

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

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;
- ▶ establishes a process for the Department of Alcoholic Beverage Services (department) to review and approve flavoring in beer;
- ▶ addresses minor ownership in an entity that applies for an alcohol license, package agency, or permit;
- ▶ prohibits the department from purchasing or stocking spirituous liquor in a container under 200 milliliters except for certain purposes;
- ▶ modifies alcohol training and education requirements for certain staff of an alcohol licensee;
- ▶ requires the Alcoholic Beverage Services Commission (commission) to provide



26 information regarding an off-premise beer retailer licensee's sale of an alcoholic product to a
27 minor to the Department of Public Safety and requires the Department of Public Safety to
28 manage the information;

29 ▶ modifies alcohol license renewal fee requirements;
30 ▶ removes provisions requiring the clerk of the court to notify the department of
31 violations of the Alcoholic Beverage Control Act or alcohol-related local
32 ordinances;

33 ▶ prohibits storage of an alcoholic beverage for sale if a person is not authorized to
34 sell the alcoholic beverage;

35 ▶ modifies license forfeiture requirements for retail licensees that cease operations;

36 ▶ allows certain restaurant venues to obtain an on-premise banquet license for the
37 same premises as a restaurant license;

38 ▶ allows a hotel to obtain an off-premise beer retailer state license for the same
39 premises as hotel sublicensee;

40 ▶ limits the number of on-premise banquet licenses the commission may issue to a
41 restaurant venue;

42 ▶ allows a restaurant patron who is escorted by a restaurant employee to carry an
43 unfinished drink from the dispensing area to the dining area;

44 ▶ modifies serving size requirements for hard cider;

45 ▶ modifies requirements for master full-service restaurant licensees;

46 ▶ exempts resort sublicenses from the commission's calculation regarding the total
47 number of retail licenses issued;

48 ▶ exempts a certain number of bar establishment licenses from the population quota
49 applicable to bar establishment licenses;

50 ▶ modifies requirements for certain equity licensees to maintain a substantial
51 recreational facility;

52 ▶ provides that an equity licensee may have more than one dispensing structure on the
53 equity licensee's premises;

54 ▶ increases the number of airport lounge licenses the commission may issue for an
55 international airport;

56 ▶ allows the commission to issue a certain number of airport lounge licenses to a

- 57 domestic airport;
- 58 ▶ requires a person who transports liquor to a domestic airport to obtain a liquor
- 59 transport license;
- 60 ▶ modifies department notice requirements for, and the process for issuance of, an
- 61 event permit;
- 62 ▶ allows the commission to deem certain licenses forfeited for the licensee's failure to
- 63 meet change in ownership notice requirements;
- 64 ▶ modifies the time period within which a local industry representative licensee and
- 65 liquor warehousing licensee is required to notify the department regarding change of
- 66 ownership;
- 67 ▶ modifies provisions related to management agreements concerning a business that is
- 68 utilizing an alcohol license;
- 69 ▶ clarifies provisions related to alcohol inventory transfer agreements; and
- 70 ▶ makes technical and conforming changes.

71 **Money Appropriated in this Bill:**

72 None

73 **Other Special Clauses:**

74 None

75 **Utah Code Sections Affected:**

76 AMENDS:

- 77 **32B-1-102**, as last amended by Laws of Utah 2022, Chapter 447
- 78 **32B-1-202.1**, as last amended by Laws of Utah 2022, Chapter 447
- 79 **32B-1-304**, as last amended by Laws of Utah 2021, Chapter 291
- 80 **32B-1-603**, as last amended by Laws of Utah 2022, Chapter 447
- 81 **32B-1-703**, as renumbered and amended by Laws of Utah 2019, Chapter 403
- 82 **32B-1-705**, as renumbered and amended by Laws of Utah 2019, Chapter 403
- 83 **32B-2-202**, as last amended by Laws of Utah 2022, Chapter 447
- 84 **32B-2-303**, as last amended by Laws of Utah 2011, Chapter 307
- 85 **32B-4-202**, as last amended by Laws of Utah 2016, Chapter 176
- 86 **32B-4-418**, as enacted by Laws of Utah 2010, Chapter 276
- 87 **32B-5-304**, as last amended by Laws of Utah 2022, Chapter 447

- 88 **32B-5-309**, as last amended by Laws of Utah 2022, Chapter 447
- 89 **32B-6-205.2**, as last amended by Laws of Utah 2022, Chapter 447
- 90 **32B-6-206**, as last amended by Laws of Utah 2019, Chapter 403
- 91 **32B-6-305.2**, as last amended by Laws of Utah 2022, Chapter 447
- 92 **32B-6-403**, as last amended by Laws of Utah 2018, Chapter 249
- 93 **32B-6-404**, as last amended by Laws of Utah 2018, Chapter 249
- 94 **32B-6-406**, as last amended by Laws of Utah 2020, Chapter 219
- 95 **32B-6-503**, as last amended by Laws of Utah 2020, Fifth Special Session, Chapter 3
- 96 **32B-6-603**, as last amended by Laws of Utah 2020, Chapter 219
- 97 **32B-6-605**, as last amended by Laws of Utah 2022, Chapter 447
- 98 **32B-6-905.1**, as last amended by Laws of Utah 2022, Chapter 447
- 99 **32B-6-1005**, as last amended by Laws of Utah 2022, Chapter 447
- 100 **32B-7-409**, as enacted by Laws of Utah 2020, Chapter 219
- 101 **32B-8-401**, as last amended by Laws of Utah 2020, Chapter 219
- 102 **32B-8b-102**, as last amended by Laws of Utah 2020, Chapter 219
- 103 **32B-8b-301**, as last amended by Laws of Utah 2022, Chapter 447
- 104 **32B-8d-103**, as last amended by Laws of Utah 2022, Chapter 447
- 105 **32B-8d-205**, as last amended by Laws of Utah 2022, Chapter 447
- 106 **32B-9-202**, as last amended by Laws of Utah 2016, Chapter 35
- 107 **32B-11-209**, as enacted by Laws of Utah 2010, Chapter 276
- 108 **32B-11-210**, as enacted by Laws of Utah 2016, Chapter 266
- 109 **32B-11-609**, as enacted by Laws of Utah 2010, Chapter 276
- 110 **32B-12-302**, as enacted by Laws of Utah 2010, Chapter 276
- 111 **32B-17-102**, as enacted by Laws of Utah 2020, Fifth Special Session, Chapter 3
- 112 **32B-18-204**, as renumbered and amended by Laws of Utah 2022, Chapter 447
- 113 **32B-18-205**, as enacted by Laws of Utah 2022, Chapter 447
- 114 **62A-15-401**, as last amended by Laws of Utah 2022, Chapter 447

115 ENACTS:

116 **32B-1-603.5**, Utah Code Annotated 1953



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

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

120 **32B-1-102. Definitions.**

121 As used in this title:

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

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

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

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

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

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

128 (a) beer; or

129 (b) liquor.

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

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

132 (ii) is obtained by fermentation, infusion, decoction, brewing, distillation, or other

133 process that uses liquid or combinations of liquids, whether drinkable or not, to create alcohol

134 in an amount equal to or greater than .5% of alcohol by volume.

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

136 (c) "Alcoholic product" does not include any of the following common items that

137 otherwise come within the definition of an alcoholic product:

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

139 (ii) vinegar;

140 (iii) preserved nonintoxicating cider;

141 (iv) essence;

142 (v) tincture;

143 (vi) food preparation; or

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

145 (d) "Alcoholic product" includes an extract containing alcohol obtained by distillation

146 when it is used as a flavoring in the manufacturing of an alcoholic product.

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

148 (a) required by Chapter 1, Part 7, Alcohol Training and Education Act; and

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

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

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

- 212 (i) a flavored malt beverage;
- 213 (ii) a product that contains alcohol derived from:
 - 214 (A) except as provided in Subsection (11)(b)(iii), spirituous liquor; or
 - 215 (B) wine; or
 - 216 (iii) a product that contains an additive masking or altering a physiological effect of
 - 217 alcohol, including kratom, kava, cannabidiol, or natural or synthetic tetrahydrocannabinol.
- 218 (12) "Beer-only restaurant license" means a license issued in accordance with Chapter
- 219 5, Retail License Act, and Chapter 6, Part 9, Beer-Only Restaurant License.
- 220 (13) "Beer retailer" means a business that:
 - 221 (a) is engaged, primarily or incidentally, in the retail sale of beer to a patron, whether
 - 222 for consumption on or off the business premises; and
 - 223 (b) is licensed as:
 - 224 (i) an off-premise beer retailer, in accordance with Chapter 7, Part 2, Off-Premise Beer
 - 225 Retailer Local Authority; or
 - 226 (ii) an on-premise beer retailer, in accordance with Chapter 5, Retail License Act, and
 - 227 Chapter 6, Part 7, On-Premise Beer Retailer License.
 - 228 (14) "Beer wholesaling license" means a license:
 - 229 (a) issued in accordance with Chapter 13, Beer Wholesaling License Act; and
 - 230 (b) to import for sale, or sell beer in wholesale or jobbing quantities to one or more
 - 231 retail licensees or off-premise beer retailers.
 - 232 (15) "Billboard" means a public display used to advertise, including:
 - 233 (a) a light device;
 - 234 (b) a painting;
 - 235 (c) a drawing;
 - 236 (d) a poster;
 - 237 (e) a sign;
 - 238 (f) a signboard; or
 - 239 (g) a scoreboard.
 - 240 (16) "Brewer" means a person engaged in manufacturing:
 - 241 (a) beer;
 - 242 (b) heavy beer; or

- 243 (c) a flavored malt beverage.
- 244 (17) "Brewery manufacturing license" means a license issued in accordance with
- 245 Chapter 11, Part 5, Brewery Manufacturing License.
- 246 (18) "Certificate of approval" means a certificate of approval obtained from the
- 247 department under Section [32B-11-201](#).
- 248 (19) "Chartered bus" means a passenger bus, coach, or other motor vehicle provided by
- 249 a bus company to a group of persons pursuant to a common purpose:
- 250 (a) under a single contract;
- 251 (b) at a fixed charge in accordance with the bus company's tariff; and
- 252 (c) to give the group of persons the exclusive use of the passenger bus, coach, or other
- 253 motor vehicle, and a driver to travel together to one or more specified destinations.
- 254 (20) "Church" means a building:
- 255 (a) set apart for worship;
- 256 (b) in which religious services are held;
- 257 (c) with which clergy is associated; and
- 258 (d) that is tax exempt under the laws of this state.
- 259 (21) "Commission" means the Alcoholic Beverage Services Commission created in
- 260 Section [32B-2-201](#).
- 261 (22) "Commissioner" means a member of the commission.
- 262 (23) "Community location" means:
- 263 (a) a public or private school;
- 264 (b) a church;
- 265 (c) a public library;
- 266 (d) a public playground; or
- 267 (e) a public park.
- 268 (24) "Community location governing authority" means:
- 269 (a) the governing body of the community location; or
- 270 (b) if the commission does not know who is the governing body of a community
- 271 location, a person who appears to the commission to have been given on behalf of the
- 272 community location the authority to prohibit an activity at the community location.
- 273 (25) "Container" means a receptacle that contains an alcoholic product, including:

- 274 (a) a bottle;
- 275 (b) a vessel; or
- 276 (c) a similar item.
- 277 (26) "Controlled group of manufacturers" means as the commission defines by rule
- 278 made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 279 (27) "Convention center" means a facility that is:
- 280 (a) in total at least 30,000 square feet; and
- 281 (b) otherwise defined as a "convention center" by the commission by rule.
- 282 (28) (a) "Counter" means a surface or structure in a dining area of a licensed premises
- 283 where seating is provided to a patron for service of food.
- 284 (b) "Counter" does not include a dispensing structure.
- 285 (29) "Crime involving moral turpitude" is as defined by the commission by rule.
- 286 (30) "Department" means the Department of Alcoholic Beverage Services created in
- 287 Section [32B-2-203](#).
- 288 (31) "Department compliance officer" means an individual who is:
- 289 (a) an auditor or inspector; and
- 290 (b) employed by the department.
- 291 (32) "Department sample" means liquor that is placed in the possession of the
- 292 department for testing, analysis, and sampling.
- 293 (33) "Dining club license" means a license issued in accordance with Chapter 5, Retail
- 294 License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the
- 295 commission as a dining club license.
- 296 (34) "Director," unless the context requires otherwise, means the director of the
- 297 department.
- 298 (35) "Disciplinary proceeding" means an adjudicative proceeding permitted under this
- 299 title:
- 300 (a) against a person subject to administrative action; and
- 301 (b) that is brought on the basis of a violation of this title.
- 302 (36) (a) Subject to Subsection (36)(b), "dispense" means:
- 303 (i) drawing an alcoholic product; and
- 304 (ii) using the alcoholic product at the location from which it was drawn to mix or

305 prepare an alcoholic product to be furnished to a patron of the retail licensee.

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

307 (i) a full-service restaurant license;

308 (ii) a limited-service restaurant license;

309 (iii) a reception center license;

310 (iv) a beer-only restaurant license;

311 (v) a bar license;

312 (vi) an on-premise beer retailer;

313 (vii) an airport lounge license;

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

315 (ix) a hospitality amenity license.

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

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

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

319 (38) "Distillery manufacturing license" means a license issued in accordance with
320 Chapter 11, Part 4, Distillery Manufacturing License.

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

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

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

325 (b) receives scheduled commercial passenger aircraft service; and

326 (c) is not an international airport.

327 [~~40~~] (41) "Equity license" means a license issued in accordance with Chapter 5,
328 Retail License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the
329 commission as an equity license.

330 [~~41~~] (42) "Event permit" means:

331 (a) a single event permit; or

332 (b) a temporary beer event permit.

333 [~~42~~] (43) "Exempt license" means a license exempt under Section 32B-1-201 from
334 being considered in determining the total number of retail licenses that the commission may
335 issue at any time.

336 [~~(43)~~] (44) (a) "Flavored malt beverage" means a beverage:

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

338 (ii) for which the producer is required to file a formula for approval with the federal
339 Alcohol and Tobacco Tax and Trade Bureau under 27 C.F.R. Sec. 25.55 because the beverage
340 is treated by processing, filtration, or another method of manufacture that is not generally
341 recognized as a traditional process in the production of a beer, ale, porter, stout, lager, or malt
342 liquor; and

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

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

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

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

350 [~~(44)~~] (45) "Fraternal license" means a license issued in accordance with Chapter 5,
351 Retail License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the
352 commission as a fraternal license.

353 [~~(45)~~] (46) "Full-service restaurant license" means a license issued in accordance with
354 Chapter 5, Retail License Act, and Chapter 6, Part 2, Full-Service Restaurant License.

355 [~~(46)~~] (47) (a) "Furnish" means by any means to provide with, supply, or give an
356 individual an alcoholic product, by sale or otherwise.

357 (b) "Furnish" includes to:

358 (i) serve;

359 (ii) deliver; or

360 (iii) otherwise make available.

361 [~~(47)~~] (48) "Guest" means an individual who meets the requirements of Subsection
362 [32B-6-407\(9\)](#).

363 [~~(48)~~] (49) "Hard cider" means the same as that term is defined in 26 U.S.C. Sec. 5041.

364 [~~(49)~~] (50) "Health care practitioner" means:

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

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

- 367 (c) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;
- 368 (d) a physical therapist licensed under Title 58, Chapter 24b, Physical Therapy Practice
- 369 Act;
- 370 (e) a nurse or advanced practice registered nurse licensed under Title 58, Chapter 31b,
- 371 Nurse Practice Act;
- 372 (f) a recreational therapist licensed under Title 58, Chapter 40, Recreational Therapy
- 373 Practice Act;
- 374 (g) an occupational therapist licensed under Title 58, Chapter 42a, Occupational
- 375 Therapy Practice Act;
- 376 (h) a nurse midwife licensed under Title 58, Chapter 44a, Nurse Midwife Practice Act;
- 377 (i) a mental health professional licensed under Title 58, Chapter 60, Mental Health
- 378 Professional Practice Act;
- 379 (j) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act;
- 380 (k) an osteopath licensed under Title 58, Chapter 68, Utah Osteopathic Medical
- 381 Practice Act;
- 382 (l) a dentist or dental hygienist licensed under Title 58, Chapter 69, Dentist and Dental
- 383 Hygienist Practice Act; and
- 384 (m) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician
- 385 Assistant Act.
- 386 [~~50~~] (51) (a) "Heavy beer" means a product that:
- 387 (i) (A) contains more than 5% alcohol by volume; [~~and~~] or
- 388 (B) contains at least .5% of alcohol by volume and no more than 5% of alcohol by
- 389 volume or 4% by weight, and a propolyne glycol-, ethyl alcohol-, or ethanol-based flavoring
- 390 agent that contributes more than 10% of the overall alcohol content of the product; and
- 391 (ii) is obtained by fermentation, infusion, or decoction of:
- 392 (A) malt; or
- 393 (B) a malt substitute.
- 394 (b) "Heavy beer" may, if the heavy beer contains more than 5% alcohol by volume,
- 395 contain a propolyne glycol-, ethyl alcohol-, or ethanol-based flavoring agent that contributes to
- 396 the overall alcohol content of the heavy beer.
- 397 (c) "Heavy beer" does not include:

398 (i) a flavored malt beverage;
399 (ii) a product that contains alcohol derived from:
400 (A) except as provided in Subsection (51)(a)(i)(B), spirituous liquor; or
401 (B) wine; or
402 (iii) a product that contains an additive masking or altering a physiological effect of
403 alcohol, including kratom, kava, cannabidiol, or natural or synthetic tetrahydrocannabinol.
404 ~~[(b)]~~ (d) "Heavy beer" is considered liquor for the purposes of this title.
405 ~~[(51)]~~ (52) "Hospitality amenity license" means a license issued in accordance with
406 Chapter 5, Retail License Act, and Chapter 6, Part 10, Hospitality Amenity License.
407 ~~[(52)]~~ (53) (a) "Hotel" means a commercial lodging establishment that:
408 (i) offers at least 40 rooms as temporary sleeping accommodations for compensation;
409 (ii) is capable of hosting conventions, conferences, and food and beverage functions
410 under a banquet contract; and
411 (iii) (A) has adequate kitchen or culinary facilities on the premises to provide complete
412 meals;
413 (B) has at least 1,000 square feet of function space consisting of meeting or dining
414 rooms that can be reserved for a banquet and can accommodate at least 75 individuals; or
415 (C) if the establishment is located in a small or unincorporated locality, has an
416 appropriate amount of function space consisting of meeting or dining rooms that can be
417 reserved for private use under a banquet contract, as determined by the commission.
418 (b) "Hotel" includes a commercial lodging establishment that:
419 (i) meets the requirements under Subsection ~~[(52)(a)]~~ (53)(a); and
420 (ii) has one or more privately owned dwelling units.
421 ~~[(53)]~~ (54) "Hotel license" means a license issued in accordance with Chapter 5, Retail
422 License Act, and Chapter 8b, Hotel License Act.
423 ~~[(54)]~~ (55) "Identification card" means an identification card issued under Title 53,
424 Chapter 3, Part 8, Identification Card Act.
425 ~~[(55)]~~ (56) "Industry representative" means an individual who is compensated by
426 salary, commission, or other means for representing and selling an alcoholic product of a
427 manufacturer, supplier, or importer of liquor.
428 ~~[(56)]~~ (57) "Industry representative sample" means liquor that is placed in the

429 possession of the department for testing, analysis, and sampling by a local industry
430 representative on the premises of the department to educate the local industry representative of
431 the quality and characteristics of the product.

432 ~~[(57)]~~ (58) "Interdicted person" means a person to whom the sale, offer for sale, or
433 furnishing of an alcoholic product is prohibited by:

- 434 (a) law; or
- 435 (b) court order.

436 ~~[(58)]~~ (59) "International airport" means an airport:

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

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

440 ~~[(59)]~~ (60) "Intoxicated" means that a person:

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

- 443 (i) an alcoholic product;
- 444 (ii) a controlled substance;
- 445 (iii) a substance having the property of releasing toxic vapors; or
- 446 (iv) a combination of Subsections ~~[(59)(a)(i)]~~ (60)(a)(i) through (iii); and

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

449 ~~[(60)]~~ (61) "Investigator" means an individual who is:

- 450 (a) a department compliance officer; or
- 451 (b) a nondepartment enforcement officer.

452 ~~[(61)]~~ (62) "License" means:

- 453 (a) a retail license;
- 454 (b) a sublicense;
- 455 (c) a license issued in accordance with Chapter 7, Part 4, Off-Premise Beer Retailer

456 State License;

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

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

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

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

462 [~~(62)~~] (63) "Licensee" means a person who holds a license.

463 [~~(63)~~] (64) "Limited-service restaurant license" means a license issued in accordance
464 with Chapter 5, Retail License Act, and Chapter 6, Part 3, Limited-Service Restaurant License.

465 [~~(64)~~] (65) "Limousine" means a motor vehicle licensed by the state or a local
466 authority, other than a bus or taxicab:

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

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

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

473 [~~(65)~~] (66) (a) (i) "Liquor" means a liquid that:

474 (A) is:

475 (I) alcohol;

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

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

478 (IV) other drink or drinkable liquid; and

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

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

481 (ii) "Liquor" includes:

482 (A) heavy beer;

483 (B) wine; and

484 (C) a flavored malt beverage.

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

486 [~~(66)~~] (67) "Liquor Control Fund" means the enterprise fund created by Section
487 [32B-2-301](#).

488 [~~(67)~~] (68) "Liquor transport license" means a license issued in accordance with
489 Chapter 17, Liquor Transport License Act.

490 [~~(68)~~] (69) "Liquor warehousing license" means a license that is issued:

- 491 (a) in accordance with Chapter 12, Liquor Warehousing License Act; and
- 492 (b) to a person, other than a licensed manufacturer, who engages in the importation for
- 493 storage, sale, or distribution of liquor regardless of amount.

494 [~~(69)~~] (70) "Local authority" means:

- 495 (a) for premises that are located in an unincorporated area of a county, the governing
- 496 body of a county;
- 497 (b) for premises that are located in an incorporated city, town, or metro township, the
- 498 governing body of the city, town, or metro township; or
- 499 (c) for premises that are located in a project area as defined in Section 63H-1-102 and
- 500 in a project area plan adopted by the Military Installation Development Authority under Title
- 501 63H, Chapter 1, Military Installation Development Authority Act, the Military Installation
- 502 Development Authority.

503 [~~(70)~~] (71) "Lounge or bar area" is as defined by rule made by the commission.

504 [~~(71)~~] (72) "Malt substitute" means:

- 505 (a) rice;
- 506 (b) grain;
- 507 (c) bran;
- 508 (d) glucose;
- 509 (e) sugar; or
- 510 (f) molasses.

511 [~~(72)~~] (73) "Manufacture" means to distill, brew, rectify, mix, compound, process,

512 ferment, or otherwise make an alcoholic product for personal use or for sale or distribution to

513 others.

514 [~~(73)~~] (74) "Member" means an individual who, after paying regular dues, has full

515 privileges in an equity licensee or fraternal licensee.

516 [~~(74)~~] (75) (a) "Military installation" means a base, air field, camp, post, station, yard,

517 center, or homeport facility for a ship:

- 518 (i) (A) under the control of the United States Department of Defense; or
- 519 (B) of the National Guard;
- 520 (ii) that is located within the state; and
- 521 (iii) including a leased facility.

- 522 (b) "Military installation" does not include a facility used primarily for:
523 (i) civil works;
524 (ii) a rivers and harbors project; or
525 (iii) a flood control project.
- 526 [~~75~~] (76) "Minibar" means an area of a hotel guest room where one or more alcoholic
527 products are kept and offered for self-service sale or consumption.
- 528 [~~76~~] (77) "Minor" means an individual under 21 years old.
- 529 [~~77~~] (78) "Nondepartment enforcement agency" means an agency that:
530 (a) (i) is a state agency other than the department; or
531 (ii) is an agency of a county, city, town, or metro township; and
532 (b) has a responsibility to enforce one or more provisions of this title.
- 533 [~~78~~] (79) "Nondepartment enforcement officer" means an individual who is:
534 (a) a peace officer, examiner, or investigator; and
535 (b) employed by a nondepartment enforcement agency.
- 536 [~~79~~] (80) (a) "Off-premise beer retailer" means a beer retailer who is:
537 (i) licensed in accordance with Chapter 7, Off-Premise Beer Retailer Act; and
538 (ii) engaged in the retail sale of beer to a patron for consumption off the beer retailer's
539 premises.
- 540 (b) "Off-premise beer retailer" does not include an on-premise beer retailer.
- 541 [~~80~~] (81) "Off-premise beer retailer state license" means a state license issued in
542 accordance with Chapter 7, Part 4, Off-Premise Beer Retailer State License.
- 543 [~~81~~] (82) "On-premise banquet license" means a license issued in accordance with
544 Chapter 5, Retail License Act, and Chapter 6, Part 6, On-Premise Banquet License.
- 545 [~~82~~] (83) "On-premise beer retailer" means a beer retailer who is:
546 (a) authorized to sell, offer for sale, or furnish beer under a license issued in
547 accordance with Chapter 5, Retail License Act, and Chapter 6, Part 7, On-Premise Beer
548 Retailer License; and
549 (b) engaged in the sale of beer to a patron for consumption on the beer retailer's
550 premises:
551 (i) regardless of whether the beer retailer sells beer for consumption off the licensed
552 premises; and

- 553 (ii) on and after March 1, 2012, operating:
554 (A) as a tavern; or
555 (B) in a manner that meets the requirements of Subsection 32B-6-703(2)(e)(i).
556 [~~(83)~~] (84) "Opaque" means impenetrable to sight.
557 [~~(84)~~] (85) "Package agency" means a retail liquor location operated:
558 (a) under an agreement with the department; and
559 (b) by a person:
560 (i) other than the state; and
561 (ii) who is authorized by the commission in accordance with Chapter 2, Part 6, Package
562 Agency, to sell packaged liquor for consumption off the premises of the package agency.
563 [~~(85)~~] (86) "Package agent" means a person who holds a package agency.
564 [~~(86)~~] (87) "Patron" means an individual to whom food, beverages, or services are sold,
565 offered for sale, or furnished, or who consumes an alcoholic product including:
566 (a) a customer;
567 (b) a member;
568 (c) a guest;
569 (d) an attendee of a banquet or event;
570 (e) an individual who receives room service;
571 (f) a resident of a resort; or
572 (g) a hospitality guest, as defined in Section 32B-6-1002, under a hospitality amenity
573 license.
574 [~~(87)~~] (88) (a) "Performing arts facility" means a multi-use performance space that:
575 (i) is primarily used to present various types of performing arts, including dance,
576 music, and theater;
577 (ii) contains over 2,500 seats;
578 (iii) is owned and operated by a governmental entity; and
579 (iv) is located in a city of the first class.
580 (b) "Performing arts facility" does not include a space that is used to present sporting
581 events or sporting competitions.
582 [~~(88)~~] (89) "Permittee" means a person issued a permit under:
583 (a) Chapter 9, Event Permit Act; or

- 584 (b) Chapter 10, Special Use Permit Act.
- 585 [~~(89)~~] (90) "Person subject to administrative action" means:
- 586 (a) a licensee;
- 587 (b) a permittee;
- 588 (c) a manufacturer;
- 589 (d) a supplier;
- 590 (e) an importer;
- 591 (f) one of the following holding a certificate of approval:
- 592 (i) an out-of-state brewer;
- 593 (ii) an out-of-state importer of beer, heavy beer, or flavored malt beverages; or
- 594 (iii) an out-of-state supplier of beer, heavy beer, or flavored malt beverages; or
- 595 (g) staff of:
- 596 (i) a person listed in Subsections [~~(89)~~](a) (90)(a) through (f); or
- 597 (ii) a package agent.
- 598 [~~(90)~~] (91) "Premises" means a building, enclosure, or room used in connection with
- 599 the storage, sale, furnishing, consumption, manufacture, or distribution, of an alcoholic
- 600 product, unless otherwise defined in this title or rules made by the commission.
- 601 [~~(91)~~] (92) "Prescription" means an order issued by a health care practitioner when:
- 602 (a) the health care practitioner is licensed under Title 58, Occupations and Professions,
- 603 to prescribe a controlled substance, other drug, or device for medicinal purposes;
- 604 (b) the order is made in the course of that health care practitioner's professional
- 605 practice; and
- 606 (c) the order is made for obtaining an alcoholic product for medicinal purposes only.
- 607 [~~(92)~~] (93) (a) "Primary spirituous liquor" means the main distilled spirit in a beverage.
- 608 (b) "Primary spirituous liquor" does not include a secondary flavoring ingredient.
- 609 [~~(93)~~] (94) "Principal license" means:
- 610 (a) a resort license;
- 611 (b) a hotel license; or
- 612 (c) an arena license.
- 613 [~~(94)~~] (95) (a) "Private event" means a specific social, business, or recreational event:
- 614 (i) for which an entire room, area, or hall is leased or rented in advance by an identified

615 group; and

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

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

620 [~~95~~] (96) "Privately sponsored event" means a specific social, business, or
621 recreational event:

622 (a) that is held in or on the premises of an on-premise banquet licensee; and

623 (b) to which entry is restricted by an admission fee.

624 [~~96~~] (97) (a) "Proof of age" means:

625 (i) an identification card;

626 (ii) an identification that:

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

628 (B) is issued in accordance with the laws of a state other than Utah in which the
629 identification is issued;

630 (C) includes date of birth; and

631 (D) has a picture affixed;

632 (iii) a valid driver license certificate that:

633 (A) includes date of birth;

634 (B) has a picture affixed; and

635 (C) is issued:

636 (I) under Title 53, Chapter 3, Uniform Driver License Act;

637 (II) in accordance with the laws of the state in which it is issued; or

638 (III) in accordance with federal law by the United States Department of State;

639 (iv) a military identification card that:

640 (A) includes date of birth; and

641 (B) has a picture affixed; or

642 (v) a valid passport.

643 (b) "Proof of age" does not include a driving privilege card issued in accordance with
644 Section [53-3-207](#).

645 [~~97~~] (98) "Provisions applicable to a sublicense" means:

646 (a) for a full-service restaurant sublicense, the provisions applicable to a full-service
647 restaurant license under Chapter 6, Part 2, Full-Service Restaurant License;

648 (b) for a limited-service restaurant sublicense, the provisions applicable to a
649 limited-service restaurant license under Chapter 6, Part 3, Limited-Service Restaurant License;

650 (c) for a bar establishment sublicense, the provisions applicable to a bar establishment
651 license under Chapter 6, Part 4, Bar Establishment License;

652 (d) for an on-premise banquet sublicense, the provisions applicable to an on-premise
653 banquet license under Chapter 6, Part 6, On-Premise Banquet License;

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

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

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

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

662 [~~98~~] (99) (a) "Public building" means a building or permanent structure that is:

663 (i) owned or leased by:

664 (A) the state; or

665 (B) a local government entity; and

666 (ii) used for:

667 (A) public education;

668 (B) transacting public business; or

669 (C) regularly conducting government activities.

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

673 [~~99~~] (100) "Public conveyance" means a conveyance that the public or a portion of
674 the public has access to and a right to use for transportation, including an airline, railroad, bus,
675 boat, or other public conveyance.

676 [~~100~~] (101) "Reception center" means a business that:

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

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

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

680 ~~[(101)]~~ (102) "Reception center license" means a license issued in accordance with

681 Chapter 5, Retail License Act, and Chapter 6, Part 8, Reception Center License.

682 ~~[(102)]~~ (103) (a) "Record" means information that is:

683 (i) inscribed on a tangible medium; or

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

685 (b) "Record" includes:

686 (i) a book;

687 (ii) a book of account;

688 (iii) a paper;

689 (iv) a contract;

690 (v) an agreement;

691 (vi) a document; or

692 (vii) a recording in any medium.

693 ~~[(103)]~~ (104) "Residence" means a person's principal place of abode within Utah.

694 ~~[(104)]~~ (105) "Resident," in relation to a resort, means the same as that term is defined

695 in Section [32B-8-102](#).

696 ~~[(105)]~~ (106) "Resort" means the same as that term is defined in Section [32B-8-102](#).

697 ~~[(106)]~~ (107) "Resort facility" is as defined by the commission by rule.

698 ~~[(107)]~~ (108) "Resort license" means a license issued in accordance with Chapter 5,

699 Retail License Act, and Chapter 8, Resort License Act.

700 ~~[(108)]~~ (109) "Responsible alcohol service plan" means a written set of policies and

701 procedures that outlines measures to prevent employees from:

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

703 (b) serving alcoholic beverages to customers who are actually, apparently, or obviously

704 intoxicated; and

705 (c) serving alcoholic beverages to minors.

706 ~~[(109)]~~ (110) "Restaurant" means a business location:

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

- 708 (b) at which complete meals are served; and
709 (c) that is engaged primarily in serving meals.
710 [~~(110)~~] (111) "Restaurant license" means one of the following licenses issued under
711 this title:
- 712 (a) a full-service restaurant license;
 - 713 (b) a limited-service restaurant license; or
 - 714 (c) a beer-only restaurant license.
- 715 (112) "Restaurant venue" means a room within a restaurant that:
- 716 (a) is located on the licensed premises of a restaurant licensee;
 - 717 (b) is separated from the area within the restaurant for a patron's consumption of food
718 by a permanent, opaque, floor-to-ceiling wall such that the inside of the room is not visible to a
719 patron in the area within the restaurant for a patron's consumption of food; and
 - 720 (c) (i) has at least 1,000 square feet that:
721 (A) may be reserved for a banquet; and
722 (B) accommodates at least 75 individuals; or
723 (ii) if the restaurant is located in a small or unincorporated locality, has an appropriate
724 amount of space, as determined by the commission, that may be reserved for a banquet.
- 725 [~~(111)~~] (113) "Retail license" means one of the following licenses issued under this
726 title:
- 727 (a) a full-service restaurant license;
 - 728 (b) a master full-service restaurant license;
 - 729 (c) a limited-service restaurant license;
 - 730 (d) a master limited-service restaurant license;
 - 731 (e) a bar establishment license;
 - 732 (f) an airport lounge license;
 - 733 (g) an on-premise banquet license;
 - 734 (h) an on-premise beer license;
 - 735 (i) a reception center license;
 - 736 (j) a beer-only restaurant license;
 - 737 (k) a hospitality amenity license;
 - 738 (l) a resort license;

739 (m) a hotel license; or

740 (n) an arena license.

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

743 (a) hotel; or

744 (b) resort facility.

745 [~~(H3)~~] (115) (a) "School" means a building in which any part is used for more than
746 three hours each weekday during a school year as a public or private:

747 (i) elementary school;

748 (ii) secondary school; or

749 (iii) kindergarten.

750 (b) "School" does not include:

751 (i) a nursery school;

752 (ii) a day care center;

753 (iii) a trade and technical school;

754 (iv) a preschool; or

755 (v) a home school.

756 [~~(H4)~~] (116) "Secondary flavoring ingredient" means any spirituous liquor added to a
757 beverage for additional flavoring that is different in type, flavor, or brand from the primary
758 spirituous liquor in the beverage.

759 [~~(H5)~~] (117) "Sell" or "offer for sale" means a transaction, exchange, or barter
760 whereby, for consideration, an alcoholic product is either directly or indirectly transferred,
761 solicited, ordered, delivered for value, or by a means or under a pretext is promised or
762 obtained, whether done by a person as a principal, proprietor, or as staff, unless otherwise
763 defined in this title or the rules made by the commission.

764 [~~(H6)~~] (118) "Serve" means to place an alcoholic product before an individual.

765 [~~(H7)~~] (119) "Sexually oriented entertainer" means a person who while in a state of
766 seminudity appears at or performs:

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

768 (b) on the premises of:

769 (i) a bar licensee; or

770 (ii) a tavern;

771 (c) on behalf of or at the request of the licensee described in Subsection ~~[(117)(b)]~~
772 (119)(b);

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

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

775 (i) an employee;

776 (ii) an independent contractor;

777 (iii) an agent of the licensee; or

778 (iv) a different type of classification.

779 ~~[(118)]~~ (120) "Shared seating area" means the licensed premises of two or more
780 restaurant licensees that the restaurant licensees share as an area for alcoholic beverage
781 consumption in accordance with Subsection [32B-5-207\(3\)](#).

782 ~~[(119)]~~ (121) "Single event permit" means a permit issued in accordance with Chapter
783 9, Part 3, Single Event Permit.

784 ~~[(120)]~~ (122) "Small brewer" means a brewer who manufactures less than 60,000
785 barrels of beer, heavy beer, and flavored malt beverage per year, as the department calculates
786 by:

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

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

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

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

795 ~~[(121)]~~ (123) "Small or unincorporated locality" means:

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

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

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

800 ~~[(122)]~~ (124) "Spa sublicense" means a sublicense:

- 801 (a) to a resort license or hotel license; and
- 802 (b) that the commission issues in accordance with Chapter 8d, Part 2, Spa Sublicense.
- 803 [~~(123)~~] (125) "Special use permit" means a permit issued in accordance with Chapter
- 804 10, Special Use Permit Act.
- 805 [~~(124)~~] (126) (a) "Spirituous liquor" means liquor that is distilled.
- 806 (b) "Spirituous liquor" includes an alcoholic product defined as a "distilled spirit" by
- 807 27 U.S.C. Sec. 211 and 27 C.F.R. Sec. 5.11 through 5.23.
- 808 [~~(125)~~] (127) "Sports center" is as defined by the commission by rule.
- 809 [~~(126)~~] (128) (a) "Staff" means an individual who engages in activity governed by this
- 810 title:
- 811 (i) on behalf of a business, including a package agent, licensee, permittee, or certificate
- 812 holder;
- 813 (ii) at the request of the business, including a package agent, licensee, permittee, or
- 814 certificate holder; or
- 815 (iii) under the authority of the business, including a package agent, licensee, permittee,
- 816 or certificate holder.
- 817 (b) "Staff" includes:
- 818 (i) an officer;
- 819 (ii) a director;
- 820 (iii) an employee;
- 821 (iv) personnel management;
- 822 (v) an agent of the licensee, including a managing agent;
- 823 (vi) an operator; or
- 824 (vii) a representative.
- 825 [~~(127)~~] (129) "State of nudity" means:
- 826 (a) the appearance of:
- 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; or
- 831 (b) a state of dress that fails to opaquely cover:

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

833 (ii) a human genital;

834 (iii) a human pubic area; or

835 (iv) a human anus.

836 ~~[(128)]~~ (130) "State of seminudity" means a state of dress in which opaque clothing
837 covers no more than:

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

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

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

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

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

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

845 ~~[(129)]~~ (131) (a) "State store" means a facility for the sale of packaged liquor:

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

847 (ii) operated by a state employee.

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

849 (i) a package agency;

850 (ii) a licensee; or

851 (iii) a permittee.

852 ~~[(130)]~~ (132) (a) "Storage area" means an area on licensed premises where the licensee
853 stores an alcoholic product.

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

855 ~~[(131)]~~ (133) "Sublicense" means:

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

858 (i) a full-service restaurant license;

859 (ii) a limited-service restaurant license;

860 (iii) a bar establishment license;

861 (iv) an on-premise banquet license;

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

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

864 (vii) a hospitality amenity license; or

865 (b) a spa sublicense.

866 [~~(132)~~] (134) "Supplier" means a person who sells an alcoholic product to the

867 department.

868 [~~(133)~~] (135) "Tavern" means an on-premise beer retailer who is:

869 (a) issued a license by the commission in accordance with Chapter 5, Retail License

870 Act, and Chapter 6, Part 7, On-Premise Beer Retailer License; and

871 (b) designated by the commission as a tavern in accordance with Chapter 6, Part 7,

872 On-Premise Beer Retailer License.

873 [~~(134)~~] (136) "Temporary beer event permit" means a permit issued in accordance with

874 Chapter 9, Part 4, Temporary Beer Event Permit.

875 [~~(135)~~] (137) "Temporary domicile" means the principal place of abode within Utah of

876 a person who does not have a present intention to continue residency within Utah permanently

877 or indefinitely.

878 [~~(136)~~] (138) "Translucent" means a substance that allows light to pass through, but

879 does not allow an object or person to be seen through the substance.

880 [~~(137)~~] (139) "Unsaleable liquor merchandise" means a container that:

881 (a) is unsaleable because the container is:

882 (i) unlabeled;

883 (ii) leaky;

884 (iii) damaged;

885 (iv) difficult to open; or

886 (v) partly filled;

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

888 (ii) has contents that are:

889 (A) cloudy;

890 (B) spoiled; or

891 (C) chemically determined to be impure; or

892 (iii) contains:

893 (A) sediment; or

894 (B) a foreign substance; or
895 (c) is otherwise considered by the department as unfit for sale.
896 [~~138~~] (140) (a) "Wine" means an alcoholic product obtained by the fermentation of
897 the natural sugar content of fruits, plants, honey, or milk, or other like substance, whether or
898 not another ingredient is added.
899 (b) "Wine" includes:
900 (i) an alcoholic beverage defined as wine under 27 U.S.C. Sec. 211 and 27 C.F.R. Sec.
901 4.10; and
902 (ii) hard cider.
903 (c) "Wine" is considered liquor for purposes of this title, except as otherwise provided
904 in this title.
905 [~~139~~] (141) "Winery manufacturing license" means a license issued in accordance
906 with Chapter 11, Part 3, Winery Manufacturing License.
907 Section 2. Section **32B-1-202.1** is amended to read:
908 **32B-1-202.1. Proximity for certain hotel and arena licensees.**
909 (1) As used in this section, "hotel" means the same as that term is defined in Section
910 [32B-8b-102](#).
911 (2) The commission may issue a hotel license for a proposed location that does not
912 meet the proximity requirements under Section [32B-1-202](#), if:
913 (a) the proposed hotel is:
914 (i) located in a city classified as a city of the first class under Section [10-2-301](#);
915 (ii) within [~~600~~] 650 feet of two community locations, as measured from the nearest
916 patron entrance of the proposed hotel by following the shortest route of ordinary pedestrian
917 travel to the property boundary of each community location;
918 (iii) not within 300 feet of a community location, as measured from the nearest patron
919 entrance of the proposed hotel by following the shortest route of ordinary pedestrian travel to
920 the property boundary of the community location; and
921 (iv) not within 200 feet of a community location, as measured in a straight line from
922 the nearest patron entrance of the proposed hotel to the nearest property boundary of the
923 community location;
924 (b) the proposed sublicensed premises of a bar establishment sublicense under the hotel

925 license:

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

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

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

930 (c) the applicant meets all other criteria under this title for the hotel license.

931 (3) The commission may issue authority to operate as a package agency to a hotel
932 licensee who meets the requirements described in Subsection (2).

933 (4) (a) The commission may issue an arena license for a proposed location that does
934 not meet the proximity requirements described in Section 32B-1-202, if, on the day before the
935 day on which the commission issues the license, each proposed sublicense of the arena license:

936 (i) operates as an outlet or restaurant; and

937 (ii) (A) operates on the proposed sublicense premises under a variance to one or more
938 proximity requirements in accordance with Section 32B-1-202; or

939 (B) has been in operation on the proposed sublicense premises for at least 10 years.

940 (b) After the commission issues an arena license in accordance with Subsection (4)(a),
941 the commission may not issue the arena licensee an additional sublicense.

942 Section 3. Section 32B-1-304 is amended to read:

943 **32B-1-304. Qualifications for a package agency, license, or permit -- Minors.**

944 (1) (a) Except as provided in Subsection (7), the commission may not issue a package
945 agency, license, or permit to a person who has been convicted of:

946 (i) within seven years before the day on which the commission issues the package
947 agency, license, or permit, a felony under a federal law or state law;

948 (ii) within four years before the day on which the commission issues the package
949 agency, license, or permit:

950 (A) a violation of a federal law, state law, or local ordinance concerning the sale, offer
951 for sale, warehousing, manufacture, distribution, transportation, or adulteration of an alcoholic
952 product; or

953 (B) a crime involving moral turpitude; or

954 (iii) on two or more occasions within the five years before the day on which the
955 package agency, license, or permit is issued, driving under the influence of alcohol, drugs, or

956 the combined influence of alcohol and drugs.

957 (b) If the person is a partnership, corporation, or limited liability company, the
958 proscription under Subsection (1)(a) applies if any of the following has been convicted of an
959 offense described in Subsection (1)(a):

960 (i) a partner;

961 (ii) a managing agent;

962 (iii) a manager;

963 (iv) an officer;

964 (v) a director;

965 (vi) a stockholder who holds at least 20% of the total issued and outstanding stock of
966 the corporation; or

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

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

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

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

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

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

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

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

985 (3) Except as described in Section [32B-8-501](#), the director may take emergency action
986 by immediately suspending the operation of the package agency, licensee, or permittee for the

987 period during which a criminal matter is being adjudicated if a person described in Subsection
988 (1):

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

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

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

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

998 (ii) The commission may not issue a package agency, license, or permit to a
999 partnership, corporation, or limited liability company if a partner, managing agent, manager,
1000 officer, director, stockholder who holds at least 20% of the total issued and outstanding stock
1001 of the corporation, or member who owns at least 20% of the limited liability company is or
1002 was:

1003 (A) a partner or managing agent of a partnership that had any type of agency, license,
1004 or permit issued under this title revoked within the last three years;

1005 (B) a managing agent, officer, director, or stockholder who holds or held at least 20%
1006 of the total issued and outstanding stock of any corporation that had any type of agency,
1007 license, or permit issued under this title revoked within the last three years; or

1008 (C) a manager or member who owns or owned at least 20% of a limited liability
1009 company that had any type of agency, license, or permit issued under this title revoked within
1010 the last three years.

1011 (b) The commission may not issue a package agency, [~~license~~] license, or permit to a
1012 partnership, corporation, or limited liability company if any of the following had any type of
1013 agency, license, or permit issued under this title revoked while acting in that person's individual
1014 capacity within the last three years:

1015 (i) a partner or managing agent of a partnership;

1016 (ii) a managing agent, officer, director, or stockholder who holds at least 20% of the
1017 total issued and outstanding stock of a corporation; or

1018 (iii) a manager or member who owns at least 20% of a limited liability company.

1019 (c) The commission may not issue a package agency, license, or permit to a person
1020 acting in an individual capacity if that person was:

1021 (i) a partner or managing agent of a partnership that had any type of agency, license, or
1022 permit issued under this title revoked within the last three years;

1023 (ii) a managing agent, officer, director, or stockholder who held at least 20% of the
1024 total issued and outstanding stock of a corporation that had any type of agency, license, or
1025 permit issued under this title revoked within the last three years; or

1026 (iii) a manager or member who owned at least 20% of the limited liability company
1027 that had any type of agency, license, or permit issued under this title revoked within the last
1028 three years.

1029 (5) (a) The commission may not issue a package agency, license, or permit to a minor.

1030 (b) The commission may not issue a package agency, license, or permit to a
1031 partnership, corporation, or limited liability company if any of the following is a minor:

1032 (i) a partner or managing agent of the partnership;

1033 (ii) a managing agent, officer, director, or stockholder who holds at least 20% of the
1034 total issued and outstanding stock of the corporation; or

1035 (iii) a manager or member who owns at least 20% of the limited liability company.

1036 (c) For purposes of Subsection (5)(b), the commission may not consider a minor's
1037 position with or ownership interest in an entity that has an ownership interest in the entity that
1038 is applying for the package agency, license, or permit unless the minor would exercise direct
1039 decision making control over the package agency, license, or permit.

1040 (6) Except as described in Section 32B-8-501, if a package agent, licensee, or permittee
1041 no longer possesses the qualifications required by this title for obtaining a package agency,
1042 license, or permit, the commission may terminate the package agency agreement, or revoke the
1043 license or permit.

1044 (7) (a) If the licensee is a resort licensee:

1045 (i) Subsection (1)(a) only applies if an individual listed in Subsection (1)(b) engages in
1046 the management of the resort, as the commission defines in rule; and

1047 (ii) Subsection (1)(c) only applies to an individual employed to act in a supervisory or
1048 managerial capacity for the resort licensee or in relation to a sublicense of the resort license.

1049 (b) If the permittee is a public service permittee under Chapter 10, Special Use Permit
1050 Act:

1051 (i) Subsection (1)(a) only applies if an individual listed in Subsection (1)(b) engages in
1052 the management of the airline, railroad, or other public conveyance, as the commission defines
1053 in rule; and

1054 (ii) Subsection (1)(c) only applies to an individual employed to act in a supervisory or
1055 managerial capacity for the public service permittee.

1056 Section 4. Section **32B-1-603** is amended to read:

1057 **32B-1-603. Power of the commission and department to classify flavored malt**
1058 **beverages.**

1059 (1) The commission and department shall regulate a flavored malt beverage as liquor.

1060 (2) (a) The department shall make available to the public on the Internet a list of the
1061 flavored malt beverages authorized to be sold in this state as liquor.

1062 (b) The list described in Subsection (2)(a) shall be updated at least quarterly.

1063 (3) (a) A manufacturer shall file, under penalty of perjury, a report with the department
1064 listing each flavored malt beverage manufactured by the manufacturer that the manufacturer
1065 wants to distribute in this state subject to the manufacturer holding:

1066 (i) a brewery manufacturing license issued in accordance with Chapter 11, Part 5,
1067 Brewery Manufacturing License; or

1068 (ii) a certificate of approval.

1069 (b) A manufacturer may not distribute or sell in this state a flavored malt beverage if
1070 the manufacturer does not list the flavored malt beverage in a filing with the department in
1071 accordance with this Subsection (3) before distributing or selling the flavored malt beverage.

1072 (4) The department may require a manufacturer of a flavored malt beverage to provide
1073 the department with a copy of the following filed with the federal Alcohol and Tobacco Tax
1074 and Trade Bureau, pursuant to 27 C.F.R. Sec. 25.55:

1075 (a) a statement of process; or

1076 (b) a formula.

1077 (5) (a) A manufacturer of an alcoholic product that the department is classifying or
1078 proposes to classify as a flavored malt beverage may submit evidence to the department that the
1079 manufacturer's alcoholic product should not be treated as ~~liquor~~ a flavored malt beverage

1080 under this section because ~~[no formula for the alcoholic product is required to be filed for a~~
1081 ~~reason described in:]~~ the alcoholic product is beer or heavy beer.

1082 ~~[(i) Subsection 32B-1-102(43)(a)(ii), as shown by a determination issued by the federal~~
1083 ~~Alcohol and Tobacco Tax and Trade Bureau; or]~~

1084 ~~[(ii) Subsection 32B-1-102(43)(a)(iii).]~~

1085 (b) The department shall review the evidence submitted by the manufacturer under this
1086 Subsection (5).

1087 (c) The department shall make available to the public on the Internet a list of the
1088 alcoholic products authorized under this Subsection (5) to be sold as beer in this state.

1089 (d) A decision of the department under this Subsection (5) may be appealed to the
1090 commission.

1091 Section 5. Section **32B-1-603.5** is enacted to read:

1092 **32B-1-603.5. Requirements for beer flavorings -- Procedure for approval.**

1093 (1) To obtain approval for use of a propylene glycol-, ethyl alcohol-, or ethanol-based
1094 flavoring agent in a beer as described in Subsection 32B-1-102(11)(b)(iii), the manufacturer of
1095 the beer shall submit an application to the department for approval.

1096 (2) The application shall require:

1097 (a) a copy of:

1098 (i) the statement of process and formula filed with the federal Alcohol and Tobacco
1099 Tax and Trade Bureau under 27 C.F.R. Sec. 25.55 for the beer; and

1100 (ii) the formula approval from the federal Alcohol and Tobacco Tax and Trade Bureau
1101 for the beer;

1102 (b) a complete list of each propylene glycol-, ethyl alcohol-, or ethanol-based flavoring
1103 agent in the beer;

1104 (c) a description of the total amount of alcohol each propylene glycol-, ethyl alcohol-,
1105 or ethanol-based flavoring agent contributes to the beer; and

1106 (d) other information required by the department to determine whether the beer meets
1107 the requirements described in Subsection 32B-1-102(11)(b)(iii).

1108 (3) The department may assess a fee established under Section 63J-1-504 for reviewing
1109 an application for approval under this section.

1110 (4) A manufacturer shall obtain the department's approval for a revision to previously

1111 approved flavoring agents used in a beer before the beer may be distributed or sold in this state.

1112 (5) (a) The department may revoke a previous approval under this section upon a

1113 finding that the beer is not in compliance with this title or rules of the commission.

1114 (b) The department shall notify the manufacturer that applied for an approval under

1115 this section at least 30 business days before the day on which the approval is revoked.

1116 (c) Within 20 business days after the day on which a manufacturer receives the notice

1117 under Subsection (5)(b), the manufacturer may present written argument or evidence to the

1118 department regarding why the revocation should not occur.

1119 (6) (a) A manufacturer that applies for approval under this section may appeal a denial

1120 or revocation of the approval to the commission.

1121 (b) During the period in which a manufacturer appeals a denial or revocation to the

1122 commission under Subsection (6)(a), the denial or revocation remains in force.

1123 Section 6. Section **32B-1-703** is amended to read:

1124 **32B-1-703. Alcohol training and education for off-premise consumption.**

1125 (1) (a) A local authority that issues an off-premise beer retailer license to a business to

1126 sell beer at retail for off-premise consumption shall require the following to have a valid record

1127 that the individual completed an alcohol training and education seminar in the time periods

1128 required by Subsection (1)(b):

1129 (i) an off-premise retail manager; or

1130 (ii) off-premise retail staff.

1131 (b) If an individual on the date the individual becomes staff to an off-premise beer

1132 retailer does not have a valid record that the individual has completed an alcohol training and

1133 education seminar for purposes of this part, the individual shall complete an alcohol training

1134 and education seminar [~~within 30 days of~~] in accordance with Section [62A-15-401](#) before the

1135 day on which the individual [~~becomes~~] begins work as staff of an off-premise beer retailer.

1136 (c) An off-premise beer retailer may not permit an individual who is not in compliance

1137 with Subsection (1)(b) to:

1138 (i) directly supervise the sale of beer to a customer for consumption off the premises of

1139 the off-premise beer retailer; or

1140 (ii) sell beer to a customer for consumption off the premises of the off-premise beer

1141 retailer.

1142 ~~[(c) Section 62A-15-401 governs the validity of a record that an individual has~~
1143 ~~completed an alcohol training and education seminar required by this part.]~~

1144 (2) A licensee that violates this section is subject to Section 32B-1-702.

1145 ~~[(2) In accordance with Section 32B-1-702, a local authority may immediately suspend~~
1146 ~~the license of an off-premise beer retailer that allows an individual to work as an off-premise~~
1147 ~~retail manager without having a valid record that the individual completed an alcohol training~~
1148 ~~and education seminar in accordance with Subsection (1).]~~

1149 Section 7. Section **32B-1-705** is amended to read:

1150 **32B-1-705. Tracking certain enforcement actions.**

1151 (1) For each violation of a provision of this title involving the sale of an alcoholic
1152 product to a minor that staff of a retail licensee or off-premise beer retailer commits, the
1153 commission shall:

1154 (a) maintain a record of the violation until the record is expunged in accordance with
1155 Subsection (3);

1156 (b) include in the record described in Subsection (1)(a):

1157 (i) the name of the individual who committed the violation;

1158 (ii) the name of the retail licensee or off-premise beer retailer; and

1159 (iii) the date of the adjudication of the violation; and

1160 (c) provide the information described in Subsection (1)(b) to the Department of Public
1161 Safety within 30 days after the day on which the violation is adjudicated.

1162 (2) (a) The Department of Public Safety shall develop and operate a system to collect,
1163 analyze, maintain, track, and disseminate the information that the Department of Public Safety
1164 receives in accordance with Subsection (1).

1165 (b) The Department of Public Safety shall make the system described in Subsection
1166 (2)(a) available to:

1167 (i) assist the commission in assessing penalties under this title; and

1168 (ii) inform a retail licensee or off-premise beer retailer of an individual who has a
1169 violation history in the system.

1170 (3) The commission and the Department of Public Safety shall expunge each record in
1171 the system described in Subsection (2) that relates to an individual if the individual does not
1172 violate a provision of this title related to the sale of an alcoholic product to a minor for a period

1173 of 36 consecutive months from the day on which the individual's last violation related to the
1174 sale of an alcoholic product to a minor was adjudicated.

1175 Section 8. Section **32B-2-202** is amended to read:

1176 **32B-2-202. Powers and duties of the commission.**

1177 (1) The commission shall:

1178 (a) consistent with the policy established by the Legislature by statute, act as a general
1179 policymaking body on the subject of alcoholic product control;

1180 (b) adopt and issue policies, rules, and procedures;

1181 (c) set policy by written rules that establish criteria and procedures for:

1182 (i) issuing, denying, not renewing, suspending, or revoking a package agency, license,
1183 permit, or certificate of approval; and

1184 (ii) determining the location of a state store, package agency, or retail licensee;

1185 (d) decide within the limits, and under the conditions imposed by this title, the number
1186 and location of state stores, package agencies, and retail licensees in the state;

1187 (e) issue, deny, suspend, revoke, or not renew the following package agencies, licenses,
1188 sublicenses, permits, or certificates of approval for the purchase, storage, sale, offer for sale,
1189 furnishing, consumption, manufacture, and distribution of an alcoholic product:

1190 (i) a package agency;

1191 (ii) a full-service restaurant license;

1192 (iii) a master full-service restaurant license;

1193 (iv) a limited-service restaurant license;

1194 (v) a master limited-service restaurant license;

1195 (vi) a bar establishment license;

1196 (vii) an airport lounge license;

1197 (viii) an on-premise banquet license;

1198 (ix) a resort license, which includes four or more sublicenses;

1199 (x) an on-premise beer retailer license;

1200 (xi) a reception center license;

1201 (xii) a beer-only restaurant license;

1202 (xiii) a hotel license, which includes three or more sublicenses;

1203 (xiv) an arena license, which includes three or more sublicenses;

- 1204 (xv) a hospitality amenity license;
- 1205 (xvi) subject to Subsection (5), a single event permit;
- 1206 (xvii) subject to Subsection (5), a temporary beer event permit;
- 1207 (xviii) a special use permit;
- 1208 (xix) a manufacturing license;
- 1209 (xx) a liquor warehousing license;
- 1210 (xxi) a beer wholesaling license;
- 1211 (xxii) a liquor transport license;
- 1212 (xxiii) an off-premise beer retailer state license;
- 1213 (xxiv) a master off-premise beer retailer state license;
- 1214 (xxv) one of the following that holds a certificate of approval:
 - 1215 (A) an out-of-state brewer;
 - 1216 (B) an out-of-state importer of beer, heavy beer, or flavored malt beverages; and
 - 1217 (C) an out-of-state supplier of beer, heavy beer, or flavored malt beverages; and
- 1218 (xxvi) a spa sublicense;
- 1219 (f) issue, deny, suspend, or revoke the following conditional licenses:
 - 1220 (i) a conditional retail license as defined in Section [32B-5-205](#); and
 - 1221 (ii) a conditional off-premise beer retailer state license as defined in Section
 - 1222 [32B-7-406](#);
- 1223 (g) prescribe the duties of the department in assisting the commission in issuing a
- 1224 package agency, license, permit, or certificate of approval under this title;
- 1225 (h) to the extent a fee is not specified in this title, establish a fee allowed under this title
- 1226 in accordance with Section [63J-1-504](#);
- 1227 (i) fix prices at which liquor is sold that are the same at all state stores, package
- 1228 agencies, and retail licensees;
- 1229 (j) issue and distribute price lists showing the price to be paid by a purchaser for each
- 1230 class, variety, or brand of liquor kept for sale by the department;
- 1231 (k) (i) require the director to follow sound management principles; and
- 1232 (ii) require periodic reporting from the director to ensure that:
 - 1233 (A) sound management principles are being followed; and
 - 1234 (B) policies established by the commission are being observed;

1235 (l) (i) receive, consider, and act in a timely manner upon the reports, recommendations,
1236 and matters submitted by the director to the commission; and

1237 (ii) do the things necessary to support the department in properly performing the
1238 department's duties;

1239 (m) obtain temporarily and for special purposes the services of an expert or person
1240 engaged in the practice of a profession, or a person who possesses a needed skill if:

1241 (i) considered expedient; and

1242 (ii) approved by the governor;

1243 (n) prescribe by rule the conduct, management, and equipment of premises upon which
1244 an alcoholic product may be stored, sold, offered for sale, furnished, or consumed;

1245 (o) make rules governing the credit terms of beer sales within the state to retail
1246 licensees; and

1247 (p) in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, take
1248 disciplinary action against a person subject to administrative action.

1249 (2) Consistent with the policy established by the Legislature by statute, the power of
1250 the commission to do the following is plenary, except as otherwise provided by this title, and
1251 not subject to review:

1252 (a) establish a state store;

1253 (b) issue authority to act as a package agent or operate a package agency; and

1254 (c) issue, deny, or deem forfeit a license, permit, or certificate of approval.

1255 (3) (a) Subject to ~~[Subsection]~~ Subsections (3)(b) and (c), the commission may~~[-(i)]~~
1256 make rules permitting and establishing the parameters of a late license renewal~~[-and]~~.

1257 ~~[(ii) establish a fee, in accordance with Section 63J-1-504, for a late license renewal.]~~

1258 (b) The commission may not allow for the late renewal of a license after the later of:

1259 (i) the tenth day of the month after the month in which the license type is required to be
1260 renewed; or

1261 (ii) if the tenth day of the month after the month in which the license type is required to
1262 be renewed falls on a Saturday, Sunday, or state or federal holiday, the first business day after
1263 the Saturday, Sunday, or holiday.

1264 (c) The fee for a late license renewal is \$300.

1265 (4) If the commission is authorized or required to make a rule under this title, the

1266 commission shall make the rule in accordance with Title 63G, Chapter 3, Utah Administrative
1267 Rulemaking Act.

1268 (5) Notwithstanding Subsections (1)(e)(xvi) and (xvii), the director or deputy director
1269 may issue an event permit in accordance with Chapter 9, Event Permit Act.

1270 Section 9. Section **32B-2-303** is amended to read:

1271 **32B-2-303. Purchase of liquor.**

1272 [~~(1)~~The]

1273 (1) (a) Except as provided in Subsection (1)(b), the department may not purchase or
1274 stock spirituous liquor in a container smaller than 200 milliliters[~~,- except as otherwise allowed~~
1275 ~~by the commission].~~

1276 (b) (i) The department may purchase or stock spirituous liquor in a container smaller
1277 than 200 milliliters for the purpose of furnishing the spirituous liquor to a public service
1278 permittee issued a permit under Chapter 10, Part 3, Public Service Permit.

1279 (ii) The department may only furnish spirituous liquor in a container smaller than 200
1280 milliliters to a public service permittee issued a permit under Chapter 10, Part 3, Public Service
1281 Permit.

1282 (2) (a) An order by the department for the purchase of liquor, or a cancellation by the
1283 department of an order of liquor:

1284 (i) shall be executed in writing by the department; and

1285 (ii) is not valid or binding unless executed in writing.

1286 (b) The department shall maintain a copy of an order or cancellation on file for at least
1287 three years.

1288 (c) An electronic record satisfies Subsections (2)(a) and (b) pursuant to Title 46,
1289 Chapter 4, Uniform Electronic Transactions Act.

1290 Section 10. Section **32B-4-202** is amended to read:

1291 **32B-4-202. Duties to enforce this title.**

1292 [~~(1)~~] It is the duty of the following to diligently enforce this title in their respective
1293 capacities:

1294 [~~(a)~~] (1) the governor;

1295 [~~(b)~~] (2) a commissioner;

1296 [~~(c)~~] (3) the director;

- 1297 [(d)] (4) an official, inspector, or department employee;
- 1298 [(e)] (5) a prosecuting official of the state or its political subdivisions;
- 1299 [(f)] (6) a county, city, town, or metro township;
- 1300 [(g)] (7) a peace officer, sheriff, deputy sheriff, constable, marshal, or law enforcement
- 1301 official;
- 1302 [(h)] (8) a state health official; and
- 1303 [(i)] (9) a clerk of the court.

1304 ~~[(2) Immediately upon conviction of a person for violation of this title or of a local~~
 1305 ~~ordinance relating to an alcoholic product, it is the duty of the clerk of the court to notify the~~
 1306 ~~department of the conviction in writing on forms supplied by the department.]~~

1307 Section 11. Section **32B-4-418** is amended to read:

1308 **32B-4-418. Unlawful storage.**

1309 It is unlawful for a person to store:

- 1310 (1) liquor on premises for which the person is authorized to sell beer for on-premise
- 1311 consumption, but for which the person is not licensed under this title to sell liquor[-]; or
- 1312 (2) an alcoholic beverage for sale on premises for which the person is not licensed or
- 1313 otherwise authorized under this title to sell the alcoholic beverage.

1314 Section 12. Section **32B-5-304** is amended to read:

1315 **32B-5-304. Portions in which alcoholic product may be sold.**

1316 (1) (a) A retail licensee may sell, offer for sale, or furnish spirituous liquor that is a

1317 primary spirituous liquor only in a quantity that does not exceed 1.5 ounces per beverage

1318 dispensed through a calibrated metered dispensing system approved by the department in

1319 accordance with commission rules adopted under this title.

1320 (b) A retail license is not required to dispense spirituous liquor through a calibrated

1321 metered dispensing system if the spirituous liquor is:

- 1322 (i) a secondary flavoring ingredient;
- 1323 (ii) used as a flavoring on a dessert; or
- 1324 (iii) used to set aflame a food dish, drink, or dessert.

1325 (c) A retail licensee that dispenses spirituous liquor that is a secondary flavoring

1326 ingredient shall:

- 1327 (i) designate a location where the retail licensee stores secondary flavoring ingredients

1328 on the floor plan the retail licensee submits to the department; and

1329 (ii) clearly and conspicuously label each secondary flavoring ingredient's container
1330 "flavorings".

1331 (d) A patron may have no more than 2.5 ounces of spirituous liquor at a time.

1332 (2) (a) (i) A retail licensee may sell, offer for sale, or furnish wine by the glass or in an
1333 individual portion that does not exceed 5 ounces per glass or individual portion.

1334 (ii) A retail licensee may sell, offer for sale, or furnish an individual portion of wine to
1335 a patron in more than one glass if the total amount of wine does not exceed 5 ounces.

1336 (b) (i) A retail licensee may sell, offer for sale, or furnish wine in a container not
1337 exceeding 1.5 liters at a price fixed by the commission to a table of four or more persons.

1338 (ii) A retail licensee may sell, offer for sale, or furnish wine in a container not to
1339 exceed 750 milliliters at a price fixed by the commission to a table of less than four persons.

1340 ~~[(3)]~~ (c) Notwithstanding Subsections (2)(a) and (b), a retail licensee may sell, offer for
1341 sale, or furnish hard cider that contains no more than 5% of alcohol by volume in a sealed
1342 container not to exceed 16 ounces.

1343 (3) A retail licensee may sell, offer for sale, or furnish heavy beer in an original
1344 container at a price fixed by the commission, except that the original container may not exceed
1345 one liter.

1346 (4) A retail licensee may sell, offer for sale, or furnish a flavored malt beverage in an
1347 original container at a price fixed by the commission, except that the original container may not
1348 exceed one liter.

1349 (5) (a) (i) Subject to Subsection (5)(a)(ii), a retail licensee may sell, offer for sale, or
1350 furnish beer for on-premise consumption:

1351 (A) in an open original container; and

1352 (B) in a container on draft.

1353 (ii) A retail licensee may not sell, offer for sale, or furnish beer under Subsection
1354 (5)(a)(i):

1355 (A) in a size of container that exceeds two liters; or

1356 (B) to an individual patron in a size of container that exceeds one liter.

1357 (b) A retail licensee may sell, offer for sale, or furnish beer for off-premise
1358 consumption:

- 1359 (i) in a sealed container; and
- 1360 (ii) in a size of container that does not exceed two liters.
- 1361 (c) A retail licensee may sell, offer for sale, or furnish a flight of beer to an individual
- 1362 patron if the total amount of beer does not exceed 16 ounces.

1363 Section 13. Section **32B-5-309** is amended to read:

1364 **32B-5-309. Ceasing operation.**

1365 (1) Except as provided in Subsection (8), a retail licensee may not close or cease

1366 operation for a period longer than 240 hours, unless:

1367 (a) the retail licensee notifies the department in writing at least seven days before the

1368 day on which the retail licensee closes or ceases operation; and

1369 (b) the closure or cessation of operation is first approved by the department.

1370 (2) Notwithstanding Subsection (1), in the case of emergency closure, a retail licensee

1371 shall immediately notify the department by telephone.

1372 (3) (a) The department may authorize an initial closure or cessation of operation of a

1373 retail licensee for a period not to exceed 60 days.

1374 (b) Upon written request of the retail licensee and a showing of good cause, the

1375 department may extend the initial period described in Subsection (3)(a) for a period not to

1376 exceed the greater of:

1377 (i) 30 days; or

1378 (ii) the number of days until the day on which the commission holds the commission's

1379 next regularly scheduled meeting.

1380 (4) A closure or cessation of operation may not exceed the time limits described in

1381 Subsection (3) without commission approval.

1382 (5) A notice required under this section shall include:

1383 (a) the dates of closure or cessation of operation;

1384 (b) the reason for the closure or cessation of operation; and

1385 (c) the date on which the retail licensee will reopen or resume operation.

1386 (6) ~~[Failure of]~~ If a retail licensee fails to provide notice and to obtain department

1387 approval before closure or cessation of operation [results in an automatic forfeiture of], the

1388 commission may:

1389 (a) suspend, revoke, or deem forfeited the retail license; ~~[and]~~ or

1390 (b) deem the unused portion of the retail license fee for the remainder of the retail
1391 license year ~~[effective immediately]~~ forfeited.

1392 (7) ~~[Failure of]~~ If a retail licensee fails to reopen or resume operation by the [approved
1393 ~~date results in an automatic forfeiture of]~~ date approved under Subsections (3) and (4), the
1394 commission may:

1395 (a) suspend, revoke, or deem forfeited the retail license; ~~[and]~~ or

1396 (b) deem the unused portion of the retail license fee for the remainder of the retail
1397 license year forfeited.

1398 (8) This section does not apply to:

1399 (a) an on-premise beer retailer who is not a tavern;

1400 (b) an airport lounge licensee; or

1401 (c) a hospitality amenity licensee.

1402 (9) For purposes of this section, the department may not base a determination that a
1403 retail licensee has ceased operation solely upon the retail licensee's lack of sales.

1404 Section 14. Section **32B-6-205.2** is amended to read:

1405 **32B-6-205.2. Specific operational requirements for a full-service restaurant**
1406 **license -- On and after July 1, 2018, or July 1, 2022.**

1407 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
1408 Requirements, a full-service restaurant licensee and staff of the full-service restaurant licensee
1409 shall comply with this section.

1410 (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in
1411 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

1412 (i) a full-service restaurant licensee;

1413 (ii) individual staff of a full-service restaurant licensee; or

1414 (iii) both a full-service restaurant licensee and staff of the full-service restaurant
1415 licensee.

1416 (2) (a) An individual who serves an alcoholic product in a full-service restaurant
1417 licensee's premises shall make a beverage tab for each table or group that orders or consumes
1418 an alcoholic product on the premises.

1419 (b) A beverage tab described in this Subsection (2) shall state the type and amount of
1420 each alcoholic product ordered or consumed.

1421 (3) A full-service restaurant licensee may not make an individual's willingness to serve
1422 an alcoholic product a condition of employment with a full-service restaurant licensee.

1423 (4) (a) A full-service restaurant licensee may sell, offer for sale, or furnish liquor at the
1424 licensed premises during the following time periods only:

1425 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or

1426 (ii) on a weekend or a state or federal legal holiday or for a private event, during the
1427 period that begins at 10:30 a.m. and ends at 11:59 p.m.

1428 (b) A full-service restaurant licensee may sell, offer for sale, or furnish beer at the
1429 licensed premises during the following time periods only:

1430 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

1431 (ii) on a weekend or a state or federal legal holiday or for a private event, during the
1432 period that begins at 10:30 a.m. and ends at 12:59 a.m.

1433 (5) (a) A full-service restaurant licensee may not furnish an alcoholic product for
1434 on-premise consumption except after:

1435 (i) the patron to whom the full-service restaurant licensee furnishes the alcoholic
1436 product is seated at:

1437 (A) a table that is located in a dining area or a dispensing area;

1438 (B) a counter that is located in a dining area or a dispensing area; or

1439 (C) a dispensing structure that is located in a dispensing area; and

1440 (ii) the full-service restaurant licensee confirms that the patron intends to:

1441 (A) order food prepared, sold, and furnished at the licensed premises; and

1442 (B) except as provided in Subsection (5)(b), consume the food at the same location
1443 where the patron is seated and furnished the alcoholic product.

1444 (b) (i) While a patron waits for a seat at a table or counter in the dining area of a
1445 full-service restaurant licensee, the full-service restaurant licensee may sell, offer for sale, or
1446 furnish to the patron one drink that contains a single portion of an alcoholic product as
1447 described in Section [32B-5-304](#) if:

1448 (A) the patron is in a dispensing area and seated at a table, counter, or dispensing
1449 structure; and

1450 (B) the full-service restaurant licensee first confirms that after the patron is seated in
1451 the dining area, the patron intends to order food prepared, sold, and furnished at the licensed

1452 premises.

1453 ~~[(ii)–H]~~

1454 (ii) (A) Subject to Subsection (5)(b)(ii)(B), if the patron does not finish the patron's
1455 alcoholic product before moving to a seat in the dining area, [an employee of the full-service
1456 restaurant licensee who is qualified to sell and serve an alcoholic product under Section
1457 32B-5-306 shall] the patron may transport any unfinished portion of the patron's alcoholic
1458 product to the patron's seat in the dining area.

1459 (B) An employee of the full-service restaurant licensee shall escort a patron who
1460 transports an unfinished portion of the patron's alcoholic product to the patron's seat in the
1461 dining area.

1462 (iii) For purposes of Subsection (5)(b)(i) a single portion of wine is five ounces or less.

1463 (c) Notwithstanding Section 32B-5-307, a full-service restaurant licensee may not
1464 furnish beer for off-premise consumption except after the patron consumes on the licensed
1465 premises food prepared, sold, and furnished at the licensed premises.

1466 (d) A full-service restaurant licensee shall maintain on the licensed premises adequate
1467 culinary facilities for food preparation and dining accommodations.

1468 (6) A patron may consume an alcoholic product on the full-service restaurant licensee's
1469 licensed premises only if the patron is seated at:

1470 (a) a table that is located in a dining area or dispensing area;

1471 (b) a counter that is located in a dining area or dispensing area; or

1472 (c) a dispensing structure located in a dispensing area.

1473 (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have
1474 more than two alcoholic products of any kind at a time before the patron.

1475 (b) A patron may not have more than one spirituous liquor drink at a time before the
1476 patron.

1477 (c) An individual portion of wine is considered to be one alcoholic product under
1478 Subsection (7)(a).

1479 (8) In accordance with the provisions of this section, an individual who is at least 21
1480 years old may consume food and beverages in a dispensing area.

1481 (9) (a) Except as provided in Subsection (9)(b), a minor may not sit, remain, or
1482 consume food or beverages in a dispensing area.

1483 (b) (i) A minor may be in a dispensing area if the minor is:

1484 (A) at least 16 years old and working as an employee of the full-service restaurant
1485 licensee; or

1486 (B) performing maintenance and cleaning services as an employee of the full-service
1487 restaurant licensee when the full-service restaurant licensee is not open for business.

1488 (ii) If there is no alternative route available, a minor may momentarily pass through a
1489 dispensing area without remaining or sitting in the dispensing area en route to an area of the
1490 full-service restaurant licensee's premises in which the minor is permitted to be.

1491 (10) Except as provided in Subsection [32B-5-307\(3\)](#), a full-service restaurant licensee
1492 may dispense an alcoholic product only if:

1493 (a) the alcoholic product is dispensed from:

1494 (i) a dispensing structure that is located in a dispensing area;

1495 (ii) an area that is:

1496 (A) separated from an area for the consumption of food by a patron by a solid,
1497 translucent, permanent structural barrier such that the facilities for the dispensing of an
1498 alcoholic product are not readily visible to a patron and not accessible by a patron; and

1499 (B) apart from an area used for dining, for staging, or as a waiting area; or

1500 (iii) the premises of a bar licensee that is:

1501 (A) owned by the same person or persons as the full-service restaurant licensee; and

1502 (B) located immediately adjacent to the premises of the full-service restaurant licensee;

1503 and

1504 (b) any instrument or equipment used to dispense alcoholic product is located in an
1505 area described in Subsection (10)(a).

1506 (11) (a) A full-service restaurant licensee may have more than one dispensing area in
1507 the licensed premises.

1508 (b) Each dispensing area in a licensed premises may satisfy the requirements for a
1509 dispensing area under Subsection [32B-6-202\(2\)\(a\)\(i\)](#), (ii), or (iii), regardless of how any other
1510 dispensing area in the licensed premises satisfies the requirements for a dispensing area.

1511 (12) A full-service restaurant licensee may not:

1512 (a) transfer, dispense, or serve an alcoholic product on or from a movable cart; or

1513 (b) display an alcoholic product or a product intended to appear like an alcoholic

1514 product by moving a cart or similar device around the licensed premises.

1515 (13) A full-service restaurant licensee may state in a food or alcoholic product menu a
1516 charge or fee made in connection with the sale, service, or consumption of liquor, including:

1517 (a) a set-up charge;

1518 (b) a service charge; or

1519 (c) a chilling fee.

1520 (14) (a) In addition to the requirements described in Section 32B-5-302, a full-service
1521 restaurant licensee shall maintain each of the following records for at least three years:

1522 (i) a record required by Section 32B-5-302; and

1523 (ii) a record that the commission requires a full-service restaurant licensee to use or
1524 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative
1525 Rulemaking Act.

1526 (b) The department shall audit the records of a full-service restaurant licensee at least
1527 once annually.

1528 (15) A full-service restaurant licensee may lease to a patron of the full-service
1529 restaurant licensee a locked storage space:

1530 (a) that the commission considers proper for the storage of wine; and

1531 (b) for the storage of wine that:

1532 (i) the patron purchases from the full-service restaurant licensee; and

1533 (ii) only the full-service restaurant licensee or staff of the full-service restaurant
1534 licensee may remove from the locker for the patron's use in accordance with this title,
1535 including:

1536 (A) service and consumption on licensed premises as described in Section 32B-5-306;

1537 or

1538 (B) removal from the full-service retail licensee's licensed premises in accordance with
1539 Section 32B-5-307.

1540 Section 15. Section 32B-6-206 is amended to read:

1541 **32B-6-206. Master full-service restaurant license.**

1542 (1) (a) The commission may issue a master full-service restaurant license that
1543 authorizes a person to store, sell, offer for sale, furnish, or allow the consumption of an
1544 alcoholic product on premises at multiple locations as full-service restaurants if the person

1545 applying for the master full-service restaurant license:

1546 (i) owns each of the full-service restaurants;

1547 (ii) except for the fee requirements, establishes to the satisfaction of the commission
1548 that each location of a full-service restaurant under the master full-service restaurant license
1549 separately meets the requirements of this part; and

1550 (iii) the master full-service restaurant license includes at least five full-service
1551 restaurant locations.

1552 (b) The person seeking a master full-service restaurant license shall designate which
1553 full-service restaurant locations the person seeks to have under the master full-service
1554 restaurant license.

1555 (c) A full-service restaurant location under a master full-service restaurant license is
1556 considered separately licensed for purposes of this title, except as provided in this section.

1557 (2) A master full-service restaurant license and each location designated under
1558 Subsection (1) are considered a single full-service restaurant license for purposes of Subsection
1559 [32B-6-203\(3\)\(a\)](#).

1560 (3) (a) A master full-service restaurant license expires on October 31 of each year.

1561 (b) To renew a person's master full-service restaurant license, a person shall comply
1562 with the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1563 September 30.

1564 (4) (a) The nonrefundable application fee for a master full-service restaurant license is
1565 \$330.

1566 (b) (i) The initial license fee for a master full-service restaurant license is ~~[\$10,000]~~
1567 \$5,000 plus a separate initial license fee for each newly licensed full-service restaurant license
1568 under the master full-service restaurant license determined in accordance with Subsection
1569 [32B-6-204\(3\)\(b\)](#).

1570 (ii) The department may prorate the \$5,000 initial license fee based on the number of
1571 months out of a year the master full-service restaurant licensee is licensed before the day on
1572 which the master full-service restaurant license expires.

1573 (c) ~~[The renewal fee for a]~~ To renew a master full-service restaurant license ~~[is \$1,000~~
1574 ~~plus a]~~ the master full-service restaurant licensee shall pay a separate renewal fee for each
1575 full-service license under the master full-service restaurant license determined in accordance

1576 with Subsection 32B-6-204(3)(c).

1577 (5) A new location may be added to a master full-service restaurant license after the
1578 master full-service restaurant license is issued if:

1579 (a) the master full-service restaurant licensee pays a nonrefundable application fee of
1580 \$330; and

1581 (b) including payment of the initial license fee, the location separately meets the
1582 requirements of this part.

1583 (6) (a) A master full-service restaurant licensee shall notify the department of a change
1584 in the persons managing a location covered by a master full-service restaurant license:

1585 (i) immediately, if the management personnel is not management personnel at a
1586 location covered by the master full-service restaurant licensee at the time of the change; or

1587 (ii) within 30 days of the change, if the master full-service restaurant licensee is
1588 transferring management personnel from one location to another location covered by the master
1589 full-service restaurant licensee.

1590 (b) A location covered by a master full-service restaurant license shall keep [its] the
1591 location's own records on [its] the location's premises so that the department may audit the
1592 records.

1593 (c) A master full-service restaurant licensee may not transfer alcoholic products
1594 between different locations covered by the master full-service restaurant license.

1595 (7) [(a)] If there is a violation of this title at a location covered by a master full-service
1596 restaurant license, the violation may result in disciplinary action in accordance with Chapter 3,
1597 Disciplinary Actions and Enforcement Act, against:

1598 [(i)] (a) the single location under a master full-service restaurant license;

1599 [(ii)] (b) individual staff of the location under the master full-service restaurant license;

1600 or

1601 [(iii)] (c) a combination of persons or locations described in Subsections (7)(a)(i) and
1602 (ii).

1603 [~~(b) In addition to disciplinary action under Subsection (7)(a), disciplinary action in~~
1604 ~~accordance with Chapter 3, Disciplinary Actions and Enforcement Act, may be taken against a~~
1605 ~~master full-service restaurant licensee or individual staff of the master full-service restaurant~~
1606 ~~licensee if during a period beginning on November 1 and ending October 31.]~~

1607 ~~[(i) at least 25% of the locations covered by the master full-service restaurant license~~
1608 ~~have been found by the commission to have committed a serious or grave violation of this title,~~
1609 ~~as defined by rule made by the commission; or]~~

1610 ~~[(ii) at least 50% of the locations covered by the master full-service restaurant license~~
1611 ~~have been found by the commission to have violated this title.]~~

1612 (8) The commission may make rules, in accordance with Title 63G, Chapter 3, Utah
1613 Administrative Rulemaking Act, to establish how a person may apply for a master full-service
1614 restaurant license under this section.

1615 Section 16. Section **32B-6-305.2** is amended to read:

1616 **32B-6-305.2. Specific operational requirements for a limited-service restaurant**
1617 **license -- On and after July 1, 2018, or July 1, 2022.**

1618 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
1619 Requirements, a limited-service restaurant licensee and staff of the limited-service restaurant
1620 licensee shall comply with this section.

1621 (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in
1622 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

1623 (i) a limited-service restaurant licensee;

1624 (ii) individual staff of a limited-service restaurant licensee; or

1625 (iii) both a limited-service restaurant licensee and staff of the limited-service restaurant
1626 licensee.

1627 (2) (a) An individual who serves an alcoholic product in a limited-service restaurant
1628 licensee's premises shall make a beverage tab for each table or group that orders or consumes
1629 an alcoholic product on the premises.

1630 (b) A beverage tab described in this Subsection (2) shall state the type and amount of
1631 each alcoholic product ordered or consumed.

1632 (3) A limited-service restaurant licensee may not make an individual's willingness to
1633 serve an alcoholic product a condition of employment with a limited-service restaurant
1634 licensee.

1635 (4) (a) A limited-service restaurant licensee may sell, offer for sale, or furnish wine or
1636 heavy beer at the licensed premises during the following time periods only:

1637 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or

1638 (ii) on a weekend or a state or federal legal holiday or for a private event, during the
1639 period that begins at 10:30 a.m. and ends at 11:59 p.m.

1640 (b) A limited-service restaurant licensee may sell, offer for sale, or furnish beer at the
1641 licensed premises during the following time periods only:

1642 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

1643 (ii) on a weekend or a state or federal legal holiday or for a private event, during the
1644 period that begins at 10:30 a.m. and ends at 12:59 a.m.

1645 (5) (a) A limited-service restaurant licensee may not furnish an alcoholic product for
1646 on-premise consumption except after:

1647 (i) the patron to whom the limited-service restaurant licensee furnishes the alcoholic
1648 product is seated at:

1649 (A) a table that is located in a dining area or a dispensing area;

1650 (B) a counter that is located in a dining area or a dispensing area; or

1651 (C) a dispensing structure that is located in a dispensing area; and

1652 (ii) the limited-service restaurant licensee confirms that the patron intends to:

1653 (A) order food prepared, sold, and furnished at the licensed premises; and

1654 (B) except as provided in Subsection (5)(b), consume the food at the same location
1655 where the patron is seated and furnished the alcoholic product.

1656 (b) (i) While a patron waits for a seat at a table or counter in the dining area of a
1657 limited-service restaurant licensee, the limited-service restaurant licensee may sell, offer for
1658 sale, or furnish to the patron one drink that contains a single portion of an alcoholic product as
1659 described in Section [32B-5-304](#) if:

1660 (A) the patron is in a dispensing area and seated at a table, counter, or dispensing
1661 structure; and

1662 (B) the limited-service restaurant licensee first confirms that after the patron is seated
1663 in the dining area, the patron intends to order food prepared, sold, and furnished at the licensed
1664 premises.

1665 ~~[(ii) If]~~

1666 (ii) (A) Subject to Subsection (5)(b)(ii)(B), if the patron does not finish the patron's
1667 alcoholic product before moving to a seat in the dining area, [an employee of the
1668 limited-service restaurant licensee who is qualified to sell and serve an alcoholic product under

1669 ~~Section 32B-5-306 shall~~ the patron may transport any unfinished portion of the patron's
1670 alcoholic product to the patron's seat in the dining area.

1671 (B) An employee of the limited-service restaurant licensee shall escort a patron who
1672 transports an unfinished portion of the patron's alcoholic product to the patron's seat in the
1673 dining area.

1674 (iii) For purposes of Subsection (5)(b)(i) a single portion of wine is 5 ounces or less.

1675 (c) Notwithstanding Section 32B-5-307, a limited-service restaurant licensee may not
1676 furnish beer for off-premise consumption except after the patron consumes on the licensed
1677 premises food prepared, sold, and furnished at the licensed premises.

1678 (d) A limited-service restaurant licensee shall maintain on the licensed premises
1679 adequate culinary facilities for food preparation and dining accommodations.

1680 (6) A patron may consume an alcoholic product on the limited-service restaurant
1681 licensee's licensed premises only if the patron is seated at:

1682 (a) a table that is located in a dining area or a dispensing area;

1683 (b) a counter that is located in a dining area or a dispensing area; or

1684 (c) a dispensing structure located in a dispensing area.

1685 (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have
1686 more than two alcoholic products of any kind at a time before the patron.

1687 (b) An individual portion of wine is considered to be one alcoholic product under
1688 Subsection (7)(a).

1689 (8) In accordance with the provisions of this section, an individual who is at least 21
1690 years old may consume food and beverages in a dispensing area.

1691 (9) (a) Except as provided in Subsection (9)(b), a minor may not sit, remain, or
1692 consume food or beverages in a dispensing area.

1693 (b) (i) A minor may be in a dispensing area if the minor is:

1694 (A) at least 16 years old and working as an employee of the limited-service restaurant
1695 licensee; or

1696 (B) performing maintenance and cleaning services as an employee of the
1697 limited-service restaurant licensee when the limited-service restaurant licensee is not open for
1698 business.

1699 (ii) If there is no alternative route available, a minor may momentarily pass through a

1700 dispensing area without remaining or sitting in the dispensing area en route to an area of the
1701 limited-service restaurant licensee's premises in which the minor is permitted to be.

1702 (10) Except as provided in Subsection 32B-5-307(3), a limited-service restaurant
1703 licensee may dispense an alcoholic product only if:

1704 (a) the alcoholic product is dispensed from:

1705 (i) a dispensing structure that is located in a dispensing area;

1706 (ii) an area that is:

1707 (A) separated from an area for the consumption of food by a patron by a solid,
1708 translucent, permanent structural barrier such that the facilities for the dispensing of an
1709 alcoholic product are not readily visible to a patron and not accessible by a patron; and

1710 (B) apart from an area used for dining, for staging, or as a waiting area; or

1711 (iii) the premises of a bar licensee that is:

1712 (A) owned by the same person or persons as the limited-service restaurant licensee; and

1713 (B) located immediately adjacent to the premises of the limited-service restaurant
1714 licensee; and

1715 (b) any instrument or equipment used to dispense alcoholic product is located in an
1716 area described in Subsection (10)(a).

1717 (11) (a) A limited-service restaurant licensee may have more than one dispensing area
1718 in the licensed premises.

1719 (b) Each dispensing area in a licensed premises may satisfy the requirements for a
1720 dispensing area under Subsection 32B-6-202(2)(a)(i), (ii), or (iii), regardless of how any other
1721 dispensing area in the licensed premises satisfies the requirements for a dispensing area.

1722 (12) A limited-service restaurant licensee may not:

1723 (a) transfer, dispense, or serve an alcoholic product on or from a movable cart; or

1724 (b) display an alcoholic product or a product intended to appear like an alcoholic
1725 product by moving a cart or similar device around the licensed premises.

1726 (13) A limited-service restaurant licensee may state in a food or alcoholic product
1727 menu a charge or fee made in connection with the sale, service, or consumption of wine or
1728 heavy beer, including:

1729 (a) a set-up charge;

1730 (b) a service charge; or

1731 (c) a chilling fee.

1732 (14) (a) In addition to the requirements described in Section 32B-5-302, a
1733 limited-service restaurant licensee shall maintain each of the following records for at least three
1734 years:

1735 (i) a record required by Section 32B-5-302; and

1736 (ii) a record that the commission requires a limited-service restaurant licensee to use or
1737 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative
1738 Rulemaking Act.

1739 (b) The department shall audit the records of a limited-service restaurant licensee at
1740 least once each calendar year.

1741 Section 17. Section 32B-6-403 is amended to read:

1742 **32B-6-403. Commission's power to issue bar establishment license.**

1743 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of
1744 an alcoholic product on ~~[its]~~ the person's premises as a bar establishment licensee, the person
1745 shall first obtain a bar establishment license from the commission in accordance with this part.

1746 (2) The commission may issue a bar establishment license to establish bar
1747 establishment licensed premises at places and in numbers the commission considers proper for
1748 the storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on
1749 premises operated by a bar establishment licensee.

1750 (3) Subject to Section 32B-1-201:

1751 ~~[(a) (i) before July 1, 2018, the commission may not issue a total number of bar
1752 establishment licenses that at any time exceeds the number determined by dividing the
1753 population of the state by 7,850; and]~~

1754 (a) [(ii)] ~~[beginning on July 1, 2018,]~~ the commission may not issue a total number of
1755 bar establishment licenses that at any time exceeds the ~~[number]~~ sum of:

1756 (i) 20; and

1757 (ii) the number determined by dividing the population of the state by 10,200;

1758 (b) the commission may issue a seasonal bar establishment license in accordance with
1759 Section 32B-5-206 to ~~[(i) a dining club licensee; or (ii)]~~ a bar licensee;

1760 (c) ~~[(i) if the location, design, and construction of a hotel may require more than one
1761 dining club license or bar license location within the hotel to serve the public convenience,] the~~

1762 commission may authorize as many as three bar establishment license locations within ~~[the]~~ a
 1763 hotel under one bar establishment license if:

1764 ~~[(A)]~~ (i) the location, design, and construction of the hotel requires more than one bar
 1765 license location within the hotel to serve the public convenience;

1766 (ii) the hotel has a minimum of 150 guest rooms;

1767 ~~[(B)]~~ (iii) all locations under the bar establishment license are:

1768 ~~[(H)]~~ (A) within the same hotel; and

1769 ~~[(H)]~~ (B) on premises that are managed or operated, and owned or leased, by the bar
 1770 establishment licensee; ~~[and]~~

1771 ~~[(C) the locations under the bar establishment license operate under the same type of~~
 1772 ~~bar establishment license; and]~~

1773 (d) the commission may authorize up to five dispensing structures under one equity
 1774 license if the locations under the equity license:

1775 (i) are connected by a private roadway to which the equity licensee, each member of
 1776 the equity licensee, and each guest has a legal right of access; and

1777 (ii) are managed or operated, and owned or leased, by the equity licensee;

1778 ~~[(ii)]~~ (e) except for a facility operating in accordance with Subsection (3)(d) or a hotel,
 1779 a facility ~~[other than a hotel]~~ shall have a separate bar establishment license for each bar

1780 establishment license location where an alcoholic product is sold, offered for sale, or furnished;

1781 ~~[(d)]~~ (f) when a business establishment undergoes a change of ownership, the

1782 commission may issue a bar establishment license to the new owner of the business

1783 establishment notwithstanding that there is no bar establishment license available under

1784 Subsection (3)(a) if:

1785 (i) the primary business activity at the business establishment before and after the
 1786 change of ownership is not the sale, offer for sale, or furnishing of an alcoholic product;

1787 (ii) before the change of ownership there are two or more licensed premises on the
 1788 business establishment that operate under a retail license, with at least one of the retail licenses
 1789 being a bar establishment license;

1790 (iii) subject to Subsection ~~[(3)(e);~~ (3)(g) the licensed premises of the bar establishment
 1791 license issued under this Subsection ~~[(3)(d)]~~ (3)(f) is at the same location where the bar

1792 establishment license licensed premises was located before the change of ownership; and

1793 (iv) the person who is the new owner of the business establishment qualifies for the bar
1794 establishment license, except for there being no bar establishment license available under
1795 Subsection (3)(a); and

1796 ~~[(e)]~~ (g) if a bar establishment licensee of a bar establishment license issued under
1797 Subsection ~~[(3)(d)]~~ (3)(f) requests a change of location, the bar establishment licensee may
1798 retain the bar establishment license after the change of location only if on the day on which the
1799 bar establishment licensee seeks a change of location a bar establishment license is available
1800 under Subsection (3)(a).

1801 Section 18. Section **32B-6-404** is amended to read:

1802 **32B-6-404. Types of bar license.**

1803 (1) To obtain an equity license, in addition to meeting the other requirements of this
1804 part, a person shall:

1805 (a) whether incorporated or unincorporated:

1806 (i) be organized and operated solely for a social, recreational, patriotic, or fraternal
1807 purpose;

1808 (ii) have members;

1809 (iii) limit access to its licensed premises to a member or a guest of the member; and

1810 (iv) desire to maintain premises upon which an alcoholic product may be stored, sold
1811 to, offered for sale to, furnished to, and consumed by a member or a guest of a member;

1812 (b) except as provided in Subsection (8), own, maintain, or operate a substantial
1813 recreational facility in conjunction with a club house such as:

1814 (i) a golf course; or

1815 (ii) a tennis facility;

1816 (c) have at least 50% of the total membership having an equal share of the equity of the
1817 entity or a right to redemption or refund at the equal value; and

1818 (d) if there is more than one class of membership, have at least one class of
1819 membership that entitles each member in that class to an equal share of the equity of the entity
1820 or a right to redemption or refund at the equal value.

1821 (2) To obtain a fraternal license, in addition to meeting the other requirements of this
1822 part, a person shall:

1823 (a) whether incorporated or unincorporated:

- 1824 (i) be organized and operated solely for a social, recreational, patriotic, or fraternal
1825 purpose;
- 1826 (ii) have members;
- 1827 (iii) limit access to its licensed premises to a member or a guest of the member; and
- 1828 (iv) desire to maintain premises upon which an alcoholic product may be stored, sold
1829 to, offered for sale to, furnished to, and consumed by a member or a guest of a member;
- 1830 (b) have no capital stock;
- 1831 (c) exist solely for:
- 1832 (i) the benefit of its members and their beneficiaries; and
- 1833 (ii) a lawful social, intellectual, educational, charitable, benevolent, moral, fraternal,
1834 patriotic, or religious purpose for the benefit of its members or the public, carried on through
1835 voluntary activity of its members in their local lodges;
- 1836 (d) have a representative form of government;
- 1837 (e) have a lodge system in which:
- 1838 (i) there is a supreme governing body;
- 1839 (ii) subordinate to the supreme governing body are local lodges, however designated,
1840 into which individuals are admitted as members in accordance with the laws of the fraternal;
- 1841 (iii) the local lodges are required by the laws of the fraternal to hold regular meetings at
1842 least monthly; and
- 1843 (iv) the local lodges regularly engage in one or more programs involving member
1844 participation to implement the purposes of Subsection (2)(c); and
- 1845 (f) own or lease a building or space in a building used for lodge activities.
- 1846 (3) To obtain a dining club license, in addition to meeting the other requirements of
1847 this part, a person shall:
- 1848 (a) maintain at least the following percentages of its total club business from the sale of
1849 food, not including mix for alcoholic products, or service charges:
- 1850 (i) for a dining club license that is issued as an original license on or after July 1, 2011,
1851 60%; and
- 1852 (ii) for a dining club license that is issued on or before June 30, 2011:
- 1853 (A) 50% on or before June 30, 2012; and
- 1854 (B) 60% on and after July 1, 2012; and

1855 (b) obtain a determination by the commission that the person will operate as a dining
1856 club licensee, as part of which the commission may consider:

1857 (i) the square footage and seating capacity of the premises;

1858 (ii) what portion of the square footage and seating capacity will be used for a dining
1859 area in comparison to the portion that will be used as a lounge or bar area;

1860 (iii) whether full meals including appetizers, main courses, and desserts are served;

1861 (iv) whether the person will maintain adequate on-premise culinary facilities to prepare
1862 full meals, except a person who is located on the premise of a hotel or resort facility may use
1863 the culinary facilities of the hotel or resort facility;

1864 (v) whether the entertainment provided at the premises is suitable for minors; and

1865 (vi) the club management's ability to manage and operate a dining club license
1866 including:

1867 (A) management experience;

1868 (B) past dining club licensee or restaurant management experience; and

1869 (C) the type of management scheme used by the dining club license.

1870 (4) To obtain a bar license, a person is required to meet the requirements of this part
1871 except those listed in Subsection (1), (2), or (3).

1872 (5) (a) At the time that the commission issues a bar establishment license, the
1873 commission shall designate the type of bar establishment license for which the person qualifies.

1874 (b) If requested by a bar establishment licensee, the commission may approve a change
1875 in the type of bar establishment license in accordance with rules made by the commission.

1876 (6) To the extent not prohibited by law, this part does not prevent a dining club
1877 licensee or bar licensee from restricting access to the licensed premises on the basis of an
1878 individual:

1879 (a) paying a fee; or

1880 (b) agreeing to being on a list of individuals who have access to the licensed premises.

1881 (7) (a) (i) On or after July 1, 2017, the commission may not issue or renew a dining
1882 club license.

1883 (ii) No later than July 1, 2018, the department shall convert each dining club license to
1884 a full-service restaurant license or a bar license in accordance with the provisions of this
1885 Subsection (7).

1886 (b) (i) (A) A person licensed as a dining club on July 1, 2017, shall notify the
1887 department no later than May 31, 2018, whether the person elects to be licensed as a
1888 full-service restaurant or a bar.

1889 (B) No later than July 1, 2018, the department shall convert a dining club license to a
1890 full-service restaurant license or a bar license in accordance with the dining club licensee's
1891 election under Subsection (7)(b)(i)(A).

1892 (ii) If a dining club licensee fails to timely notify the department in accordance with
1893 Subsection (7)(b)(i), the dining club license is automatically converted to a full-service
1894 restaurant license on July 1, 2018.

1895 (c) Subject to Section [32B-6-404.1](#), after a dining club license converts to a full-service
1896 restaurant license or a bar license, the retail licensee shall operate under the provisions that
1897 govern the full-service restaurant license or the bar license, as applicable.

1898 (d) After a dining club license converts to a full-service restaurant license or a bar
1899 license in accordance with this Subsection (7):

1900 (i) the full-service restaurant license is not considered in determining the total number
1901 of full-service restaurant licenses available under Section [32B-6-203](#); or

1902 (ii) the bar license is not considered in determining the total number of bar
1903 establishment licenses available under Section [32B-6-403](#).

1904 (e) Except as provided in Subsections (7)(a) and (b), before July 1, 2018, the
1905 commission may not issue a full-service restaurant license, a limited-service restaurant license,
1906 or a beer-only restaurant license to a person who holds a dining club license on May 9, 2017,
1907 for the same premises.

1908 (f) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1909 commission may make rules establishing a procedure by which a dining club licensee elects
1910 and converts to a full-service restaurant licensee or a bar licensee under this Subsection (7).

1911 (8) Subsection (1)(b) does not apply to a person who renews an equity license issued
1912 before January 1, 2020, if the person did not meet the requirements under Subsection (1)(b) at
1913 the time the equity license was issued.

1914 Section 19. Section **32B-6-406** is amended to read:

1915 **32B-6-406. Specific operational requirements for a bar establishment license.**

1916 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational

1917 Requirements, a bar establishment licensee and staff of the bar establishment licensee shall
1918 comply with this section.

1919 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
1920 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

1921 (i) a bar establishment licensee;

1922 (ii) individual staff of a bar establishment licensee; or

1923 (iii) both a bar establishment licensee and staff of the bar establishment licensee.

1924 (2) In addition to complying with Subsection 32B-5-301(3), a bar licensee shall display
1925 in a conspicuous place at the entrance to the licensed premises a sign that:

1926 (a) measures at least 8-1/2 inches long and 11 inches wide; and

1927 (b) clearly states that the bar licensee is a bar and that no one under 21 years of age is
1928 allowed.

1929 (3) (a) In addition to complying with Section 32B-5-302, a bar establishment licensee
1930 shall maintain for a minimum of three years:

1931 (i) a record required by Section 32B-5-302; and

1932 (ii) a record maintained or used by the bar establishment licensee, as the department
1933 requires.

1934 (b) Section 32B-1-205 applies to a record required to be made, maintained, or used in
1935 accordance with this Subsection (3).

1936 (c) The department shall audit the records of a bar establishment licensee at least once
1937 annually.

1938 (4) (a) A bar establishment licensee may not sell, offer for sale, or furnish liquor on the
1939 licensed premises on any day during a period that:

1940 (i) begins at 1 a.m.; and

1941 (ii) ends at 9:59 a.m.

1942 (b) A bar establishment licensee may sell, offer for sale, or furnish beer during the
1943 hours specified in Part 7, On-Premise Beer Retailer License, for an on-premise beer retailer
1944 license.

1945 (c) (i) Notwithstanding Subsections (4)(a) and (b), a bar establishment licensee shall
1946 keep its licensed premises open for one hour after the bar establishment licensee ceases the sale
1947 and furnishing of an alcoholic product during which time a patron of the bar establishment

- 1948 licensee may finish consuming:
- 1949 (A) a single drink containing spirituous liquor;
- 1950 (B) except as provided in Subsection (4)(c)(i)(C), a single serving of wine not
- 1951 exceeding five ounces;
- 1952 (C) a single serving not exceeding 16 ounces of hard cider that is furnished in a sealed
- 1953 container and contains no more than 5% of alcohol by volume;
- 1954 [~~C~~] (D) a single serving of heavy beer;
- 1955 [~~D~~] (E) a single serving of beer not exceeding 26 ounces; or
- 1956 [~~E~~] (F) a single serving of a flavored malt beverage.
- 1957 (ii) A bar establishment licensee is not required to remain open:
- 1958 (A) after all patrons have vacated the premises; or
- 1959 (B) during an emergency.
- 1960 (5) (a) A minor:
- 1961 (i) may not be admitted into, use, or be in the licensed premises of:
- 1962 (A) a dining club licensee unless accompanied by an individual who is 21 years of age
- 1963 or older; or
- 1964 (B) a bar licensee, except to the extent provided for under Section [32B-6-406.1](#);
- 1965 (ii) may only be admitted into, use, or be in the lounge or bar area of an equity
- 1966 licensee's or fraternal licensee's licensed premises:
- 1967 (A) when accompanied by an individual who is 21 years of age or older; and
- 1968 (B) momentarily while en route to another area of the licensee's premises; and
- 1969 (iii) may not remain or sit in the lounge or bar area of an equity licensee's or fraternal
- 1970 licensee's licensed premises.
- 1971 (b) Notwithstanding Section [32B-5-308](#), a bar establishment licensee may not employ a
- 1972 minor to:
- 1973 (i) work in a lounge or bar area of an equity licensee, fraternal licensee, or dining club
- 1974 licensee; or
- 1975 (ii) handle an alcoholic product.
- 1976 (c) Notwithstanding Section [32B-5-308](#), a minor may not be employed on the licensed
- 1977 premises of a bar licensee.
- 1978 (d) Nothing in this part or Section [32B-5-308](#) precludes a local authority from being

1979 more restrictive of a minor's admittance to, use of, or presence on the licensed premises of a bar
1980 establishment licensee.

1981 (6) A bar establishment licensee shall have food available at all times when an
1982 alcoholic product is sold, offered for sale, furnished, or consumed on the licensed premises.

1983 (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have
1984 more than two alcoholic products of any kind at a time before the patron.

1985 (b) A patron may not have two spirituous liquor drinks before the bar establishment
1986 licensee patron if one of the spirituous liquor drinks consists only of the primary spirituous
1987 liquor for the other spirituous liquor drink.

1988 (c) An individual portion of wine is considered to be one alcoholic product under
1989 Subsection (7)(a).

1990 (8) A bar establishment licensee shall have available on the premises for a patron to
1991 review at the time that the patron requests it, a written alcoholic product price list or a menu
1992 containing the price of an alcoholic product sold, offered for sale, or furnished by the bar
1993 establishment licensee including:

1994 (a) a set-up charge;

1995 (b) a service charge; or

1996 (c) a chilling fee.

1997 (9) Subject to Section [32B-5-309](#), a bar establishment licensee may not temporarily
1998 rent or otherwise temporarily lease its premises to a person unless:

1999 (a) the person to whom the bar establishment licensee rents or leases the premises
2000 agrees in writing to comply with this title as if the person is the bar establishment licensee,
2001 except for a requirement related to making or maintaining a record; and

2002 (b) the bar establishment licensee takes reasonable steps to ensure that the person
2003 complies with this section as provided in Subsection (9)(a).

2004 (10) If a bar establishment licensee is an equity licensee or fraternal licensee, the bar
2005 establishment licensee shall comply with Section [32B-6-407](#).

2006 (11) If a bar establishment licensee is a dining club licensee or bar licensee, the bar
2007 establishment licensee shall comply with Section [32B-1-407](#).

2008 (12) (a) A bar establishment licensee shall own or lease premises suitable for the bar
2009 establishment licensee's activities.

2010 (b) A bar establishment licensee may not maintain licensed premises in a manner that
2011 barricades or conceals the bar establishment licensee's operation.

2012 Section 20. Section **32B-6-503** is amended to read:

2013 **32B-6-503. Commission's power to issue airport lounge license.**

2014 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of
2015 an alcoholic product on its premises as an airport lounge licensee, the person shall first obtain
2016 an airport lounge license from the commission in accordance with this part.

2017 (2) ~~[The]~~ Subject to Subsection (3), the commission may issue an airport lounge
2018 license;

2019 (a) to establish airport lounge licensed premises beyond the security point at an
2020 international airport or a domestic airport; and

2021 (b) in the numbers the commission considers proper for the storage, sale, offer for sale,
2022 furnishing, and consumption of an alcoholic product on licensed premises operated as an
2023 airport lounge.

2024 (3) (a) The commission may not issue more than ~~[+3]~~ 26 airport lounge licenses for an
2025 international airport at any time.

2026 (b) The commission may not issue a total number of domestic airport airport lounge
2027 licenses that at any time exceeds three.

2028 Section 21. Section **32B-6-603** is amended to read:

2029 **32B-6-603. Commission's power to issue on-premise banquet license -- Contracts**
2030 **as host.**

2031 (1) (a) Before a person may store, sell, offer for sale, furnish, or allow the consumption
2032 of an alcoholic product in connection with the person's banquet and room service activities at
2033 one of the following, the person shall first obtain an on-premise banquet license in accordance
2034 with this part:

2035 (i) a hotel;

2036 (ii) a resort facility;

2037 (iii) a sports center;

2038 (iv) a convention center;

2039 (v) a performing arts facility; ~~[or]~~

2040 (vi) an arena~~[-]~~; or

2041 (vii) a restaurant venue.

2042 (b) This part does not prohibit an alcoholic product on the premises of a person listed
2043 in Subsection (1)(a) to the extent otherwise permitted by this title.

2044 (c) This section does not prohibit a person who applies for an on-premise banquet
2045 license to also apply for a package agency if otherwise qualified.

2046 (2) The commission may issue an on-premise banquet license to establish on-premise
2047 banquet licensees in the numbers the commission considers proper for the storage, sale, offer
2048 for sale, furnishing, and consumption of an alcoholic product at a banquet or as part of room
2049 service activities operated by an on-premise banquet licensee.

2050 (3) Subject to Section [32B-1-201](#), the commission [~~may not~~]:

2051 (a) may not issue a total number of restaurant venue on-premise banquet licenses that
2052 at any time exceeds 20; and

2053 (b) may not issue a total number of on-premise banquet licenses that at any time
2054 [~~exceed~~] exceeds the number determined by dividing the population of the state by 28,765.

2055 (4) Pursuant to a contract between the host of a banquet and an on-premise banquet
2056 licensee:

2057 (a) the host of the banquet may request an on-premise banquet licensee to provide an
2058 alcoholic product served at the banquet; and

2059 (b) an on-premise banquet licensee may provide an alcoholic product served at the
2060 banquet.

2061 (5) At a banquet, an on-premise banquet licensee may furnish an alcoholic product:

2062 (a) without charge to a patron at a banquet, except that the host of the banquet shall pay
2063 for an alcoholic product furnished at the banquet; or

2064 (b) with a charge to a patron at the banquet.

2065 (6) To be licensed as an on-premise banquet, a person shall maintain at least 50% of
2066 the person's total annual banquet gross receipts from the sale of food, which does not include:

2067 (a) mix for an alcoholic product; or

2068 (b) a charge in connection with the furnishing of an alcoholic product.

2069 Section 22. Section **32B-6-605** is amended to read:

2070 **32B-6-605. Specific operational requirements for on-premise banquet license.**

2071 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational

2072 Requirements, an on-premise banquet licensee and staff of the on-premise banquet licensee
2073 shall comply with this section.

2074 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
2075 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2076 (i) an on-premise banquet licensee;

2077 (ii) individual staff of an on-premise banquet licensee; or

2078 (iii) both an on-premise banquet licensee and staff of the on-premise banquet licensee.

2079 (2) An on-premise banquet licensee shall comply with Subsections 32B-5-301(4) and
2080 (5) for the entire premises of the hotel, resort facility, sports center, convention center,
2081 performing arts facility, ~~[or arena]~~ arena, or restaurant venue that is the basis for the on-premise
2082 banquet license.

2083 (3) (a) For the purpose described in Subsection (3)(b), an on-premise banquet licensee
2084 shall provide the department with advance notice of a scheduled banquet in accordance with
2085 rules made by the commission.

2086 (b) Any of the following may conduct a random inspection of a banquet:

2087 (i) an authorized representative of the commission or the department; or

2088 (ii) a law enforcement officer.

2089 (4) (a) An on-premise banquet licensee is not subject to Section 32B-5-302, but shall
2090 make and maintain the records the commission or department requires.

2091 (b) Section 32B-1-205 applies to a record required to be made or maintained in
2092 accordance with this Subsection (4).

2093 (5) (a) Except as otherwise provided in this title, an on-premise banquet licensee may
2094 sell, offer for sale, or furnish an alcoholic product at a banquet only for consumption at the
2095 location of the banquet.

2096 (b) Except as provided in Subsection 32B-5-307(4), a host of a banquet, a patron, or a
2097 person other than the on-premise banquet licensee or staff of the on-premise banquet licensee,
2098 may not remove an alcoholic product from the premises of the banquet.

2099 (c) Notwithstanding Subsections 32B-5-307(3) and (5) and except as provided in
2100 Subsection 32B-5-307(4), a patron at a banquet may not bring an alcoholic product into or
2101 onto, or remove an alcoholic product from, the premises of a banquet.

2102 (6) (a) An on-premise banquet licensee may not leave an unsold alcoholic product at

2103 the banquet following the conclusion of the banquet.

2104 (b) At the conclusion of a banquet, an on-premise banquet licensee shall:

2105 (i) destroy an opened and unused alcoholic product that is not saleable, under
2106 conditions established by the department; and

2107 (ii) return to the on-premise banquet licensee's approved locked storage area any:

2108 (A) opened and unused alcoholic product that is saleable; and

2109 (B) unopened container of an alcoholic product.

2110 (c) Except as provided in Subsection (6)(b) with regard to an open or sealed container

2111 of an alcoholic product not sold or consumed at a banquet, an on-premise banquet licensee:

2112 (i) shall store the alcoholic product in the on-premise banquet licensee's approved
2113 locked storage area; and

2114 (ii) may use the alcoholic product at more than one banquet.

2115 (7) Notwithstanding Section 32B-5-308, an on-premise banquet licensee may not
2116 employ a minor to sell, furnish, or dispense an alcoholic product in connection with the
2117 on-premise banquet licensee's banquet and room service activities.

2118 (8) An on-premise banquet licensee:

2119 (a) may provide room service in portions described in Section 32B-5-304;

2120 (b) may not sell, offer for sale, or furnish an alcoholic product at a banquet or in
2121 connection with room service any day during a period that:

2122 (i) begins at 1 a.m.; and

2123 (ii) ends at 9:59 a.m.; and

2124 (c) notwithstanding Section 32B-5-305, may provide as room service one alcoholic
2125 product free of charge per guest reservation, per guest room, if the alcoholic product:

2126 (i) is not a spirituous liquor; and

2127 (ii) is in an unopened container not to exceed 750 milliliters.

2128 (9) (a) Subject to the other provisions of this Subsection (9), a patron may not have
2129 more than two alcoholic products of any kind at a time before the patron.

2130 (b) A patron may not have more than one spirituous liquor drink at a time before the
2131 patron.

2132 (c) An individual portion of wine is considered to be one alcoholic product under
2133 Subsection (9)(a).

2134 (10) (a) An on-premise banquet licensee shall supervise and direct a person involved in
2135 the sale, offer for sale, or furnishing of an alcoholic product.

2136 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product
2137 shall complete an alcohol training and education seminar.

2138 (11) A staff person of an on-premise banquet licensee shall remain at the banquet at all
2139 times when an alcoholic product is sold, offered for sale, furnished, or consumed at the
2140 banquet.

2141 (12) (a) Room service of an alcoholic product to a guest room or privately owned
2142 dwelling unit of a hotel or resort facility shall be provided in person by staff of an on-premise
2143 banquet licensee only to an adult guest in the guest room or privately owned dwelling unit.

2144 (b) An alcoholic product may not be left outside a guest room or privately owned
2145 dwelling unit for retrieval by a guest or resident.

2146 (13) An on-premise banquet licensee may not maintain a minibar.

2147 Section 23. Section **32B-6-905.1** is amended to read:

2148 **32B-6-905.1. Specific operational requirements for a beer-only restaurant license**
2149 **-- On and after July 1, 2018, or July 1, 2022.**

2150 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
2151 Requirements, a beer-only restaurant licensee and staff of the beer-only restaurant licensee
2152 shall comply with this section.

2153 (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in
2154 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2155 (i) a beer-only restaurant licensee;

2156 (ii) individual staff of a beer-only restaurant licensee; or

2157 (iii) both a beer-only restaurant licensee and staff of the beer-only restaurant licensee.

2158 (2) (a) A beer-only restaurant licensee on the licensed premises may not sell, offer for
2159 sale, furnish, or allow consumption of liquor.

2160 (b) Liquor may not be on the premises of a beer-only restaurant licensee except for use:

2161 (i) as a flavoring on a dessert; or

2162 (ii) in the preparation of a flaming food dish, drink, or dessert.

2163 (3) (a) An individual who serves beer in a beer-only restaurant licensee's premises shall
2164 make a beverage tab for each table or group that orders or consumes beer on the premises.

2165 (b) A beverage tab described in this Subsection (3) shall state the type and amount of
2166 each beer ordered or consumed.

2167 (4) A beer-only restaurant licensee may not make an individual's willingness to serve
2168 beer a condition of employment as a server with a beer-only restaurant licensee.

2169 (5) A beer-only restaurant licensee may sell, offer for sale, or furnish beer at the
2170 licensed premises during the following time periods only:

2171 (a) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

2172 (b) on a weekend or a state or federal legal holiday or for a private event, during the
2173 period that begins at 10:30 a.m. and ends at 12:59 a.m.

2174 (6) (a) A beer-only restaurant licensee may not furnish beer for on-premise
2175 consumption except after:

2176 (i) the patron to whom the beer-only restaurant licensee furnishes the beer is seated at:

2177 (A) a table that is located in a dining area or a dispensing area;

2178 (B) a counter that is located in a dining area or a dispensing area; or

2179 (C) a dispensing structure that is located in a dispensing area; and

2180 (ii) the beer-only restaurant licensee confirms that the patron intends to:

2181 (A) order food prepared, sold, and furnished at the licensed premises; and

2182 (B) except as provided in Subsection (6)(b), consume the food at the same location
2183 where the patron is seated and furnished the beer.

2184 (b) (i) While a patron waits for a seat at a table or counter in the dining area of a
2185 beer-only restaurant licensee, the beer-only restaurant licensee may sell, offer for sale, or
2186 furnish to the patron one portion of beer as described in Section 32B-5-304 if:

2187 (A) the patron is in a dispensing area and seated at a table, counter, or dispensing
2188 structure; and

2189 (B) the beer-only restaurant licensee first confirms that after the patron is seated in the
2190 dining area, the patron intends to order food prepared, sold, and furnished at the licensed
2191 premises.

2192 [~~(ii) If~~]

2193 (ii) (A) Subject to Subsection (6)(b)(ii)(B), if the patron does not finish the patron's
2194 beer before moving to a seat in the dining area, [an employee of the beer-only restaurant
2195 licensee who is qualified to sell and serve an alcoholic product under Section 32B-5-306 shall]

2196 the patron may transport any unfinished portion of the patron's beer to the patron's seat in the
2197 dining area.

2198 (B) An employee of the beer-only restaurant licensee shall escort a patron who
2199 transports an unfinished portion of the patron's beer to the patron's seat in the dining area.

2200 (c) Notwithstanding Section 32B-5-307, a beer-only restaurant licensee may not
2201 furnish beer for off-premise consumption except after the patron consumes on the licensed
2202 premises food prepared, sold, and furnished at the licensed premises.

2203 (d) A beer-only restaurant licensee shall maintain on the licensed premises adequate
2204 culinary facilities for food preparation and dining accommodations.

2205 (7) A patron may consume a beer on the beer-only licensee's licensed premises only at:

2206 (a) a table that is located in a dining area or a dispensing area;

2207 (b) a counter that is located in a dining area or a dispensing area; or

2208 (c) a dispensing structure located in a dispensing area.

2209 (8) A patron may not have more than two beers at a time before the patron.

2210 (9) In accordance with the provisions of this section, an individual who is at least 21
2211 years old may consume food and beverages in a dispensing area.

2212 (10) (a) Except as provided in Subsection (10)(b), a minor may not sit, remain, or
2213 consume food or beverages in a dispensing area.

2214 (b) (i) A minor may be in a dispensing area if the minor is:

2215 (A) at least 16 years old and working as an employee of the beer-only restaurant
2216 licensee; or

2217 (B) performing maintenance and cleaning services as an employee of the beer-only
2218 restaurant licensee when the beer-only restaurant licensee is not open for business.

2219 (ii) If there is no alternative route available, a minor may momentarily pass through a
2220 dispensing area without remaining or sitting in the dispensing area en route to an area of the
2221 beer-only restaurant licensee's premises in which the minor is permitted to be.

2222 (11) A beer-only restaurant licensee may dispense a beer only if:

2223 (a) the beer is dispensed from:

2224 (i) a dispensing structure that is located in a dispensing area;

2225 (ii) an area that is:

2226 (A) separated from an area for the consumption of food by a patron by a solid,

2227 translucent, permanent structural barrier such that the facilities for the dispensing of an
2228 alcoholic product are not readily visible to a patron and not accessible by a patron; and

2229 (B) apart from an area used for dining, for staging, or as a waiting area; or

2230 (iii) the premises of a bar licensee that is:

2231 (A) owned by the same person or persons as the beer-only restaurant licensee; and

2232 (B) located immediately adjacent to the premises of the beer-only restaurant licensee;

2233 and

2234 (b) any instrument or equipment used to dispense the beer is located in an area

2235 described in Subsection (11)(a).

2236 (12) (a) A beer-only restaurant licensee may have more than one dispensing area in the
2237 licensed premises.

2238 (b) Each dispensing area in a licensed premises may satisfy the requirements for a
2239 dispensing area under Subsection 32B-6-902(1)(b)(i)(A), (B), or (C), regardless of how any
2240 other dispensing area in the licensed premises satisfies the requirements for a dispensing area.

2241 (13) A beer-only restaurant licensee may not transfer, dispense, or serve beer on or
2242 from a movable cart.

2243 (14) (a) In addition to the requirements described in Section 32B-5-302, a beer-only
2244 restaurant licensee shall maintain each of the following records for at least three years:

2245 (i) a record required by Section 32B-5-302; and

2246 (ii) a record that the commission requires a beer-only restaurant licensee to use or
2247 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative
2248 Rulemaking Act.

2249 (b) The department shall audit the records of a beer-only restaurant licensee at least
2250 once annually.

2251 Section 24. Section 32B-6-1005 is amended to read:

2252 **32B-6-1005. Specific operational requirements for hospitality amenity license.**

2253 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
2254 Requirements, a hospitality amenity licensee and staff of the hospitality amenity licensee shall
2255 comply with this section.

2256 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
2257 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

- 2258 (i) the hospitality amenity licensee;
- 2259 (ii) individual staff of the hospitality amenity licensee; or
- 2260 (iii) both the hospitality amenity licensee and staff of the hospitality amenity licensee.
- 2261 (2) (a) A hospitality amenity licensee may sell, offer for sale, or furnish an alcoholic
- 2262 product:
- 2263 (i) to a hospitality guest; and
- 2264 (ii) for consumption in or on the hospitality amenity licensee's licensed premises.
- 2265 (b) (i) A hospitality amenity licensee may sell, offer for sale, or furnish an alcoholic
- 2266 product that is not spirituous liquor in or on:
- 2267 (A) licensed premises physically separated from an area to which a hospitality guest or
- 2268 the public has access by a permanent or temporary structure or barrier; or
- 2269 (B) licensed premises described in Subsection (2)(b)(ii).
- 2270 (ii) A hospitality amenity licensee may sell, offer for sale, or furnish spirituous liquor
- 2271 in or on licensed premises that:
- 2272 (A) allows access only through the use of a key or code; and
- 2273 (B) fills the entirety of a physically and permanently enclosed area within the hotel or
- 2274 resort.
- 2275 (c) Spirituous liquor may not be in or on the licensed premises described in Subsection
- 2276 (2)(b)(i)(A) of a hospitality amenity licensee, except for use:
- 2277 (i) as a flavoring on a dessert; and
- 2278 (ii) in the preparation of a flaming food dish or dessert.
- 2279 (d) A hospitality amenity licensee may not allow self-service of an alcoholic product in
- 2280 or on the hospitality amenity licensee's licensed premises.
- 2281 (3) (a) Subject to Subsections (3)(b) and (c), a hospitality guest may not have more
- 2282 than two alcoholic products of any kind at a time before the hospitality guest.
- 2283 (b) A hospitality guest may not have more than one spirituous liquor drink at a time
- 2284 before the hospitality guest.
- 2285 (c) An individual portion of wine is considered to be one alcoholic product under
- 2286 Subsection (3)(a).
- 2287 (4) A hospitality amenity licensee shall make food available at all times that the
- 2288 licensee sells, offers for sale, furnishes, or allows the consumption of an alcoholic product on

2289 the licensed premises.

2290 (5) (a) A hospitality amenity licensee may not sell, offer for sale, or furnish an
2291 alcoholic product any day during a period that:

2292 (i) begins at 1:00 a.m.; and

2293 (ii) ends at 9:59 a.m.

2294 (b) A hospitality amenity licensee shall remain open for one hour after the licensee
2295 ceases to sell and furnish an alcoholic product, during which time a hospitality guest in or on
2296 the hospitality amenity licensed premises may finish consuming:

2297 (i) a single drink containing spirituous liquor;

2298 (ii) except as provided in Subsection (5)(b)(iii), a single serving of wine not exceeding
2299 five ounces;

2300 (iii) a single serving not exceeding 16 ounces of hard cider that is furnished in a sealed
2301 container and contains no more than 5% of alcohol by volume;

2302 [~~(iii)~~] (iv) a single serving of heavy beer;

2303 [~~(iv)~~] (v) a single serving of beer not exceeding 26 ounces; or

2304 [~~(v)~~] (vi) a single serving of a flavored malt beverage.

2305 (c) A hospitality amenity licensee is not required to remain open:

2306 (i) after all individuals have vacated the licensee's licensed premises; or

2307 (ii) during an emergency.

2308 (6) (a) Notwithstanding Section [32B-5-305](#), a hospitality amenity licensee may provide
2309 a hospitality guest up to two single servings of an alcoholic product free of charge or at a
2310 reduced rate, if:

2311 (i) the alcoholic product is not a spirituous liquor; and

2312 (ii) the hospitality amenity licensee offers the alcohol product:

2313 (A) to all hospitality guests;

2314 (B) during a specific time; and

2315 (C) on the hospitality amenity licensee's licensed premises.

2316 (b) Before a hospitality amenity licensee provides an alcoholic product free of charge
2317 or at a reduced rate as described in Subsection (6)(a), the licensee shall provide the department
2318 with advance notice of the event, in accordance with commission rules that permit a licensee to
2319 provide a single notice for a reoccurring event or multiple events.

2320 (7) A hospitality amenity licensee may permit a hospitality guest to purchase an
2321 alcoholic product through a charge to the hospitality guest's lodging accommodations.

2322 (8) (a) Notwithstanding Section 32B-5-307, a hospitality guest, or a person other than
2323 the hospitality amenity licensee or staff of the hospitality amenity licensee, may not remove an
2324 alcoholic product from the hospitality amenity licensee's licensed premises.

2325 (b) Notwithstanding Subsection 32B-5-307(3), a hospitality guest may not bring an
2326 alcoholic product within the hospitality amenity licensee's licensed premises.

2327 (9) A hospitality amenity licensee shall display at each entrance to the licensee's
2328 licensed premises a conspicuous sign that:

2329 (a) measures at least 8-1/2 inches long and 11 inches wide; and

2330 (b) clearly states that entry is limited to individuals who are hospitality guests, as
2331 defined in this title.

2332 (10) A hospitality amenity licensee may not permit a minor to enter the licensee's
2333 licensed premises at any time during which an alcoholic product is sold, offered for sale,
2334 furnished, or consumed, unless the minor is accompanied at all times on the licensed premises
2335 by a hospitality guest.

2336 (11) A staff person of a hospitality amenity licensee shall remain on the licensed
2337 premises at all times when an alcoholic product is sold, offered for sale, furnished, or
2338 consumed in or on the licensed premises.

2339 (12) A hospitality amenity licensee may transfer an alcoholic product to or from
2340 another licensee within the boundary of the hotel or within the boundary of the resort building,
2341 if:

2342 (a) the hospitality amenity licensee and each licensee involved in the transfer tracks the
2343 transfer of the alcoholic product; and

2344 (b) the alcoholic product is in a sealed, unopened container.

2345 (13) (a) In addition to the requirements described in Section 32B-5-302, a hospitality
2346 amenity licensee shall maintain each of the following records for at least three years:

2347 (i) a record required under Section 32B-5-302; and

2348 (ii) a record that the commission requires a hospitality amenity licensee to use or
2349 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative
2350 Rulemaking Act.

2351 (b) The department shall audit the records of a hospitality amenity licensee at least
2352 once annually.

2353 Section 25. Section **32B-7-409** is amended to read:

2354 **32B-7-409. Multiple licenses on same premises.**

2355 (1) Except as provided in Subsection (2), the commission may not issue and one or
2356 more licensees may not hold an off-premise beer retailer state license for the same licensed
2357 premises or adjacent licensed premises as a retail licensee, unless the licensed premises:

2358 (a) are separated by a permanent, opaque, floor-to-ceiling wall;

2359 (b) each have a separate entrance to the licensed premises; and

2360 (c) each have separate restroom facilities on the licensed premises.

2361 (2) (a) The commission may issue and an off-premise beer retailer state licensee may
2362 hold more than one type of license for the same licensed premises or adjacent licensed
2363 premises, if:

2364 ~~[(a)]~~ (i) a manufacturing licensee is located on or adjacent to the licensed premises; and

2365 ~~[(b)]~~ (ii) a package agency is located on or adjacent to the licensed premises.

2366 (b) The commission may issue an off-premise beer retailer state license for the same
2367 licensed premises or adjacent licensed premises as a hotel licensee or hotel sublicensee.

2368 Section 26. Section **32B-8-401** is amended to read:

2369 **32B-8-401. Specific operational requirements for resort license.**

2370 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
2371 Requirements, a resort licensee, staff of the resort licensee, and a sublicensee or a person
2372 otherwise operating under a sublicense shall comply with this section.

2373 (b) Subject to Section **32B-8-502**, failure to comply as provided in Subsection (1)(a)
2374 may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and
2375 Enforcement Act, against:

2376 (i) the resort licensee;

2377 (ii) individual staff of the resort licensee;

2378 (iii) a sublicensee or person otherwise operating under a sublicense of the resort
2379 licensee;

2380 (iv) individual staff of a sublicensee or person otherwise operating under a sublicense
2381 of the resort licensee; or

- 2382 (v) any combination of the persons listed in Subsections (1)(b)(i) through (iv).
- 2383 (2) (a) A resort licensee may not sell, offer for sale, or furnish an alcoholic product
- 2384 except:
- 2385 (i) on sublicensed premises;
- 2386 (ii) pursuant to a permit issued under this title; [~~or~~]
- 2387 (iii) under a package agency agreement with the department, subject to Chapter 2, Part
- 2388 6, Package Agency[~~:~~]; or
- 2389 (iv) through room service.
- 2390 (b) A resort licensee who sells, offers for sale, or furnishes an alcoholic product as
- 2391 provided in Subsection (2)(a), shall sell, offer for sale, or furnish the alcoholic product:
- 2392 (i) if on a sublicense premises, in accordance with the operational requirements
- 2393 described in Section [32B-8d-104](#);
- 2394 (ii) if under a permit issued under this title, in accordance with the operational
- 2395 requirements under the provisions applicable to the permit; [~~and~~]
- 2396 (iii) if as a package agency, in accordance with the contract with the department and
- 2397 Chapter 2, Part 6, Package Agency[~~:~~]; and
- 2398 (iv) if through room service, in accordance with Subsection (5).
- 2399 (3) A resort licensee shall operate in a manner so that at least 70% of the annual
- 2400 aggregate of the gross receipts related to the sale of food or beverages for the resort license and
- 2401 each of the resort licensee's sublicenses is from the sale of food, not including:
- 2402 (a) mix for an alcoholic product; and
- 2403 (b) a charge in connection with the service of an alcoholic product.
- 2404 (4) (a) A resort licensee shall supervise and direct a person involved in the sale, offer
- 2405 for sale, or furnishing of an alcoholic product under a resort license.
- 2406 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product
- 2407 under a resort license shall complete the alcohol training and education seminar.
- 2408 (5) (a) Room service of an alcoholic product to a lodging accommodation of a resort
- 2409 licensee shall be provided in person by staff of the resort licensee only to an adult occupant in
- 2410 the lodging accommodation.
- 2411 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval
- 2412 by an occupant.

2413 Section 27. Section **32B-8b-102** is amended to read:

2414 **32B-8b-102. Definitions.**

2415 As used in this chapter:

2416 (1) "Boundary of a hotel" means the physical boundary of one or more contiguous
2417 parcels of real property owned or managed by the same person and on which a hotel is located.

2418 (2) "Hotel" means one or more buildings that:

2419 (a) comprise a hotel, as defined by the commission;

2420 (b) are owned or managed by the same person or by a person who has a majority
2421 interest in or can direct or exercise control over the management or policy of the person who
2422 owns or manages any other building under the hotel license within the boundary of the hotel;

2423 (c) primarily operate to provide lodging accommodations;

2424 [~~(d)~~ provide room service within the boundary of the hotel meeting the requirements of
2425 this title;]

2426 [~~(e)~~ (d) have on-premise banquet space and provide on-premise banquet service within
2427 the boundary of the hotel meeting the requirements of this title;

2428 [~~(f)~~ (e) have a restaurant or bar establishment within the boundary of the hotel meeting
2429 the requirements of this title; and

2430 [~~(g)~~ (f) have at least 40 rooms as temporary sleeping accommodations for
2431 compensation.

2432 Section 28. Section **32B-8b-301** is amended to read:

2433 **32B-8b-301. Specific operational requirements for hotel license.**

2434 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
2435 Requirements, a hotel licensee, staff of the hotel licensee, and a sublicensee or person
2436 otherwise operating under a sublicense shall comply with this section.

2437 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
2438 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2439 (i) the hotel licensee;

2440 (ii) individual staff of the hotel licensee;

2441 (iii) a sublicensee or person otherwise operating under a sublicense of the hotel
2442 licensee;

2443 (iv) individual staff of a sublicensee or person otherwise operating under a sublicense

2444 of the hotel licensee; or

2445 (v) any combination of the persons listed in this Subsection (1)(b).

2446 (2) (a) A hotel licensee may not sell, offer for sale, or furnish an alcoholic product

2447 except:

2448 (i) on sublicensed premises;

2449 (ii) pursuant to a permit issued under this title; [~~or~~]

2450 (iii) under a package agency agreement with the department, subject to Chapter 2, Part
2451 6, Package Agency[~~:~~]; or

2452 (iv) through room service.

2453 (b) A hotel licensee who sells, offers for sale, or furnishes an alcoholic product as
2454 provided in Subsection (2)(a) shall sell, offer for sale, or furnish the alcoholic product:

2455 (i) if on sublicensed premises, in accordance with the operational requirements
2456 described in Section [32B-8d-104](#);

2457 (ii) if under a permit issued under this title, in accordance with the operational
2458 requirements under the provisions applicable to the permit; [~~and~~]

2459 (iii) if as a package agency, in accordance with the contract with the department and
2460 Chapter 2, Part 6, Package Agency[~~:~~]; and

2461 (iv) if through room service, in accordance with Subsection (4).

2462 (c) Notwithstanding the other provisions of this Subsection (2) and except as provided
2463 in Section [32B-8d-104](#), a hotel licensee may not permit a patron to carry an alcoholic product
2464 off the premises of a sublicense in violation of Section [32B-5-307](#) or off an area designated
2465 under a permit.

2466 (3) A hotel licensee shall supervise and direct a person involved in the sale, offer for
2467 sale, or furnishing of an alcoholic product under a hotel license.

2468 (4) (a) Room service of an alcoholic product to a lodging accommodation of a hotel
2469 licensee shall be provided in person by staff of the hotel licensee only to an adult occupant in
2470 the lodging accommodation.

2471 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval
2472 by an occupant.

2473 (5) A hotel licensee shall operate in a manner so that at least 70% of the annual
2474 aggregate of the gross receipts related to the sale of food or beverages for the hotel license and

2475 each of the hotel license's sublicenses is from the sale of food, not including:

2476 (a) mix for an alcoholic product; and

2477 (b) a charge in connection with the service of an alcoholic product.

2478 Section 29. Section **32B-8d-103** is amended to read:

2479 **32B-8d-103. Commission's power to issue a sublicense.**

2480 (1) Before a person as a sublicensee may store, sell, offer for sale, furnish, or allow the
2481 consumption of an alcoholic product on sublicensed premises, the person shall first obtain a
2482 sublicense from the commission in accordance with:

2483 (a) this chapter;

2484 (b) Chapter 8, Resort License Act;

2485 (c) Chapter 8b, Hotel License Act; and

2486 (d) Chapter 8c, Arena License Act.

2487 (2) (a) The commission may issue to a person a sublicense to allow the storage, sale,
2488 offering for sale, furnishing, or consumption of an alcoholic product on the premises of the
2489 sublicense, if the person is:

2490 (i) a principal licensee; or

2491 (ii) a person seeking a principal license, contingent on the issuance of the principal
2492 license.

2493 (b) The commission may not:

2494 (i) issue a sublicense that is separate from a principal license; or

2495 (ii) issue a single sublicense that covers more than one outlet in or on the boundaries of
2496 the principal licensee.

2497 (3) [~~(a) Except as provided in Subsection (3)(b), when~~ When determining the total
2498 number of licenses the commission has issued for each type of retail license, the commission
2499 may not include a sublicense as one of the retail licenses issued under the provisions applicable
2500 to that sublicense.

2501 [~~(b) If a resort license includes a sublicense that before the issuance of the resort
2502 license was a retail license that was not a bar establishment license, the commission shall
2503 include the sublicense as a license in calculating the total number of licenses issued under the
2504 provisions applicable to the sublicense.~~]

2505 (4) If a principal licensee seeks to add a sublicense after the commission issues the

- 2506 person's principal license, the principal licensee shall file with the department:
- 2507 (a) a nonrefundable \$300 application fee;
 - 2508 (b) an initial license fee of \$2,250, which the commission shall refund if the
2509 commission does not issue the proposed sublicense;
 - 2510 (c) written consent of the local authority;
 - 2511 (d) a copy of:
 - 2512 (i) the principal licensee's current business; and
 - 2513 (ii) the proposed sublicensee's current business license, if the relevant political
2514 subdivision determines that the proposed sublicensee's business license is separate from the
2515 principal licensee's business license;
 - 2516 (e) evidence that the proposed sublicensed premises is entirely within the boundary of
2517 the principal license;
 - 2518 (f) a description, floor plan, and boundary map of the proposed sublicensed premises
2519 designating:
 - 2520 (i) each location at which the principal licensee proposes that an alcoholic product be
2521 stored; and
 - 2522 (ii) each location from which the principal licensee proposes that an alcoholic product
2523 be sold, furnished, or consumed;
 - 2524 (g) evidence that the principal licensee carries:
 - 2525 (i) public liability insurance in an amount and form satisfactory to the department; and
 - 2526 (ii) dramshop insurance coverage in the amount required by Section [32B-5-201](#) that
2527 covers the proposed sublicense;
 - 2528 (h) a signed consent form stating that the principal licensee will permit any authorized
2529 representative of the commission or department, or any law enforcement officer, to have an
2530 unrestricted right to enter the proposed sublicensed premises;
 - 2531 (i) if the principal licensee is an entity, proper verification evidencing that a person
2532 who signs the application is authorized to sign on behalf of the entity; and
 - 2533 (j) any other information the commission or department may require.
- 2534 Section 30. Section **32B-8d-205** is amended to read:
- 2535 **32B-8d-205. Specific operational requirements for a spa sublicense.**
- 2536 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational

2537 Requirements, a resort licensee, staff of the resort licensee, a hotel licensee, and staff of the
2538 hotel licensee, shall comply with this section.

2539 (b) A spa sublicensee or a person otherwise operating under a spa sublicense and staff
2540 of a spa sublicensee or a person otherwise operating under a spa sublicense shall comply with:

2541 (i) Chapter 5, Part 3, Retail Licensee Operational Requirements as if the spa
2542 sublicensee is a retail licensee, unless a provision conflicts with this chapter; and

2543 (ii) this chapter.

2544 (c) Subject to Section 32B-8-502, failure to comply as provided in Subsection (1)(a)
2545 may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and
2546 Enforcement Act, against:

2547 (i) a resort licensee;

2548 (ii) staff of a resort licensee;

2549 (iii) a hotel licensee;

2550 (iv) staff of a hotel licensee;

2551 (v) a spa sublicensee or person otherwise operating under a spa sublicense;

2552 (vi) individual staff of a spa sublicensee or person otherwise operating under a spa
2553 sublicense; or

2554 (vii) any combination of the persons listed in Subsections (1)(c)(i) through (vi).

2555 (2) (a) For purposes of the spa sublicense, the corresponding resort licensee or hotel
2556 licensee shall ensure that a record is maintained or used for the spa sublicense:

2557 (i) as the department requires; and

2558 (ii) for a minimum period of three years.

2559 (b) A spa sublicensee record is subject to inspection by an authorized representative of
2560 the commission and the department.

2561 (c) A resort licensee or a hotel licensee shall allow the department, through a
2562 compliance officer of the department, to audit the records for a spa sublicense at the times the
2563 department considers advisable.

2564 (d) The department shall audit the records for a spa sublicense at least once annually.

2565 (e) Section 32B-1-205 applies to a record required to be made, maintained, or used in
2566 accordance with this Subsection (2).

2567 (3) (a) A spa sublicensee or person operating under a spa sublicense may not sell, offer

2568 for sale, or furnish liquor at a spa during a period that:

2569 (i) begins at 1 a.m.; and

2570 (ii) ends at 9:59 a.m.

2571 (b) A spa sublicensee or person operating under a spa sublicense may sell, offer for
2572 sale, or furnish beer during the hours specified in Chapter 6, Part 7, On-Premise Beer Retailer
2573 License, for an on-premise beer retailer.

2574 (c) (i) Notwithstanding Subsections (3)(a) and (b), a spa shall remain open for one hour
2575 after the spa ceases the sale and furnishing of an alcoholic product during which time a person
2576 at the spa may finish consuming:

2577 (A) a single drink containing spirituous liquor;

2578 (B) except as provided in Subsection (3)(c)(i)(C), a single serving of wine not
2579 exceeding five ounces;

2580 (C) a single serving not exceeding 16 ounces of hard cider that is furnished in a sealed
2581 container and contains no more than 5% of alcohol by volume;

2582 [~~(D)~~] (D) a single serving of heavy beer;

2583 [~~(E)~~] (E) a single serving of beer not exceeding 26 ounces; or

2584 [~~(F)~~] (F) a single serving of a flavored malt beverage.

2585 (ii) A spa is not required to remain open:

2586 (A) after all individuals have vacated the spa sublicensee's sublicensed premises; or

2587 (B) during an emergency.

2588 (4) (a) A minor may not be admitted into, use, or be on the sublicensed premises of a
2589 spa sublicense unless accompanied by an individual 21 years old or older.

2590 (b) A minor permitted under Subsection (4)(a) to be admitted into, use, or be on the
2591 sublicensed premises of a spa sublicense:

2592 (i) may only be admitted into or be on a lounge or bar area of the spa sublicensee's
2593 sublicensed premises momentarily while en route to another area of the spa; and

2594 (ii) may not remain or sit in the lounge or bar area of the spa sublicensee's sublicensed
2595 premises.

2596 (5) A spa sublicensee shall have food available at all times when an alcoholic product
2597 is sold, offered for sale, furnished, or consumed on the spa sublicensee's sublicensed premises.

2598 (6) (a) Subject to the other provisions of this Subsection (6), a patron may not have

2599 more than two alcoholic products of any kind at a time before the patron.

2600 (b) A spa patron may not have two spirituous liquor drinks before the spa patron if one
2601 of the spirituous liquor drinks consists only of the primary spirituous liquor for the other
2602 spirituous liquor drink.

2603 (c) An individual portion of wine is considered to be one alcoholic product under this
2604 Subsection (6).

2605 (7) (a) An alcoholic product may only be consumed at a table or counter.

2606 (b) An alcoholic product may not be served to or consumed by a patron at a dispensing
2607 structure.

2608 (8) (a) A spa sublicensee or person operating under a spa sublicense shall have
2609 available on the spa sublicense's sublicensed premises for a patron to review at the time that the
2610 patron requests it, a written alcoholic product price list or a menu containing the price of an
2611 alcoholic product sold or furnished by the spa sublicensee including:

2612 (i) a set-up charge;

2613 (ii) a service charge; or

2614 (iii) a chilling fee.

2615 (b) A charge or fee made in connection with the sale, service, or consumption of liquor
2616 may be stated in food or alcoholic product menus including:

2617 (i) a set-up charge;

2618 (ii) a service charge; or

2619 (iii) a chilling fee.

2620 (9) (a) A resort licensee or hotel licensee shall own or lease premises suitable for the
2621 spa sublicense's activities.

2622 (b) A resort licensee or hotel licensee may not maintain premises in a manner that
2623 barricades or conceals the spa sublicense's operation.

2624 (10) Subject to the other provisions of this section, a spa sublicensee or person
2625 operating under a spa sublicense may not sell an alcoholic product to or allow an individual to
2626 be admitted to or use the spa sublicensee's sublicensed premises other than:

2627 (a) a resident; or

2628 (b) a customer.

2629 Section 31. Section **32B-9-202** is amended to read:

2630 **32B-9-202. Duties before issuing event permit.**

2631 (1) (a) Before the director may issue an event permit, the department shall conduct an
2632 investigation and may hold public hearings to gather information and make recommendations
2633 to the director as to whether the director should issue an event permit.

2634 (b) The department shall [~~forward~~] provide the information and recommendations
2635 described in Subsection (1)(a) to the director [~~and the Compliance, Licensing, and Enforcement~~
2636 ~~Subcommittee~~] to aid in the director's determination.

2637 (2) Before issuing an event permit, the director shall:

2638 (a) determine that the person filed a complete application and is in compliance with:

2639 (i) Section 32B-9-201; and

2640 (ii) the relevant part under this chapter for the type of event permit for which the
2641 person is applying;

2642 (b) determine that the person is not disqualified under Section 32B-1-304;

2643 (c) consider the purpose of the organization or its local lodge, chapter, or other local
2644 unit;

2645 (d) consider the times, dates, location, estimated attendance, nature, and purpose of the
2646 event;

2647 (e) to minimize the risk of minors being sold or furnished alcohol or adults being
2648 overserved alcohol at the event, determine that adequate and appropriate control measures and
2649 adequate and appropriate enforcement measures are in place at the event to assure that minors
2650 will not be sold or furnished alcohol and that adults will not be overserved, except that
2651 adequate and appropriate control and enforcement measures may be different for small, large,
2652 indoor, or outdoor events;

2653 (f) determine that the event permit is not being sought by the person as a means to
2654 circumvent other applicable requirements of this title, notwithstanding that the applicant may
2655 hold one or more licenses issued under this title;

2656 (g) consider, for the period of three years before the date of the event, the violation
2657 history of:

2658 (i) the applicant; and

2659 (ii) the venue where the event will be held;

2660 (h) provide the information and recommendations described in Subsection (1) to, and

2661 obtain the approval of, the Compliance, Licensing, and Enforcement Subcommittee [~~before~~
2662 ~~issuing an event permit~~];

2663 (i) notify each commissioner [~~at least three business days~~] before the director issues the
2664 event permit in accordance with Subsection (3); and

2665 (j) consider any other factor the director considers necessary.

2666 (3) (a) [~~The~~] Except as provided in Subsections (3)(d) and (e), the director shall
2667 [~~inform~~] notify each commissioner of the director's preliminary decision to issue or deny the
2668 issuance of an event permit three business days before the day on which the decision is to be
2669 final.

2670 (b) The preliminary decision becomes a final decision of the director unless:

2671 (i) [~~unless~~] within three business days [~~of receipt of~~] after the day on which the notice
2672 is received at least three of the commissioners request a meeting to discuss whether the event
2673 permit should be issued; or

2674 (ii) the director modifies or revokes the preliminary decision to issue or deny issuance
2675 of the event permit.

2676 (c) If three or more of the commissioners request a meeting[;]:

2677 (i) the applicant for the event permit shall be notified; and

2678 (ii) the commission shall:

2679 [(i)] (A) [~~shall~~] hold a meeting on the application for an event permit no later than the
2680 next regularly scheduled meeting of the commission; and

2681 [(ii)] (B) [~~shall~~] issue the event permit if the applicant meets the requirements of this
2682 chapter or [~~shall~~] deny issuance of the event permit if the applicant fails to meet the
2683 requirements of this chapter.

2684 (d) The commission may waive the three business day notice period described in
2685 Subsection (3)(a) on behalf of a commissioner.

2686 [(d)] (e) (i) [~~Notwithstanding the other provisions of this Subsection (3), the~~] The
2687 director may at any time refer an application for an event permit directly to the commission for
2688 a determination as to whether an event permit should be issued or denied.

2689 [(e)] (ii) For purposes of this title, an event permit issued by the commission is to be
2690 treated the same as an event permit issued by the director.

2691 (f) If the commission finds that an event permit was improperly issued or that the

2692 permittee has violated this chapter, the commission may take any action permitted under this
2693 title.

2694 (4) Once the director issues an event permit, the department shall send a copy of the
2695 approved application and the event permit by written or electronic means to the state and local
2696 law enforcement authorities at least three days before the event.

2697 (5) The director shall provide the commission a monthly report of the actions taken by
2698 the director under this part.

2699 (6) If authorized by the director, the deputy director may act on behalf of the director
2700 for purposes of issuing an event permit under this chapter.

2701 Section 32. Section **32B-11-209** is amended to read:

2702 **32B-11-209. Notifying department of change in ownership.**

2703 The commission may suspend [or], revoke, or deem forfeited a manufacturing license if
2704 the manufacturing licensee does not immediately notify the department of a change in:

- 2705 (1) ownership of the manufacturing licensee;
- 2706 (2) for a corporate owner, the:
 - 2707 (a) corporate officers or directors; or
 - 2708 (b) shareholders holding at least 20% of the total issued and outstanding stock of the
2709 corporation; or

- 2710 (3) for a limited liability company:
 - 2711 (a) managers; or
 - 2712 (b) members owning at least 20% of the limited liability company.

2713 Section 33. Section **32B-11-210** is amended to read:

2714 **32B-11-210. Tasting provided by manufacturing licensee.**

- 2715 (1) As used in this section:
 - 2716 (a) "Parcel" means the same identifiable contiguous unit of property that is treated as
2717 separate for valuation or zoning purposes and includes an improvement on that unit of
2718 property.
 - 2719 (b) "Taste" means an amount of an alcoholic product provided by a manufacturing
2720 licensee for consumption under this section.
- 2721 (2) A manufacturing licensee may provide for a tasting in accordance with this section.
- 2722 (3) Before conducting a tasting, the manufacturing licensee shall provide the

2723 department:

2724 (a) evidence of proximity to any community location, with proximity requirements
2725 being governed by Section 32B-1-202 as if the manufacturing licensee were a retail licensee;

2726 (b) a floor plan, and boundary map where applicable, of the premises of the
2727 manufacturing licensee, including any:

2728 (i) consumption area; and

2729 (ii) area where the person proposes to store, sell, offer for sale, or furnish an alcoholic
2730 product to be tasted;

2731 (c) evidence that the manufacturing licensee is carrying public liability insurance in an
2732 amount and form satisfactory to the department;

2733 (d) evidence that the manufacturing licensee is carrying dramshop insurance coverage
2734 in an amount and form satisfactory to the department; and

2735 (e) any other information the commission or department may require.

2736 (4) A manufacturing licensee may not sell, offer for sale, or furnish a taste on any day
2737 during the period that:

2738 (a) begins at midnight; and

2739 (b) ends at 10:59 a.m.

2740 (5) A person who serves a taste on behalf of the manufacturing licensee shall complete
2741 an alcohol training and education seminar as if the person were employed by a retail licensee.

2742 (6) (a) A manufacturing licensee shall establish a distinct area for consumption of a
2743 taste outside the view of minors on the licensed premises and in which minors are not allowed
2744 during the time period when tasting occurs.

2745 (b) The distinct area for consumption for a taste established under this Subsection (6)
2746 shall be in the same building as where the manufacturing licensee produces alcoholic product,
2747 in a building on the same parcel as the building where the manufacturing licensee produces
2748 alcoholic product, or in a patio or similar area immediately adjacent to a building described in
2749 this Subsection (6)(b).

2750 (7) (a) A manufacturing licensee shall have substantial food available that is served on
2751 the licensed premises to an individual consuming a taste.

2752 (b) The commission may define what constitutes "substantial food" by rule made in
2753 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, except that the

2754 rule may not require culinary facilities for food preparation that are equivalent to a restaurant or
2755 dining club.

2756 (8) A manufacturing licensee shall charge an individual for a taste and may not sell,
2757 offer for sale, or furnish a taste at less than the cost of the taste to a retail licensee.

2758 (9) (a) A manufacturing licensee may provide a taste in more than one container except
2759 that the aggregate total of the taste in all of the containers may not exceed:

2760 (i) ~~[5 ounces of wine]~~ for a winery manufacturing licensee~~[;]~~;

2761 (A) except as provided in Subsection (9)(a)(i)(B), five ounces of wine; or

2762 (B) 16 ounces of hard cider that is furnished in a sealed container and contains no more
2763 than 5% of alcohol by volume;

2764 (ii) for a distillery manufacturing licensee, 2.5 ounces of spirituous liquor ~~[for a~~
2765 ~~distillery manufacturing licensee]; or~~

2766 (iii) for a brewery manufacturing licensee, 16 ounces of beer, heavy beer, or flavored
2767 malt beverages ~~[for a brewery manufacturing licensee].~~

2768 (b) A manufacturing licensee may not allow an individual to participate in more than
2769 one tasting within a calendar day.

2770 (10) A manufacturing licensee may provide a taste of alcoholic product that is:

2771 (a) manufactured by the manufacturing licensee; and

2772 (b) purchased by the manufacturing licensee from:

2773 (i) a state store or package agency; or

2774 (ii) for beer, the off-premise retail licensee described in Subsection [32B-11-503\(4\)\(c\)](#).

2775 (11) (a) A manufacturing licensee shall display in a prominent place in the location
2776 where tastes are consumed a sign in large letters that consists of text in the following order:

2777 (i) a header that reads: "WARNING";

2778 (ii) a warning statement that reads: "Drinking alcoholic beverages during pregnancy
2779 can cause birth defects and permanent brain damage for the child.";

2780 (iii) a statement in smaller font that reads: "Call the Utah Department of Health and
2781 Human Services at [insert most current toll-free number] with questions or for more
2782 information.";

2783 (iv) a header that reads: "WARNING"; and

2784 (v) a warning statement that reads: "Driving under the influence of alcohol or drugs is a

2785 serious crime that is prosecuted aggressively in Utah."

2786 (b) (i) The text described in Subsections (11)(a)(i) through (iii) shall be in a different
2787 font style than the text described in Subsections (11)(a)(iv) and (v).

2788 (ii) The warning statements in the sign described in Subsection (11)(a) shall be in the
2789 same font size.

2790 (c) The Department of Health and Human Services shall work with the commission
2791 and department to facilitate consistency in the format of a sign required under this Subsection
2792 (11).

2793 (12) A manufacturing licensee shall provide educational information as defined by rule
2794 by the commission in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
2795 Act, as part of the tasting.

2796 (13) A manufacturing licensee that conducts tastings under a scientific or educational
2797 use permit issued by the commission as of May 10, 2016, shall comply with this section by no
2798 later than December 31, 2016, in conducting a tasting. In accordance with Subsection
2799 [32B-10-206\(1\)\(c\)](#), effective no later than January 1, 2017, the commission shall take action on
2800 a scientific or educational use permit used by a manufacturing licensee to conduct tastings.

2801 Section 34. Section **32B-11-609** is amended to read:

2802 **32B-11-609. Notifying department of change in ownership.**

2803 The commission may suspend [~~or~~], revoke, or deem forfeited a local industry
2804 representative license if a local industry representative licensee does not [~~immediately~~] notify
2805 the department, within 60 days after the day on which the change occurs, of a change in:

2806 (1) ownership of the business;

2807 (2) for a corporate owner, the:

2808 (a) corporate officers or directors; or

2809 (b) shareholders holding at least 20% of the total issued and outstanding stock of the
2810 corporation; or

2811 (3) for a limited liability company:

2812 (a) managers; or

2813 (b) members owning at least 20% of the limited liability company.

2814 Section 35. Section **32B-12-302** is amended to read:

2815 **32B-12-302. Notifying the department of change in ownership.**

2816 The commission may suspend [~~or~~], revoke, or deem forfeited a liquor warehousing
2817 license if a liquor warehouser licensee does not [~~immediately~~] notify the department, within 60
2818 days after the day on which the change occurs, of a change in:

- 2819 (1) ownership of the liquor warehouser licensee;
- 2820 (2) for a corporate owner, the:
 - 2821 (a) corporate officers or directors; or
 - 2822 (b) shareholders holding at least 20% of the total issued and outstanding stock of the
2823 corporation; or
 - 2824 (3) for a limited liability company:
 - 2825 (a) managers; or
 - 2826 (b) members owning at least 20% of the limited liability company.

2827 Section 36. Section **32B-17-102** is amended to read:

2828 **32B-17-102. Definitions.**

2829 As used in this chapter:

- 2830 (1) "Airport licensee" means a person who holds a valid:
 - 2831 (a) retail license for premises located at an international airport or domestic airport; or
 - 2832 (b) special use permit for premises located at an international airport or domestic
2833 airport.
 - 2834 (2) "Central receiving and distribution center" means a facility that:
 - 2835 (a) operates at an international airport or domestic airport;
 - 2836 (b) receives goods and supplies delivered to the international airport or domestic
2837 airport for an airport licensee;
 - 2838 (c) screens the goods and supplies described in Subsection (2)(b) for security purposes;
 - 2839 and
 - 2840 (d) distributes the goods and supplies described in Subsection (2)(b) to the airport
2841 licensee for whom the goods and supplies were delivered.

2842 Section 37. Section **32B-18-204** is amended to read:

2843 **32B-18-204. Notifying department of change in ownership.**

2844 The commission may suspend [~~or~~], revoke, or deem forfeited an alcohol license if the
2845 alcohol licensee does not notify the department, within 60 days after the day on which the
2846 change occurs, of a change in:

- 2847 (1) ownership of the business entity holding the alcohol license;
2848 (2) for a corporate owner, the:
2849 (a) corporate officers or directors of the alcohol licensee; or
2850 (b) shareholders holding at least 20% of the total issued and outstanding stock of the
2851 corporation; or
2852 (3) for a limited liability company:
2853 (a) managers of the limited liability company; or
2854 (b) members owning at least 20% of the limited liability company.

2855 Section 38. Section **32B-18-205** is amended to read:

2856 **32B-18-205. Management agreements -- Inventory transfers.**

2857 (1) (a) A management agreement may provide for the sharing of revenue from a
2858 business utilizing an alcohol license, including revenue from the sale of an alcoholic product,
2859 if, regardless of which party holds the alcohol license, [~~all parties to the management~~
2860 ~~agreement qualify under Section 32B-1-304 to hold the license.~~] neither the owner nor operator
2861 is disqualified from holding the license for a previous violation of this title.

2862 (b) The parties to a management agreement shall submit to the department:

- 2863 (i) a copy of the management agreement; and
2864 (ii) any other information the department requires.

2865 (c) If there is a material change to the management agreement submitted to the
2866 department under Subsection (1)(b), the parties to the management agreement shall submit to
2867 the department the following within 30 days after the day on which the change occurs:

- 2868 (i) a copy of the changed management agreement; and
2869 (ii) any other information the department requires.

2870 (2) (a) Notwithstanding any other provision of this title, in connection with a change of
2871 ownership described in Section **32B-18-202** or an asset sale of an alcohol licensee, the parties
2872 to the transaction may enter into an inventory transfer agreement.

2873 (b) The inventory transfer agreement described in Subsection (2)(a) may allow for the
2874 transfer of inventory between parties regardless of whether the parties hold or are applying for
2875 the same retail license.

2876 (3) In accordance with this section and Title 63G, Chapter 3, Utah Administrative
2877 Rulemaking Act, the commission may make rules governing the requirements of:

2878 (a) a management agreement; or
2879 (b) an inventory transfer agreement.
2880 Section 39. Section **62A-15-401** is amended to read:
2881 **62A-15-401. Alcohol training and education seminar.**
2882 (1) As used in this [part] section:
2883 (a) "Instructor" means a person that directly provides the instruction during an alcohol
2884 training and education seminar for a seminar provider.
2885 (b) "Licensee" means a person who is:
2886 (i) (A) a new or renewing licensee under Title 32B, Alcoholic Beverage Control Act;
2887 and
2888 (B) engaged in the retail sale of an alcoholic product for consumption on the premises
2889 of the licensee; or
2890 (ii) a business that is:
2891 (A) a new or renewing licensee licensed by a city, town, or county; and
2892 (B) engaged in the retail sale of beer for consumption off the premises of the licensee.
2893 (c) "Licensee staff" means a retail manager, retail staff, an off-premise retail manager,
2894 or off-premise retail staff.
2895 [~~(c)~~] (d) "Off-premise beer retailer" is as defined in Section [32B-1-102](#).
2896 (e) "Off-premise retail manager" means the same as that term is defined in Section
2897 [32B-1-701](#).
2898 (f) "Off-premise retail staff" means the same as that term is defined in Section
2899 [32B-1-701](#).
2900 (g) "Retail manager" means the same as that term is defined in Section [32B-1-701](#).
2901 (h) "Retail staff" means the same as that term is defined in Section [32B-1-701](#).
2902 [~~(d)~~] (i) "Seminar provider" means a person other than the division who provides an
2903 alcohol training and education seminar meeting the requirements of this section.
2904 (2) (a) This section applies to[~~:]~~ licensee staff.
2905 [~~(i) a retail manager as defined in Section [32B-1-701](#);~~]
2906 [~~(ii) retail staff as defined in Section [32B-1-701](#); and~~]
2907 [~~(iii) an individual who, as defined by division rule;~~]
2908 [~~(A) directly supervises the sale of beer to a customer for consumption off the premises~~

2909 ~~of an off-premise beer retailer; or]~~

2910 ~~[(B) sells beer to a customer for consumption off the premises of an off-premise beer~~
 2911 ~~retailer.]~~

2912 (b) ~~[If the]~~ An individual who does not have a valid record that the individual has
 2913 completed an alcohol training and education seminar ~~[, an individual described in Subsection~~
 2914 ~~(2)(a)]~~ shall:

2915 (i) complete an alcohol training and education seminar before the day on which the
 2916 individual begins work as licensee staff of a licensee; and

2917 ~~[(i) (A) complete an alcohol training and education seminar within 30 days of the~~
 2918 ~~following if the individual is described in Subsection (2)(a)(i) or (ii):]~~

2919 ~~[(I) if the individual is an employee, the day the individual begins employment;]~~

2920 ~~[(H) if the individual is an independent contractor, the day the individual is first hired;~~

2921 ~~or]~~

2922 ~~[(III) if the individual holds an ownership interest in the licensee, the day that the~~
 2923 ~~individual first engages in an activity that would result in that individual being required to~~
 2924 ~~complete an alcohol training and education seminar; or]~~

2925 ~~[(B) complete an alcohol training and education seminar within the time periods~~
 2926 ~~specified in Subsection [32B-1-703](#)(1) if the individual is described in Subsection (2)(a)(iii)(A)~~
 2927 ~~or (B); and]~~

2928 (ii) pay a fee~~[: (A)]~~ to the seminar provider~~[: and (B)]~~ that is equal to or greater than
 2929 the amount established under Subsection (4)(h).

2930 (c) An individual shall have a valid record that the individual completed an alcohol
 2931 training and education seminar within the time period provided in this Subsection (2) to
 2932 ~~[engage in an activity described in Subsection (2)(a)]~~ act as licensee staff.

2933 (d) A record that ~~[an individual]~~ licensee staff has completed an alcohol training and
 2934 education seminar is valid for~~[: (i)]~~ three years ~~[from]~~ after the day on which the record is
 2935 issued ~~[for an individual described in Subsection (2)(a)(i) or (ii); and].~~

2936 ~~[(ii) five years from the day on which the record is issued for an individual described in~~
 2937 ~~Subsection (2)(a)(iii)(A) or (B):]~~

2938 (e) ~~[On and after July 1, 2011, to]~~ To be considered as having completed an alcohol
 2939 training and education seminar, an individual shall:

2940 (i) attend the alcohol training and education seminar and take any test required to
2941 demonstrate completion of the alcohol training and education seminar in the physical presence
2942 of an instructor of the seminar provider; or

2943 (ii) complete the alcohol training and education seminar and take any test required to
2944 demonstrate completion of the alcohol training and education seminar through an online course
2945 or testing program that meets the requirements described in Subsection (2)(f).

2946 (f) (i) The division shall by rule made in accordance with Title 63G, Chapter 3, Utah
2947 Administrative Rulemaking Act, establish one or more requirements for an online course or
2948 testing program described in Subsection (2)(e) that are designed to inhibit fraud in the use of
2949 the online course or testing program.

2950 (ii) In developing the requirements by rule, the division shall consider whether to
2951 require:

2952 [(i)] (A) authentication that the an individual accurately identifies the individual as
2953 taking the online course or test;

2954 [(ii)] (B) measures to ensure that an individual taking the online course or test is
2955 focused on training material throughout the entire training period;

2956 [(iii)] (C) measures to track the actual time an individual taking the online course or
2957 test is actively engaged online;

2958 [(iv)] (D) a seminar provider to provide technical support, such as requiring a
2959 telephone number, email, or other method of communication that allows an individual taking
2960 the online course or test to receive assistance if the individual is unable to participate online
2961 because of technical difficulties;

2962 [(v)] (E) a test to meet quality standards, including randomization of test questions and
2963 maximum time limits to take a test;

2964 [(vi)] (F) a seminar provider to have a system to reduce fraud as to who completes an
2965 online course or test, such as requiring a distinct online certificate with information printed on
2966 the certificate that identifies the person taking the online course or test, or requiring measures
2967 to inhibit duplication of a certificate;

2968 [(vii)] (G) measures for the division to audit online courses or tests;

2969 [(viii)] (H) measures to allow an individual taking an online course or test to provide
2970 an evaluation of the online course or test;

2971 [~~(ix)~~] (I) a seminar provider to track the Internet protocol address or similar electronic
2972 location of an individual who takes an online course or test;

2973 [~~(x)~~] (J) an individual who takes an online course or test to use an e-signature; or

2974 [~~(xi)~~] (K) a seminar provider to invalidate a certificate if the seminar provider learns
2975 that the certificate does not accurately reflect the individual who took the online course or test.

2976 (3) (a) A licensee may not permit an individual who is not in compliance with
2977 Subsection (2) to:

2978 (i) serve or supervise the serving of an alcoholic product to a customer for
2979 consumption on the premises of the licensee;

2980 (ii) engage in any activity that would constitute managing operations at the premises of
2981 a licensee that engages in the retail sale of an alcoholic product for consumption on the
2982 premises of the licensee;

2983 (iii) directly supervise the sale of beer to a customer for consumption off the premises
2984 of an off-premise beer retailer; or

2985 (iv) sell beer to a customer for consumption off the premises of an off-premise beer
2986 retailer.

2987 (b) A licensee that violates Subsection (3)(a) is subject to Section [32B-1-702](#).

2988 (4) The division shall:

2989 (a) (i) provide alcohol training and education seminars; or

2990 (ii) certify one or more seminar providers;

2991 (b) establish the curriculum for an alcohol training and education seminar that includes
2992 the following subjects:

2993 (i) (A) alcohol as a drug; and

2994 (B) alcohol's effect on the body and behavior;

2995 (ii) recognizing the problem drinker or signs of intoxication;

2996 (iii) an overview of state alcohol laws related to responsible beverage sale or service,
2997 as determined in consultation with the Department of Alcoholic Beverage Services;

2998 (iv) dealing with the problem customer, including ways to terminate sale or service;

2999 and

3000 (v) for those supervising or engaging in the retail sale of an alcoholic product for
3001 consumption on the premises of a licensee, alternative means of transportation to get the

3002 customer safely home;

3003 (c) recertify each seminar provider every three years;

3004 (d) monitor compliance with the curriculum described in Subsection (4)(b);

3005 (e) maintain for at least five years a record of every person who has completed an

3006 alcohol training and education seminar;

3007 (f) provide the information described in Subsection (4)(e) on request to:

3008 (i) the Department of Alcoholic Beverage Services;

3009 (ii) law enforcement; or

3010 (iii) a person licensed by the state or a local government to sell an alcoholic product;

3011 (g) provide the Department of Alcoholic Beverage Services on request a list of any

3012 seminar provider certified by the division; and

3013 (h) establish a fee amount for each person attending an alcohol training and education

3014 seminar that is sufficient to offset the division's cost of administering this section.

3015 (5) The division shall by rule made in accordance with Title 63G, Chapter 3, Utah

3016 Administrative Rulemaking Act:

3017 ~~[(a) define what constitutes under this section an individual who:]~~

3018 ~~[(i) manages operations at the premises of a licensee engaged in the retail sale of an~~

3019 ~~alcoholic product for consumption on the premises of the licensee;]~~

3020 ~~[(ii) supervises the serving of an alcoholic product to a customer for consumption on~~

3021 ~~the premises of a licensee;]~~

3022 ~~[(iii) serves an alcoholic product to a customer for consumption on the premises of a~~

3023 ~~licensee;]~~

3024 ~~[(iv) directly supervises the sale of beer to a customer for consumption off the premises~~

3025 ~~of an off-premise beer retailer; or]~~

3026 ~~[(v) sells beer to a customer for consumption off the premises of an off-premise beer~~

3027 ~~retailer;]~~

3028 ~~[(b)]~~ (a) establish criteria for certifying and recertifying a seminar provider; and

3029 ~~[(c)]~~ (b) establish guidelines for the manner in which an instructor provides an alcohol

3030 education and training seminar.

3031 (6) A seminar provider shall:

3032 (a) obtain recertification by the division every three years;

3033 (b) ensure that an instructor used by the seminar provider:
3034 (i) follows the curriculum established under this section; and
3035 (ii) conducts an alcohol training and education seminar in accordance with the
3036 guidelines established by rule;
3037 (c) ensure that any information provided by the seminar provider or instructor of a
3038 seminar provider is consistent with:
3039 (i) the curriculum established under this section; and
3040 (ii) this section;
3041 (d) provide the division with the names of all persons who complete an alcohol training
3042 and education seminar provided by the seminar provider;
3043 (e) (i) collect a fee for each person attending an alcohol training and education seminar
3044 in accordance with Subsection (2); and
3045 (ii) forward to the division the portion of the fee that is equal to the amount described
3046 in Subsection (4)(h); and
3047 (f) issue a record to an individual that completes an alcohol training and education
3048 seminar provided by the seminar provider.
3049 (7) (a) If after a hearing conducted in accordance with Title 63G, Chapter 4,
3050 Administrative Procedures Act, the division finds that a seminar provider violates this section
3051 or that an instructor of the seminar provider violates this section, the division may:
3052 (i) suspend the certification of the seminar provider for a period not to exceed 90 days
3053 after the day on which the suspension begins;
3054 (ii) revoke the certification of the seminar provider;
3055 (iii) require the seminar provider to take corrective action regarding an instructor; or
3056 (iv) prohibit the seminar provider from using an instructor until such time that the
3057 seminar provider establishes to the satisfaction of the division that the instructor is in
3058 compliance with Subsection (6)(b).
3059 (b) The division may certify a seminar provider whose certification is revoked:
3060 (i) no sooner than 90 days [~~from the date~~] after the day on which the certification is
3061 revoked; and
3062 (ii) if the seminar provider establishes to the satisfaction of the division that the
3063 seminar provider will comply with this section.

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