

2231 (i) a record required by Section 32B-5-302; and

2232 (ii) a record that the commission requires a beer-only restaurant licensee to use or  
2233 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative  
2234 Rulemaking Act.

2235 (b) The department shall audit the records of a beer-only restaurant licensee at least  
2236 once annually.

2237 Section 23. Section 32B-6-1005 is amended to read:

2238 **32B-6-1005. Specific operational requirements for hospitality amenity license.**

2239 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
2240 Requirements, a hospitality amenity licensee and staff of the hospitality amenity licensee shall  
2241 comply with this section.

2242 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action  
2243 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2244 (i) the hospitality amenity licensee;

2245 (ii) individual staff of the hospitality amenity licensee; or

2246 (iii) both the hospitality amenity licensee and staff of the hospitality amenity licensee.

2247 (2) (a) A hospitality amenity licensee may sell, offer for sale, or furnish an alcoholic  
2248 product:

2249 (i) to a hospitality guest; and

2250 (ii) for consumption in or on the hospitality amenity licensee's licensed premises.

2251 (b) (i) A hospitality amenity licensee may sell, offer for sale, or furnish an alcoholic  
2252 product that is not spirituous liquor in or on:

2253 (A) licensed premises physically separated from an area to which a hospitality guest or  
2254 the public has access by a permanent or temporary structure or barrier; or

2255 (B) licensed premises described in Subsection (2)(b)(ii).

2256 (ii) A hospitality amenity licensee may sell, offer for sale, or furnish spirituous liquor  
2257 in or on licensed premises that:

2258 (A) allows access only through the use of a key or code; and  
2259 (B) fills the entirety of a physically and permanently enclosed area within the hotel or  
2260 resort.

2261 (c) Spirituous liquor may not be in or on the licensed premises described in Subsection  
2262 (2)(b)(i)(A) of a hospitality amenity licensee, except for use:

2263 (i) as a flavoring on a dessert; and  
2264 (ii) in the preparation of a flaming food dish or dessert.

2265 (d) A hospitality amenity licensee may not allow self-service of an alcoholic product in  
2266 or on the hospitality amenity licensee's licensed premises.

2267 (3) (a) Subject to Subsections (3)(b) and (c), a hospitality guest may not have more  
2268 than two alcoholic products of any kind at a time before the hospitality guest.

2269 (b) A hospitality guest may not have more than one spirituous liquor drink at a time  
2270 before the hospitality guest.

2271 (c) An individual portion of wine is considered to be one alcoholic product under  
2272 Subsection (3)(a).

2273 (4) A hospitality amenity licensee shall make food available at all times that the  
2274 licensee sells, offers for sale, furnishes, or allows the consumption of an alcoholic product on  
2275 the licensed premises.

2276 (5) (a) A hospitality amenity licensee may not sell, offer for sale, or furnish an  
2277 alcoholic product any day during a period that:

2278 (i) begins at 1:00 a.m.; and  
2279 (ii) ends at 9:59 a.m.

2280 (b) A hospitality amenity licensee shall remain open for one hour after the licensee  
2281 ceases to sell and furnish an alcoholic product, during which time a hospitality guest in or on  
2282 the hospitality amenity licensed premises may finish consuming:

2283 (i) a single drink containing spirituous liquor;  
2284 (ii) except as provided in Subsection (5)(b)(iv), a single serving of wine not exceeding  
2285 five ounces;  
2286 (iii) a single serving of heavy beer;  
2287 (iv) a single serving [~~of beer~~] not exceeding 26 ounces of hard cider that contains no  
2288 more than 5% of alcohol by volume or beer; or

- 2289 (v) a single serving of a flavored malt beverage.
- 2290 (c) A hospitality amenity licensee is not required to remain open:
- 2291 (i) after all individuals have vacated the licensee's licensed premises; or
- 2292 (ii) during an emergency.
- 2293 (6) (a) Notwithstanding Section [32B-5-305](#), a hospitality amenity licensee may provide
- 2294 a hospitality guest up to two single servings of an alcoholic product free of charge or at a
- 2295 reduced rate, if:
- 2296 (i) the alcoholic product is not a spirituous liquor; and
- 2297 (ii) the hospitality amenity licensee offers the alcohol product:
- 2298 (A) to all hospitality guests;
- 2299 (B) during a specific time; and
- 2300 (C) on the hospitality amenity licensee's licensed premises.
- 2301 (b) Before a hospitality amenity licensee provides an alcoholic product free of charge
- 2302 or at a reduced rate as described in Subsection (6)(a), the licensee shall provide the department
- 2303 with advance notice of the event, in accordance with commission rules that permit a licensee to
- 2304 provide a single notice for a reoccurring event or multiple events.
- 2305 (7) A hospitality amenity licensee may permit a hospitality guest to purchase an
- 2306 alcoholic product through a charge to the hospitality guest's lodging accommodations.
- 2307 (8) (a) Notwithstanding Section [32B-5-307](#), a hospitality guest, or a person other than
- 2308 the hospitality amenity licensee or staff of the hospitality amenity licensee, may not remove an
- 2309 alcoholic product from the hospitality amenity licensee's licensed premises.
- 2310 (b) Notwithstanding Subsection [32B-5-307\(3\)](#), a hospitality guest may not bring an
- 2311 alcoholic product within the hospitality amenity licensee's licensed premises.
- 2312 (9) A hospitality amenity licensee shall display at each entrance to the licensee's
- 2313 licensed premises a conspicuous sign that:
- 2314 (a) measures at least 8-1/2 inches long and 11 inches wide; and
- 2315 (b) clearly states that entry is limited to individuals who are hospitality guests, as
- 2316 defined in this title.
- 2317 (10) A hospitality amenity licensee may not permit a minor to enter the licensee's
- 2318 licensed premises at any time during which an alcoholic product is sold, offered for sale,
- 2319 furnished, or consumed, unless the minor is accompanied at all times on the licensed premises

2320 by a hospitality guest.

2321 (11) A staff person of a hospitality amenity licensee shall remain on the licensed  
2322 premises at all times when an alcoholic product is sold, offered for sale, furnished, or  
2323 consumed in or on the licensed premises.

2324 (12) A hospitality amenity licensee may transfer an alcoholic product to or from  
2325 another licensee within the boundary of the hotel or within the boundary of the resort building,  
2326 if:

2327 (a) the hospitality amenity licensee and each licensee involved in the transfer tracks the  
2328 transfer of the alcoholic product; and

2329 (b) the alcoholic product is in a sealed, unopened container.

2330 (13) (a) In addition to the requirements described in Section 32B-5-302, a hospitality  
2331 amenity licensee shall maintain each of the following records for at least three years:

2332 (i) a record required under Section 32B-5-302; and

2333 (ii) a record that the commission requires a hospitality amenity licensee to use or  
2334 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative  
2335 Rulemaking Act.

2336 (b) The department shall audit the records of a hospitality amenity licensee at least  
2337 once annually.

2338 Section 24. Section 32B-8-401 is amended to read:

2339 **32B-8-401. Specific operational requirements for resort license.**

2340 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
2341 Requirements, a resort licensee, staff of the resort licensee, and a sublicensee or a person  
2342 otherwise operating under a sublicense shall comply with this section.

2343 (b) Subject to Section 32B-8-502, failure to comply as provided in Subsection (1)(a)  
2344 may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and  
2345 Enforcement Act, against:

2346 (i) the resort licensee;

2347 (ii) individual staff of the resort licensee;

2348 (iii) a sublicensee or person otherwise operating under a sublicense of the resort  
2349 licensee;

2350 (iv) individual staff of a sublicensee or person otherwise operating under a sublicense

- 2351 of the resort licensee; or
- 2352 (v) any combination of the persons listed in Subsections (1)(b)(i) through (iv).
- 2353 (2) (a) A resort licensee may not sell, offer for sale, or furnish an alcoholic product
- 2354 except:
- 2355 (i) on sublicensed premises;
- 2356 (ii) pursuant to a permit issued under this title; [~~or~~]
- 2357 (iii) under a package agency agreement with the department, subject to Chapter 2, Part
- 2358 6, Package Agency[~~:~~]; or
- 2359 (iv) through room service.
- 2360 (b) A resort licensee who sells, offers for sale, or furnishes an alcoholic product as
- 2361 provided in Subsection (2)(a), shall sell, offer for sale, or furnish the alcoholic product:
- 2362 (i) if on a sublicense premises, in accordance with the operational requirements
- 2363 described in Section [32B-8d-104](#);
- 2364 (ii) if under a permit issued under this title, in accordance with the operational
- 2365 requirements under the provisions applicable to the permit; [~~and~~]
- 2366 (iii) if as a package agency, in accordance with the contract with the department and
- 2367 Chapter 2, Part 6, Package Agency[~~:~~]; and
- 2368 (iv) if through room service, in accordance with Subsection (5).
- 2369 (3) A resort licensee shall operate in a manner so that at least 70% of the annual
- 2370 aggregate of the gross receipts related to the sale of food or beverages for the resort license and
- 2371 each of the resort licensee's sublicenses is from the sale of food, not including:
- 2372 (a) mix for an alcoholic product; and
- 2373 (b) a charge in connection with the service of an alcoholic product.
- 2374 (4) (a) A resort licensee shall supervise and direct a person involved in the sale, offer
- 2375 for sale, or furnishing of an alcoholic product under a resort license.
- 2376 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product
- 2377 under a resort license shall complete the alcohol training and education seminar.
- 2378 (5) (a) Room service of an alcoholic product to a lodging accommodation of a resort
- 2379 licensee shall be provided in person by staff of the resort licensee only to an adult occupant in
- 2380 the lodging accommodation.
- 2381 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval

2382 by an occupant.

2383 Section 25. Section **32B-8b-102** is amended to read:

2384 **32B-8b-102. Definitions.**

2385 As used in this chapter:

2386 (1) "Boundary of a hotel" means the physical boundary of one or more contiguous  
2387 parcels of real property owned or managed by the same person and on which a hotel is located.

2388 (2) "Hotel" means one or more buildings that:

2389 (a) comprise a hotel, as defined by the commission;

2390 (b) are owned or managed by the same person or by a person who has a majority  
2391 interest in or can direct or exercise control over the management or policy of the person who

2392 owns or manages any other building under the hotel license within the boundary of the hotel;

2393 (c) primarily operate to provide lodging accommodations;

2394 [~~(d) provide room service within the boundary of the hotel meeting the requirements of~~  
2395 ~~this title;~~]

2396 [~~(e)~~] (d) have on-premise banquet space and provide on-premise banquet service within  
2397 the boundary of the hotel meeting the requirements of this title;

2398 [~~(f)~~] (e) have a restaurant or bar establishment within the boundary of the hotel meeting  
2399 the requirements of this title; and

2400 [~~(g)~~] (f) have at least 40 rooms as temporary sleeping accommodations for  
2401 compensation.

2402 Section 26. Section **32B-8b-301** is amended to read:

2403 **32B-8b-301. Specific operational requirements for hotel license.**

2404 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
2405 Requirements, a hotel licensee, staff of the hotel licensee, and a sublicensee or person  
2406 otherwise operating under a sublicense shall comply with this section.

2407 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action  
2408 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2409 (i) the hotel licensee;

2410 (ii) individual staff of the hotel licensee;

2411 (iii) a sublicensee or person otherwise operating under a sublicense of the hotel  
2412 licensee;

2413 (iv) individual staff of a sublicensee or person otherwise operating under a sublicense  
2414 of the hotel licensee; or

2415 (v) any combination of the persons listed in this Subsection (1)(b).

2416 (2) (a) A hotel licensee may not sell, offer for sale, or furnish an alcoholic product  
2417 except:

2418 (i) on sublicensed premises;

2419 (ii) pursuant to a permit issued under this title; [~~or~~]

2420 (iii) under a package agency agreement with the department, subject to Chapter 2, Part  
2421 6, Package Agency[~~;~~]; or

2422 (iv) through room service.

2423 (b) A hotel licensee who sells, offers for sale, or furnishes an alcoholic product as  
2424 provided in Subsection (2)(a) shall sell, offer for sale, or furnish the alcoholic product:

2425 (i) if on sublicensed premises, in accordance with the operational requirements  
2426 described in Section [32B-8d-104](#);

2427 (ii) if under a permit issued under this title, in accordance with the operational  
2428 requirements under the provisions applicable to the permit; [~~and~~]

2429 (iii) if as a package agency, in accordance with the contract with the department and  
2430 Chapter 2, Part 6, Package Agency[~~;~~]; and

2431 (iv) if through room service, in accordance with Subsection (4).

2432 (c) Notwithstanding the other provisions of this Subsection (2) and except as provided  
2433 in Section [32B-8d-104](#), a hotel licensee may not permit a patron to carry an alcoholic product  
2434 off the premises of a sublicense in violation of Section [32B-5-307](#) or off an area designated  
2435 under a permit.

2436 (3) A hotel licensee shall supervise and direct a person involved in the sale, offer for  
2437 sale, or furnishing of an alcoholic product under a hotel license.

2438 (4) (a) Room service of an alcoholic product to a lodging accommodation of a hotel  
2439 licensee shall be provided in person by staff of the hotel licensee only to an adult occupant in  
2440 the lodging accommodation.

2441 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval  
2442 by an occupant.

2443 (5) A hotel licensee shall operate in a manner so that at least 70% of the annual

2444 aggregate of the gross receipts related to the sale of food or beverages for the hotel license and  
2445 each of the hotel license's sublicenses is from the sale of food, not including:

- 2446 (a) mix for an alcoholic product; and
- 2447 (b) a charge in connection with the service of an alcoholic product.

2448 Section 27. Section **32B-8d-103** is amended to read:

2449 **32B-8d-103. Commission's power to issue a sublicense.**

2450 (1) Before a person as a sublicensee may store, sell, offer for sale, furnish, or allow the  
2451 consumption of an alcoholic product on sublicensed premises, the person shall first obtain a  
2452 sublicense from the commission in accordance with:

- 2453 (a) this chapter;
- 2454 (b) Chapter 8, Resort License Act;
- 2455 (c) Chapter 8b, Hotel License Act; and
- 2456 (d) Chapter 8c, Arena License Act.

2457 (2) (a) The commission may issue to a person a sublicense to allow the storage, sale,  
2458 offering for sale, furnishing, or consumption of an alcoholic product on the premises of the  
2459 sublicense, if the person is:

- 2460 (i) a principal licensee; or
- 2461 (ii) a person seeking a principal license, contingent on the issuance of the principal  
2462 license.
- 2463 (b) The commission may not:
  - 2464 (i) issue a sublicense that is separate from a principal license; or
  - 2465 (ii) issue a single sublicense that covers more than one outlet in or on the boundaries of  
2466 the principal licensee.

2467 (3) [~~(a) Except as provided in Subsection (3)(b), when~~] When determining the total  
2468 number of licenses the commission has issued for each type of retail license, the commission  
2469 may not include a sublicense as one of the retail licenses issued under the provisions applicable  
2470 to that sublicense.

2471 [~~(b) If a resort license includes a sublicense that before the issuance of the resort  
2472 license was a retail license that was not a bar establishment license, the commission shall  
2473 include the sublicense as a license in calculating the total number of licenses issued under the  
2474 provisions applicable to the sublicense.~~]



2475 (4) If a principal licensee seeks to add a sublicense after the commission issues the  
2476 person's principal license, the principal licensee shall file with the department:  
2477 (a) a nonrefundable \$300 application fee;  
2478 (b) an initial license fee of \$2,250, which the commission shall refund if the  
2479 commission does not issue the proposed sublicense;  
2480 (c) written consent of the local authority;  
2481 (d) a copy of:  
2482 (i) the principal licensee's current business; and  
2483 (ii) the proposed sublicensee's current business license, if the relevant political  
2484 subdivision determines that the proposed sublicensee's business license is separate from the  
2485 principal licensee's business license;  
2486 (e) evidence that the proposed sublicensed premises is entirely within the boundary of  
2487 the principal license;  
2488 (f) a description, floor plan, and boundary map of the proposed sublicensed premises  
2489 designating:  
2490 (i) each location at which the principal licensee proposes that an alcoholic product be  
2491 stored; and  
2492 (ii) each location from which the principal licensee proposes that an alcoholic product  
2493 be sold, furnished, or consumed;  
2494 (g) evidence that the principal licensee carries:  
2495 (i) public liability insurance in an amount and form satisfactory to the department; and  
2496 (ii) dramshop insurance coverage in the amount required by Section 32B-5-201 that  
2497 covers the proposed sublicense;  
2498 (h) a signed consent form stating that the principal licensee will permit any authorized  
2499 representative of the commission or department, or any law enforcement officer, to have an  
2500 unrestricted right to enter the proposed sublicensed premises;  
2501 (i) if the principal licensee is an entity, proper verification evidencing that a person  
2502 who signs the application is authorized to sign on behalf of the entity; and  
2503 (j) any other information the commission or department may require.  
2504 Section 28. Section 32B-8d-205 is amended to read:  
2505 **32B-8d-205. Specific operational requirements for a spa sublicense.**

2506 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
2507 Requirements, a resort licensee, staff of the resort licensee, a hotel licensee, and staff of the  
2508 hotel licensee, shall comply with this section.

2509 (b) A spa sublicensee or a person otherwise operating under a spa sublicense and staff  
2510 of a spa sublicensee or a person otherwise operating under a spa sublicense shall comply with:

2511 (i) Chapter 5, Part 3, Retail Licensee Operational Requirements as if the spa  
2512 sublicensee is a retail licensee, unless a provision conflicts with this chapter; and

2513 (ii) this chapter.

2514 (c) Subject to Section [32B-8-502](#), failure to comply as provided in Subsection (1)(a)  
2515 may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and  
2516 Enforcement Act, against:

2517 (i) a resort licensee;

2518 (ii) staff of a resort licensee;

2519 (iii) a hotel licensee;

2520 (iv) staff of a hotel licensee;

2521 (v) a spa sublicensee or person otherwise operating under a spa sublicense;

2522 (vi) individual staff of a spa sublicensee or person otherwise operating under a spa  
2523 sublicense; or

2524 (vii) any combination of the persons listed in Subsections (1)(c)(i) through (vi).

2525 (2) (a) For purposes of the spa sublicense, the corresponding resort licensee or hotel  
2526 licensee shall ensure that a record is maintained or used for the spa sublicense:

2527 (i) as the department requires; and

2528 (ii) for a minimum period of three years.

2529 (b) A spa sublicensee record is subject to inspection by an authorized representative of  
2530 the commission and the department.

2531 (c) A resort licensee or a hotel licensee shall allow the department, through a  
2532 compliance officer of the department, to audit the records for a spa sublicense at the times the  
2533 department considers advisable.

2534 (d) The department shall audit the records for a spa sublicense at least once annually.

2535 (e) Section [32B-1-205](#) applies to a record required to be made, maintained, or used in  
2536 accordance with this Subsection (2).

2537 (3) (a) A spa sublicensee or person operating under a spa sublicense may not sell, offer  
2538 for sale, or furnish liquor at a spa during a period that:

2539 (i) begins at 1 a.m.; and

2540 (ii) ends at 9:59 a.m.

2541 (b) A spa sublicensee or person operating under a spa sublicense may sell, offer for  
2542 sale, or furnish beer during the hours specified in Chapter 6, Part 7, On-Premise Beer Retailer  
2543 License, for an on-premise beer retailer.

2544 (c) (i) Notwithstanding Subsections (3)(a) and (b), a spa shall remain open for one hour  
2545 after the spa ceases the sale and furnishing of an alcoholic product during which time a person  
2546 at the spa may finish consuming:

2547 (A) a single drink containing spirituous liquor;

2548 (B) except as provided in Subsection (3)(c)(i)(D), a single serving of wine not  
2549 exceeding five ounces;

2550 (C) a single serving of heavy beer;

2551 (D) a single serving [~~of beer~~] not exceeding 26 ounces of hard cider that contains no  
2552 more than 5% of alcohol by volume or beer; or

2553 (E) a single serving of a flavored malt beverage.

2554 (ii) A spa is not required to remain open:

2555 (A) after all individuals have vacated the spa sublicensee's sublicensed premises; or

2556 (B) during an emergency.

2557 (4) (a) A minor may not be admitted into, use, or be on the sublicensed premises of a  
2558 spa sublicense unless accompanied by an individual 21 years old or older.

2559 (b) A minor permitted under Subsection (4)(a) to be admitted into, use, or be on the  
2560 sublicensed premises of a spa sublicense:

2561 (i) may only be admitted into or be on a lounge or bar area of the spa sublicensee's  
2562 sublicensed premises momentarily while en route to another area of the spa; and

2563 (ii) may not remain or sit in the lounge or bar area of the spa sublicensee's sublicensed  
2564 premises.

2565 (5) A spa sublicensee shall have food available at all times when an alcoholic product  
2566 is sold, offered for sale, furnished, or consumed on the spa sublicensee's sublicensed premises.

2567 (6) (a) Subject to the other provisions of this Subsection (6), a patron may not have

2568 more than two alcoholic products of any kind at a time before the patron.

2569 (b) A spa patron may not have two spirituous liquor drinks before the spa patron if one  
2570 of the spirituous liquor drinks consists only of the primary spirituous liquor for the other  
2571 spirituous liquor drink.

2572 (c) An individual portion of wine is considered to be one alcoholic product under this  
2573 Subsection (6).

2574 (7) (a) An alcoholic product may only be consumed at a table or counter.

2575 (b) An alcoholic product may not be served to or consumed by a patron at a dispensing  
2576 structure.

2577 (8) (a) A spa sublicensee or person operating under a spa sublicense shall have  
2578 available on the spa sublicense's sublicensed premises for a patron to review at the time that the  
2579 patron requests it, a written alcoholic product price list or a menu containing the price of an  
2580 alcoholic product sold or furnished by the spa sublicensee including:

- 2581 (i) a set-up charge;
- 2582 (ii) a service charge; or
- 2583 (iii) a chilling fee.

2584 (b) A charge or fee made in connection with the sale, service, or consumption of liquor  
2585 may be stated in food or alcoholic product menus including:

- 2586 (i) a set-up charge;
- 2587 (ii) a service charge; or
- 2588 (iii) a chilling fee.

2589 (9) (a) A resort licensee or hotel licensee shall own or lease premises suitable for the  
2590 spa sublicense's activities.

2591 (b) A resort licensee or hotel licensee may not maintain premises in a manner that  
2592 barricades or conceals the spa sublicense's operation.

2593 (10) Subject to the other provisions of this section, a spa sublicensee or person  
2594 operating under a spa sublicense may not sell an alcoholic product to or allow an individual to  
2595 be admitted to or use the spa sublicensee's sublicensed premises other than:

- 2596 (a) a resident; or
- 2597 (b) a customer.

2598 Section 29. Section **32B-9-202** is amended to read:

2599 **32B-9-202. Duties before issuing event permit.**

2600 (1) (a) Before the director may issue an event permit, the department shall conduct an  
2601 investigation and may hold public hearings to gather information and make recommendations  
2602 to the director as to whether the director should issue an event permit.

2603 (b) The department shall [~~forward~~] provide the information and recommendations  
2604 described in Subsection (1)(a) to the director [~~and the Compliance, Licensing, and Enforcement~~  
2605 ~~Subcommittee~~] to aid in the director's determination.

2606 (2) Before issuing an event permit, the director shall:

2607 (a) determine that the person filed a complete application and is in compliance with:

2608 (i) Section 32B-9-201; and

2609 (ii) the relevant part under this chapter for the type of event permit for which the  
2610 person is applying;

2611 (b) determine that the person is not disqualified under Section 32B-1-304;

2612 (c) consider the purpose of the organization or its local lodge, chapter, or other local  
2613 unit;

2614 (d) consider the times, dates, location, estimated attendance, nature, and purpose of the  
2615 event;

2616 (e) to minimize the risk of minors being sold or furnished alcohol or adults being  
2617 overserved alcohol at the event, determine that adequate and appropriate control measures and  
2618 adequate and appropriate enforcement measures are in place at the event to assure that minors  
2619 will not be sold or furnished alcohol and that adults will not be overserved, except that  
2620 adequate and appropriate control and enforcement measures may be different for small, large,  
2621 indoor, or outdoor events;

2622 (f) determine that the event permit is not being sought by the person as a means to  
2623 circumvent other applicable requirements of this title, notwithstanding that the applicant may  
2624 hold one or more licenses issued under this title;

2625 (g) consider, for the period of three years before the date of the event, the violation  
2626 history of:

2627 (i) the applicant; and

2628 (ii) the venue where the event will be held;

2629 (h) provide the information and recommendations described in Subsection (1) to, and

2630 obtain the approval of, the Compliance, Licensing, and Enforcement Subcommittee [~~before~~  
2631 ~~issuing an event permit~~];

2632 (i) notify each commissioner [~~at least three business days~~] before the director issues the  
2633 event permit in accordance with Subsection (3); and

2634 (j) consider any other factor the director considers necessary.

2635 (3) (a) [~~The~~] Except as provided in Subsections (3)(d) and (e), the director shall  
2636 [~~inform~~] notify each commissioner of the director's preliminary decision to issue or deny the  
2637 issuance of an event permit three business days before the day on which the decision is to be  
2638 final.

2639 (b) The preliminary decision becomes a final decision of the director unless:

2640 (i) [~~unless~~] within three business days [~~of receipt of~~] after the day on which the notice  
2641 is received at least three of the commissioners request a meeting to discuss whether the event  
2642 permit should be issued; or

2643 (ii) the director modifies or revokes the preliminary decision to issue or deny issuance  
2644 of the event permit.

2645 (c) If three or more of the commissioners request a meeting[;]:

2646 (i) the applicant for the event permit shall be notified; and

2647 (ii) the commission shall:

2648 [(i)] (A) [~~shall~~] hold a meeting on the application for an event permit no later than the  
2649 next regularly scheduled meeting of the commission; and

2650 [(ii)] (B) [~~shall~~] issue the event permit if the applicant meets the requirements of this  
2651 chapter or [~~shall~~] deny issuance of the event permit if the applicant fails to meet the  
2652 requirements of this chapter.

2653 (d) The commission may waive the three business day notice period described in  
2654 Subsection (3)(a) on behalf of a commissioner.

2655 [(d)] (e) (i) [~~Notwithstanding the other provisions of this Subsection (3), the~~] The  
2656 director may at any time refer an application for an event permit directly to the commission for  
2657 a determination as to whether an event permit should be issued or denied.

2658 [(e)] (ii) For purposes of this title, an event permit issued by the commission is to be  
2659 treated the same as an event permit issued by the director.

2660 (f) If the commission finds that an event permit was improperly issued or that the

2661 permittee has violated this chapter, the commission may take any action permitted under this  
2662 title.

2663 (4) Once the director issues an event permit, the department shall send a copy of the  
2664 approved application and the event permit by written or electronic means to the state and local  
2665 law enforcement authorities at least three days before the event.

2666 (5) The director shall provide the commission a monthly report of the actions taken by  
2667 the director under this part.

2668 (6) If authorized by the director, the deputy director may act on behalf of the director  
2669 for purposes of issuing an event permit under this chapter.

2670 Section 30. Section **32B-11-209** is amended to read:

2671 **32B-11-209. Notifying department of change in ownership.**

2672 The commission may suspend [or], revoke, or deem forfeited a manufacturing license if  
2673 the manufacturing licensee does not immediately notify the department of a change in:

2674 (1) ownership of the manufacturing licensee;

2675 (2) for a corporate owner, the:

2676 (a) corporate officers or directors; or

2677 (b) shareholders holding at least 20% of the total issued and outstanding stock of the  
2678 corporation; or

2679 (3) for a limited liability company:

2680 (a) managers; or

2681 (b) members owning at least 20% of the limited liability company.

2682 Section 31. Section **32B-11-210** is amended to read:

2683 **32B-11-210. Tasting provided by manufacturing licensee.**

2684 (1) As used in this section:

2685 (a) "Parcel" means the same identifiable contiguous unit of property that is treated as  
2686 separate for valuation or zoning purposes and includes an improvement on that unit of  
2687 property.

2688 (b) "Taste" means an amount of an alcoholic product provided by a manufacturing  
2689 licensee for consumption under this section.

2690 (2) A manufacturing licensee may provide for a tasting in accordance with this section.

2691 (3) Before conducting a tasting, the manufacturing licensee shall provide the

2692 department:

2693 (a) evidence of proximity to any community location, with proximity requirements  
2694 being governed by Section 32B-1-202 as if the manufacturing licensee were a retail licensee;

2695 (b) a floor plan, and boundary map where applicable, of the premises of the  
2696 manufacturing licensee, including any:

2697 (i) consumption area; and

2698 (ii) area where the person proposes to store, sell, offer for sale, or furnish an alcoholic  
2699 product to be tasted;

2700 (c) evidence that the manufacturing licensee is carrying public liability insurance in an  
2701 amount and form satisfactory to the department;

2702 (d) evidence that the manufacturing licensee is carrying dramshop insurance coverage  
2703 in an amount and form satisfactory to the department; and

2704 (e) any other information the commission or department may require.

2705 (4) A manufacturing licensee may not sell, offer for sale, or furnish a taste on any day  
2706 during the period that:

2707 (a) begins at midnight; and

2708 (b) ends at 10:59 a.m.

2709 (5) A person who serves a taste on behalf of the manufacturing licensee shall complete  
2710 an alcohol training and education seminar as if the person were employed by a retail licensee.

2711 (6) (a) A manufacturing licensee shall establish a distinct area for consumption of a  
2712 taste outside the view of minors on the licensed premises and in which minors are not allowed  
2713 during the time period when tasting occurs.

2714 (b) The distinct area for consumption for a taste established under this Subsection (6)  
2715 shall be in the same building as where the manufacturing licensee produces alcoholic product,  
2716 in a building on the same parcel as the building where the manufacturing licensee produces  
2717 alcoholic product, or in a patio or similar area immediately adjacent to a building described in  
2718 this Subsection (6)(b).

2719 (7) (a) A manufacturing licensee shall have substantial food available that is served on  
2720 the licensed premises to an individual consuming a taste.

2721 (b) The commission may define what constitutes "substantial food" by rule made in  
2722 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, except that the



2723 rule may not require culinary facilities for food preparation that are equivalent to a restaurant or  
2724 dining club.

2725 (8) A manufacturing licensee shall charge an individual for a taste and may not sell,  
2726 offer for sale, or furnish a taste at less than the cost of the taste to a retail licensee.

2727 (9) (a) A manufacturing licensee may provide a taste in more than one container except  
2728 that the aggregate total of the taste in all of the containers may not exceed:

2729 (i) ~~[5 ounces of wine]~~ for a winery manufacturing licensee~~[;]~~;

2730 (A) except as provided in Subsection (9)(a)(i)(B), 5 ounces of wine; or

2731 (B) 16 ounces of hard cider that contains no more than 5% of alcohol by volume;

2732 (ii) for a distillery manufacturing licensee, 2.5 ounces of spirituous liquor ~~[for a~~  
2733 ~~distillery manufacturing licensee]~~; or

2734 (iii) for a brewery manufacturing licensee, 16 ounces of beer, heavy beer, or flavored  
2735 malt beverages ~~[for a brewery manufacturing licensee].~~

2736 (b) A manufacturing licensee may not allow an individual to participate in more than  
2737 one tasting within a calendar day.

2738 (10) A manufacturing licensee may provide a taste of alcoholic product that is:

2739 (a) manufactured by the manufacturing licensee; and

2740 (b) purchased by the manufacturing licensee from:

2741 (i) a state store or package agency; or

2742 (ii) for beer, the off-premise retail licensee described in Subsection [32B-11-503\(4\)\(c\)](#).

2743 (11) (a) A manufacturing licensee shall display in a prominent place in the location  
2744 where tastes are consumed a sign in large letters that consists of text in the following order:

2745 (i) a header that reads: "WARNING";

2746 (ii) a warning statement that reads: "Drinking alcoholic beverages during pregnancy  
2747 can cause birth defects and permanent brain damage for the child.";

2748 (iii) a statement in smaller font that reads: "Call the Utah Department of Health and  
2749 Human Services at [insert most current toll-free number] with questions or for more  
2750 information.";

2751 (iv) a header that reads: "WARNING"; and

2752 (v) a warning statement that reads: "Driving under the influence of alcohol or drugs is a  
2753 serious crime that is prosecuted aggressively in Utah."

2754 (b) (i) The text described in Subsections (11)(a)(i) through (iii) shall be in a different  
2755 font style than the text described in Subsections (11)(a)(iv) and (v).

2756 (ii) The warning statements in the sign described in Subsection (11)(a) shall be in the  
2757 same font size.

2758 (c) The Department of Health and Human Services shall work with the commission  
2759 and department to facilitate consistency in the format of a sign required under this Subsection  
2760 (11).

2761 (12) A manufacturing licensee shall provide educational information as defined by rule  
2762 by the commission in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking  
2763 Act, as part of the tasting.

2764 (13) A manufacturing licensee that conducts tastings under a scientific or educational  
2765 use permit issued by the commission as of May 10, 2016, shall comply with this section by no  
2766 later than December 31, 2016, in conducting a tasting. In accordance with Subsection  
2767 [32B-10-206](#)(1)(c), effective no later than January 1, 2017, the commission shall take action on  
2768 a scientific or educational use permit used by a manufacturing licensee to conduct tastings.

2769 Section 32. Section **32B-11-609** is amended to read:

2770 **32B-11-609. Notifying department of change in ownership.**

2771 The commission may suspend [~~or~~], revoke, or deem forfeited a local industry  
2772 representative license if a local industry representative licensee does not [~~immediately~~] notify  
2773 the department, within 60 days after the day on which the change occurs, of a change in:

2774 (1) ownership of the business;

2775 (2) for a corporate owner, the:

2776 (a) corporate officers or directors; or

2777 (b) shareholders holding at least 20% of the total issued and outstanding stock of the  
2778 corporation; or

2779 (3) for a limited liability company:

2780 (a) managers; or

2781 (b) members owning at least 20% of the limited liability company.

2782 Section 33. Section **32B-12-302** is amended to read:

2783 **32B-12-302. Notifying the department of change in ownership.**

2784 The commission may suspend [~~or~~], revoke, or deem forfeited a liquor warehousing

2785 license if a liquor warehouser licensee does not [~~immediately~~] notify the department, within 60  
2786 days after the day on which the change occurs, of a change in:

- 2787 (1) ownership of the liquor warehouser licensee;
- 2788 (2) for a corporate owner, the:
  - 2789 (a) corporate officers or directors; or
  - 2790 (b) shareholders holding at least 20% of the total issued and outstanding stock of the
  - 2791 corporation; or
  - 2792 (3) for a limited liability company:
    - 2793 (a) managers; or
    - 2794 (b) members owning at least 20% of the limited liability company.

2795 Section 34. Section **32B-17-102** is amended to read:

2796 **32B-17-102. Definitions.**

2797 As used in this chapter:

- 2798 (1) "Airport licensee" means a person who holds a valid:
  - 2799 (a) retail license for premises located at an international airport or domestic airport; or
  - 2800 (b) special use permit for premises located at an international airport or domestic
  - 2801 airport.
  - 2802 (2) "Central receiving and distribution center" means a facility that:
    - 2803 (a) operates at an international airport or domestic airport;
    - 2804 (b) receives goods and supplies delivered to the international airport or domestic
    - 2805 airport for an airport licensee;
    - 2806 (c) screens the goods and supplies described in Subsection (2)(b) for security purposes;
    - 2807 and
    - 2808 (d) distributes the goods and supplies described in Subsection (2)(b) to the airport
    - 2809 licensee for whom the goods and supplies were delivered.

2810 Section 35. Section **32B-18-204** is amended to read:

2811 **32B-18-204. Notifying department of change in ownership.**

2812 The commission may suspend [~~or~~], revoke, or deem forfeited an alcohol license if the  
2813 alcohol licensee does not notify the department, within 60 days after the day on which the  
2814 change occurs, of a change in:

- 2815 (1) ownership of the business entity holding the alcohol license;

2816 (2) for a corporate owner, the:  
2817 (a) corporate officers or directors of the alcohol licensee; or  
2818 (b) shareholders holding at least 20% of the total issued and outstanding stock of the  
2819 corporation; or

2820 (3) for a limited liability company:  
2821 (a) managers of the limited liability company; or  
2822 (b) members owning at least 20% of the limited liability company.

2823 Section 36. Section **32B-18-205** is amended to read:

2824 **32B-18-205. Management agreements -- Inventory transfers.**

2825 (1) (a) A management agreement may provide for the sharing of revenue from a  
2826 business utilizing an alcohol license, including revenue from the sale of an alcoholic product,  
2827 if, regardless of which party holds the alcohol license, [~~all parties to the management~~  
2828 ~~agreement qualify under Section 32B-1-304 to hold the license.~~] neither the owner nor operator  
2829 is disqualified from holding the license for a previous violation of this title.

2830 (b) The parties to a management agreement shall submit to the department:

2831 (i) a copy of the management agreement; and  
2832 (ii) any other information the department requires.

2833 (c) If there is a material change to the management agreement submitted to the  
2834 department under Subsection (1)(b), the parties to the management agreement shall submit to  
2835 the department the following within 30 days after the day on which the change occurs:

2836 (i) a copy of the changed management agreement; and  
2837 (ii) any other information the department requires.

2838 (2) (a) Notwithstanding any other provision of this title, in connection with a change of  
2839 ownership described in Section 32B-18-202 or an asset sale of an alcohol licensee, the parties  
2840 to the transaction may enter into an inventory transfer agreement.

2841 (b) The inventory transfer agreement described in Subsection (2)(a) may allow for the  
2842 transfer of inventory between parties regardless of whether the parties hold or are applying for  
2843 the same retail license.

2844 (3) In accordance with this section and Title 63G, Chapter 3, Utah Administrative  
2845 Rulemaking Act, the commission may make rules governing the requirements of:

2846 (a) a management agreement; or

2847 (b) an inventory transfer agreement.

2848 Section 37. Section **62A-15-401** is amended to read:

2849 **62A-15-401. Alcohol training and education seminar.**

2850 (1) As used in this ~~[part]~~ section:

2851 (a) "Instructor" means a person that directly provides the instruction during an alcohol  
2852 training and education seminar for a seminar provider.

2853 (b) "Licensee" means a person who is:

2854 (i) (A) a new or renewing licensee under Title 32B, Alcoholic Beverage Control Act;

2855 and

2856 (B) engaged in the retail sale of an alcoholic product for consumption on the premises  
2857 of the licensee; or

2858 (ii) a business that is:

2859 (A) a new or renewing licensee licensed by a city, town, or county; and

2860 (B) engaged in the retail sale of beer for consumption off the premises of the licensee.

2861 (c) "Licensee staff" means a retail manager, retail staff, an off-premise retail manager,  
2862 or off-premise retail staff.

2863 ~~[(c)]~~ (d) "Off-premise beer retailer" is as defined in Section [32B-1-102](#).

2864 (e) "Off-premise retail manager" means the same as that term is defined in Section  
2865 [32B-1-701](#).

2866 (f) "Off-premise retail staff" means the same as that term is defined in Section  
2867 [32B-1-701](#).

2868 (g) "Retail manager" means the same as that term is defined in Section [32B-1-701](#).

2869 (h) "Retail staff" means the same as that term is defined in Section [32B-1-701](#).

2870 ~~[(d)]~~ (i) "Seminar provider" means a person other than the division who provides an  
2871 alcohol training and education seminar meeting the requirements of this section.

2872 (2) (a) This section applies to~~[:]~~ licensee staff.

2873 ~~[(i) a retail manager as defined in Section [32B-1-701](#);~~

2874 ~~[(ii) retail staff as defined in Section [32B-1-701](#); and]~~

2875 ~~[(iii) an individual who, as defined by division rule:]~~

2876 ~~[(A) directly supervises the sale of beer to a customer for consumption off the premises  
2877 of an off-premise beer retailer; or]~~

2878 ~~[(B) sells beer to a customer for consumption off the premises of an off-premise beer~~  
2879 ~~retailer.]~~

2880 (b) ~~[If the]~~ An individual who does not have a valid record that the individual has  
2881 completed an alcohol training and education seminar~~[, an individual described in Subsection~~  
2882 ~~(2)(a)]~~ shall:

2883 (i) complete an alcohol training and education seminar before the day on which the  
2884 individual begins work as licensee staff of a licensee; and

2885 ~~[(i) (A) complete an alcohol training and education seminar within 30 days of the~~  
2886 ~~following if the individual is described in Subsection (2)(a)(i) or (ii):]~~

2887 ~~[(I) if the individual is an employee, the day the individual begins employment;]~~

2888 ~~[(II) if the individual is an independent contractor, the day the individual is first hired;~~  
2889 ~~or]~~

2890 ~~[(III) if the individual holds an ownership interest in the licensee, the day that the~~  
2891 ~~individual first engages in an activity that would result in that individual being required to~~  
2892 ~~complete an alcohol training and education seminar; or]~~

2893 ~~[(B) complete an alcohol training and education seminar within the time periods~~  
2894 ~~specified in Subsection 32B-1-703(1) if the individual is described in Subsection (2)(a)(iii)(A)~~  
2895 ~~or (B); and]~~

2896 (ii) pay a fee~~[: (A)]~~ to the seminar provider~~[: and (B)]~~ that is equal to or greater than the  
2897 amount established under Subsection (4)(h).

2898 (c) An individual shall have a valid record that the individual completed an alcohol  
2899 training and education seminar within the time period provided in this Subsection (2) to  
2900 ~~[engage in an activity described in Subsection (2)(a)]~~ act as licensee staff.

2901 (d) A record that ~~[an individual]~~ licensee staff has completed an alcohol training and  
2902 education seminar is valid for~~[:]~~

2903 ~~[(i)]~~ three years ~~[from]~~ after the day on which the record is issued ~~[for an individual~~  
2904 ~~described in Subsection (2)(a)(i) or (ii); and].~~

2905 ~~[(ii) five years from the day on which the record is issued for an individual described in~~  
2906 ~~Subsection (2)(a)(iii)(A) or (B):]~~

2907 (e) ~~[On and after July 1, 2011, to]~~ To be considered as having completed an alcohol  
2908 training and education seminar, an individual shall:

2909 (i) attend the alcohol training and education seminar and take any test required to  
2910 demonstrate completion of the alcohol training and education seminar in the physical presence  
2911 of an instructor of the seminar provider; or

2912 (ii) complete the alcohol training and education seminar and take any test required to  
2913 demonstrate completion of the alcohol training and education seminar through an online course  
2914 or testing program that meets the requirements described in Subsection (2)(f).

2915 (f) (i) The division shall by rule made in accordance with Title 63G, Chapter 3, Utah  
2916 Administrative Rulemaking Act, establish one or more requirements for an online course or  
2917 testing program described in Subsection (2)(e) that are designed to inhibit fraud in the use of  
2918 the online course or testing program.

2919 (ii) In developing the requirements by rule, the division shall consider whether to  
2920 require:

2921 [(i)] (A) authentication that the an individual accurately identifies the individual as  
2922 taking the online course or test;

2923 [(ii)] (B) measures to ensure that an individual taking the online course or test is  
2924 focused on training material throughout the entire training period;

2925 [(iii)] (C) measures to track the actual time an individual taking the online course or  
2926 test is actively engaged online;

2927 [(iv)] (D) a seminar provider to provide technical support, such as requiring a  
2928 telephone number, email, or other method of communication that allows an individual taking  
2929 the online course or test to receive assistance if the individual is unable to participate online  
2930 because of technical difficulties;

2931 [(v)] (E) a test to meet quality standards, including randomization of test questions and  
2932 maximum time limits to take a test;

2933 [(vi)] (F) a seminar provider to have a system to reduce fraud as to who completes an  
2934 online course or test, such as requiring a distinct online certificate with information printed on  
2935 the certificate that identifies the person taking the online course or test, or requiring measures  
2936 to inhibit duplication of a certificate;

2937 [(vii)] (G) measures for the division to audit online courses or tests;

2938 [(viii)] (H) measures to allow an individual taking an online course or test to provide  
2939 an evaluation of the online course or test;

2940 [~~(ix)~~] (I) a seminar provider to track the Internet protocol address or similar electronic  
2941 location of an individual who takes an online course or test;

2942 [~~(x)~~] (J) an individual who takes an online course or test to use an e-signature; or

2943 [~~(xi)~~] (K) a seminar provider to invalidate a certificate if the seminar provider learns  
2944 that the certificate does not accurately reflect the individual who took the online course or test.

2945 (3) (a) A licensee may not permit an individual who is not in compliance with  
2946 Subsection (2) to:

2947 (i) serve or supervise the serving of an alcoholic product to a customer for  
2948 consumption on the premises of the licensee;

2949 (ii) engage in any activity that would constitute managing operations at the premises of  
2950 a licensee that engages in the retail sale of an alcoholic product for consumption on the  
2951 premises of the licensee;

2952 (iii) directly supervise the sale of beer to a customer for consumption off the premises  
2953 of an off-premise beer retailer; or

2954 (iv) sell beer to a customer for consumption off the premises of an off-premise beer  
2955 retailer.

2956 (b) A licensee that violates Subsection (3)(a) is subject to Section [32B-1-702](#).

2957 (4) The division shall:

2958 (a) (i) provide alcohol training and education seminars; or

2959 (ii) certify one or more seminar providers;

2960 (b) establish the curriculum for an alcohol training and education seminar that includes  
2961 the following subjects:

2962 (i) (A) alcohol as a drug; and

2963 (B) alcohol's effect on the body and behavior;

2964 (ii) recognizing the problem drinker or signs of intoxication;

2965 (iii) an overview of state alcohol laws related to responsible beverage sale or service,  
2966 as determined in consultation with the Department of Alcoholic Beverage Services;

2967 (iv) dealing with the problem customer, including ways to terminate sale or service;

2968 and

2969 (v) for those supervising or engaging in the retail sale of an alcoholic product for  
2970 consumption on the premises of a licensee, alternative means of transportation to get the



- 2971 customer safely home;
- 2972 (c) recertify each seminar provider every three years;
- 2973 (d) monitor compliance with the curriculum described in Subsection (4)(b);
- 2974 (e) maintain for at least five years a record of every person who has completed an
- 2975 alcohol training and education seminar;
- 2976 (f) provide the information described in Subsection (4)(e) on request to:
- 2977 (i) the Department of Alcoholic Beverage Services;
- 2978 (ii) law enforcement; or
- 2979 (iii) a person licensed by the state or a local government to sell an alcoholic product;
- 2980 (g) provide the Department of Alcoholic Beverage Services on request a list of any
- 2981 seminar provider certified by the division; and
- 2982 (h) establish a fee amount for each person attending an alcohol training and education
- 2983 seminar that is sufficient to offset the division's cost of administering this section.
- 2984 (5) The division shall by rule made in accordance with Title 63G, Chapter 3, Utah
- 2985 Administrative Rulemaking Act:
- 2986 ~~[(a) define what constitutes under this section an individual who:]~~
- 2987 ~~[(i) manages operations at the premises of a licensee engaged in the retail sale of an~~
- 2988 ~~alcoholic product for consumption on the premises of the licensee;]~~
- 2989 ~~[(ii) supervises the serving of an alcoholic product to a customer for consumption on~~
- 2990 ~~the premises of a licensee;]~~
- 2991 ~~[(iii) serves an alcoholic product to a customer for consumption on the premises of a~~
- 2992 ~~licensee;]~~
- 2993 ~~[(iv) directly supervises the sale of beer to a customer for consumption off the premises~~
- 2994 ~~of an off-premise beer retailer; or]~~
- 2995 ~~[(v) sells beer to a customer for consumption off the premises of an off-premise beer~~
- 2996 ~~retailer;]~~
- 2997 ~~[(b)]~~ (a) establish criteria for certifying and recertifying a seminar provider; and
- 2998 ~~[(c)]~~ (b) establish guidelines for the manner in which an instructor provides an alcohol
- 2999 education and training seminar.
- 3000 (6) A seminar provider shall:
- 3001 (a) obtain recertification by the division every three years;

- 3002 (b) ensure that an instructor used by the seminar provider:
- 3003 (i) follows the curriculum established under this section; and
- 3004 (ii) conducts an alcohol training and education seminar in accordance with the
- 3005 guidelines established by rule;
- 3006 (c) ensure that any information provided by the seminar provider or instructor of a
- 3007 seminar provider is consistent with:
- 3008 (i) the curriculum established under this section; and
- 3009 (ii) this section;
- 3010 (d) provide the division with the names of all persons who complete an alcohol training
- 3011 and education seminar provided by the seminar provider;
- 3012 (e) (i) collect a fee for each person attending an alcohol training and education seminar
- 3013 in accordance with Subsection (2); and
- 3014 (ii) forward to the division the portion of the fee that is equal to the amount described
- 3015 in Subsection (4)(h); and
- 3016 (f) issue a record to an individual that completes an alcohol training and education
- 3017 seminar provided by the seminar provider.
- 3018 (7) (a) If after a hearing conducted in accordance with Title 63G, Chapter 4,
- 3019 Administrative Procedures Act, the division finds that a seminar provider violates this section
- 3020 or that an instructor of the seminar provider violates this section, the division may:
- 3021 (i) suspend the certification of the seminar provider for a period not to exceed 90 days
- 3022 after the day on which the suspension begins;
- 3023 (ii) revoke the certification of the seminar provider;
- 3024 (iii) require the seminar provider to take corrective action regarding an instructor; or
- 3025 (iv) prohibit the seminar provider from using an instructor until such time that the
- 3026 seminar provider establishes to the satisfaction of the division that the instructor is in
- 3027 compliance with Subsection (6)(b).
- 3028 (b) The division may certify a seminar provider whose certification is revoked:
- 3029 (i) no sooner than 90 days [~~from the date~~] after the day on which the certification is
- 3030 revoked; and
- 3031 (ii) if the seminar provider establishes to the satisfaction of the division that the
- 3032 seminar provider will comply with this section.