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ALCOHOL AMENDMENTS
2024 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Jefferson S. Burton
Senate Sponsor: Jerry W Stevenson

LONG TITLE

General Description:

This bill modifies provisions related to alcohol.

Highlighted Provisions:

This bill:

- ▶ creates an exception to the proximity requirements for an outlet or restaurant located within a specified area;
- ▶ requires the director of the Department of Alcoholic Beverage Services to form a workgroup to make recommendations related to:
 - alcohol training and education for licensees; and
 - recordkeeping for certain cash transactions involving the sale of an alcoholic beverage;
- ▶ authorizes the department to establish a round up program, under which a state store customer could elect to round up the customer's purchase to the nearest dollar for deposit into the Pamela Atkinson Homeless Account;
- ▶ increases the state markup on spirituous liquor, wine, and flavored malt beverages;
- ▶ clarifies the markup on spirituous liquor, wine, heavy beer, and flavored malt beverages sold by a package agency located at a manufacturing facility;
- ▶ increases the tax on beer and uses the additional revenue to fund three new alcohol-related law enforcement officers who are dedicated to compliance;
- ▶ prohibits a state store or off-premise beer retailer from selling liquor or beer that is intended to be frozen and consumed in a manner other than as a beverage;
- ▶ prohibits a state store or package agency from selling liquor that contains more than 80% alcohol by volume;
- ▶ requires the department to initiate disciplinary proceedings under certain circumstances;

- 28 ▶ prohibits a person from selling in the state vaporized alcohol;
- 29 ▶ prohibits the commission from denying any available retail license,
- 30 including through a conditional retail license, if an applicant satisfies the requirements for the
- 31 retail license;
- 32 ▶ allows a retail licensee to sell, offer for sale, or furnish spirituous liquor in a pre-mixed
- 33 beverage, if the beverage is in the original, sealed container and satisfies other requirements,
- 34 including requirements related to volume, alcohol content, and labeling;
- 35 ▶ increases the number of full-service restaurant and bar establishment licenses the
- 36 commission is authorized to issue;
- 37 ▶ requires the department to prorate the initial licensing fee for retail licenses;
- 38 ▶ decreases the required capacity of a sports facility or concert venue to qualify as a
- 39 recreational amenity for purposes of an on-premise beer retailer license;
- 40 ▶ provides that a patron in a hotel with a hotel license or resort license may carry an
- 41 alcoholic beverage between specified locations within the hotel, provided the patron travels
- 42 within a designated conveyance area and the alcoholic beverage is in an approved container;
- 43 ▶ allows an entity that is not an airline to obtain a public service permit for the purpose of
- 44 operating a hospitality room at an international airport;
- 45 ▶ modifies the required showing for prima facie evidence of dram shop liability;
- 46 ▶ allows an individual to obtain a DUI investigative report if the individual suffered loss
- 47 or injury as a result of the defendant's actions;
- 48 ▶ establishes a place of last drink program, operated by the Department of Public Safety;
- 49 ▶ clarifies that the beer tax applies to beer and heavy beer;
- 50 ▶ repeals the Alcoholic Beverage Services Advisory Board; and
- 51 ▶ makes technical and conforming changes.

52 **Money Appropriated in this Bill:**

53 None

54 **Other Special Clauses:**

55 This bill provides a coordination clause.

56 **Utah Code Sections Affected:**

57 AMENDS:

58 **32B-1-202**, as last amended by Laws of Utah 2023, Chapter 371

59 **32B-1-304**, as last amended by Laws of Utah 2023, Chapter 371

60 **32B-2-205**, as last amended by Laws of Utah 2022, Chapter 447

61 **32B-2-304**, as last amended by Laws of Utah 2022, Chapter 447

62 **32B-2-305**, as last amended by Laws of Utah 2023, Chapter 396
63 **32B-2-503**, as last amended by Laws of Utah 2011, Chapters 307, 334
64 **32B-2-605**, as last amended by Laws of Utah 2022, Chapter 447
65 **32B-3-203**, as last amended by Laws of Utah 2012, Chapter 369
66 **32B-4-422**, as last amended by Laws of Utah 2020, Chapter 219
67 **32B-4-424**, as enacted by Laws of Utah 2015, Chapter 54
68 **32B-4-501**, as last amended by Laws of Utah 2017, Chapter 455
69 **32B-5-201**, as last amended by Laws of Utah 2022, Chapter 447
70 **32B-5-304**, as last amended by Laws of Utah 2023, Chapter 371
71 **32B-6-203**, as last amended by Laws of Utah 2023, Chapter 371
72 **32B-6-204**, as last amended by Laws of Utah 2017, Chapter 455
73 **32B-6-206**, as last amended by Laws of Utah 2023, Chapter 371
74 **32B-6-302**, as last amended by Laws of Utah 2018, Chapters 249, 313
75 **32B-6-304**, as last amended by Laws of Utah 2016, Chapter 82
76 **32B-6-306**, as enacted by Laws of Utah 2013, Chapter 349
77 **32B-6-403**, as last amended by Laws of Utah 2023, Chapter 371
78 **32B-6-405**, as last amended by Laws of Utah 2017, Chapter 455
79 **32B-6-504**, as last amended by Laws of Utah 2011, Chapter 334
80 **32B-6-604**, as last amended by Laws of Utah 2011, Chapter 334
81 **32B-6-605**, as last amended by Laws of Utah 2023, Chapters 371, 400
82 **32B-6-702**, as last amended by Laws of Utah 2021, Chapter 280
83 **32B-6-705**, as last amended by Laws of Utah 2011, Second Special Session, Chapter 2
84 **32B-6-804**, as enacted by Laws of Utah 2011, Chapter 334
85 **32B-6-902**, as last amended by Laws of Utah 2019, Chapter 403
86 **32B-6-904**, as last amended by Laws of Utah 2012, Fourth Special Session, Chapter 1
87 **32B-6-1004**, as last amended by Laws of Utah 2021, Chapter 291
88 **32B-7-202**, as last amended by Laws of Utah 2022, Chapter 447
89 **32B-8-102**, as last amended by Laws of Utah 2020, Chapter 219
90 **32B-8-201**, as last amended by Laws of Utah 2022, Chapter 447
91 **32B-8-202**, as last amended by Laws of Utah 2020, Chapter 219
92 **32B-8-401**, as last amended by Laws of Utah 2023, Chapter 371
93 **32B-8b-102**, as last amended by Laws of Utah 2023, Chapter 371
94 **32B-8b-201**, as last amended by Laws of Utah 2020, Chapter 219
95 **32B-8b-202**, as last amended by Laws of Utah 2020, Chapter 219

96 **32B-8b-301**, as last amended by Laws of Utah 2023, Chapter 371
 97 **32B-8d-104**, as last amended by Laws of Utah 2022, Chapter 447
 98 **32B-10-202**, as enacted by Laws of Utah 2010, Chapter 276
 99 **32B-10-303**, as last amended by Laws of Utah 2020, Sixth Special Session, Chapter 6
 100 **32B-10-304**, as last amended by Laws of Utah 2020, Sixth Special Session, Chapter 6
 101 **32B-15-201**, as last amended by Laws of Utah 2023, Chapter 400
 102 **59-15-101**, as last amended by Laws of Utah 2019, Chapter 336
 103 **59-15-109**, as last amended by Laws of Utah 2023, Chapter 396
 104 **63I-2-232**, as last amended by Laws of Utah 2023, Chapter 371

105 ENACTS:

106 **32B-2-213**, Utah Code Annotated 1953
 107 **41-6a-531**, Utah Code Annotated 1953
 108 **53-28-101**, Utah Code Annotated 1953
 109 **53-28-102**, Utah Code Annotated 1953

110 REPEALS:

111 **32B-2-210**, as last amended by Laws of Utah 2022, Chapter 447

112 **Utah Code Sections affected by Coordination Clause:**

113 **32B-1-202**, as last amended by Laws of Utah 2023, Chapter 371

114

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

116 *The following section is affected by a coordination clause at the end of this bill.*

117 Section 1. Section **32B-1-202** is amended to read:

118 **32B-1-202 . Proximity to community location.**

119 (1) As used in this section:

120 (a) "Designated project area zone" means the area that is:

121 (i) bounded by:

122 (A) South Temple Street;

123 (B) 100 South Street;

124 (C) West Temple Street; and

125 (D) 400 West Street; and

126 (ii) within a project area as defined in Section 63N-3-1301.

127 [(+) (b) (i) "Outlet" means:

128 (A) a state store;

129 (B) a package agency; or

- 130 (C) a retail licensee.
- 131 (ii) "Outlet" does not include:
- 132 (A) an airport lounge licensee; or
- 133 (B) a restaurant.
- 134 ~~[(b)]~~ (c) "Restaurant" means:
- 135 (i) a full-service restaurant licensee;
- 136 (ii) a limited-service restaurant licensee;
- 137 (iii) a beer-only restaurant licensee; or
- 138 (iv) a restaurant venue on-premise banquet licensee.
- 139 (2) (a) Except as otherwise provided in this section or Section 32B-1-202.1, the
- 140 commission may not issue a license for an outlet if, on the date the commission takes
- 141 final action to approve or deny the application, there is a community location:
- 142 (i) within 600 feet of the proposed outlet, as measured from the nearest patron
- 143 entrance of the proposed outlet by following the shortest route of ordinary
- 144 pedestrian travel to the property boundary of the community location; or
- 145 (ii) within 200 feet of the proposed outlet, measured in a straight line from the
- 146 nearest patron entrance of the proposed outlet to the nearest property boundary of
- 147 the community location.
- 148 (b) Except as otherwise provided in this section or Section 32B-1-202.1, the commission
- 149 may not issue a license for a restaurant if, on the date the commission takes final
- 150 action to approve or deny the application, there is a community location:
- 151 (i) within 300 feet of the proposed restaurant, as measured from the nearest patron
- 152 entrance of the proposed restaurant by following the shortest route of ordinary
- 153 pedestrian travel to the property boundary of the community location; or
- 154 (ii) within 200 feet of the proposed restaurant, measured in a straight line from the
- 155 nearest patron entrance of the proposed restaurant to the nearest property
- 156 boundary of the community location.
- 157 (3) (a) For an outlet or a restaurant that holds a license on May 9, 2017, and operates
- 158 under a previously approved variance to one or more proximity requirements in
- 159 effect before May 9, 2017, subject to the other provisions of this title, that outlet or
- 160 restaurant, or another outlet or restaurant with the same type of license as that outlet
- 161 or restaurant, may operate under the previously approved variance regardless of
- 162 whether:
- 163 (i) the outlet or restaurant changes ownership;

- 164 (ii) the property on which the outlet or restaurant is located changes ownership; or
165 (iii) there is a lapse in the use of the property as an outlet or a restaurant with the
166 same type of license, unless during the lapse, the property is used for a different
167 purpose.
- 168 (b) An outlet or a restaurant that has continuously operated at a location since before
169 January 1, 2007, is considered to have a previously approved variance.
- 170 (4) An outlet or restaurant that holds a license on May 12, 2020, and operates in accordance
171 with the proximity requirements in effect at the time the commission issued the license
172 or operates under a previously approved variance described in Subsection (3), subject to
173 the other provisions of this title, that outlet or restaurant or an outlet or a restaurant with
174 the same type of license as that outlet or restaurant may operate at the premises
175 regardless of whether:
- 176 (a) the outlet or restaurant changes ownership;
177 (b) the property on which the outlet or restaurant is located changes ownership; or
178 (c) there is a lapse of one year or less in the use of the property as an outlet or a
179 restaurant with the same type of license, unless during the lapse the property is used
180 for a different purpose.
- 181 (5) (a) If, after an outlet or a restaurant obtains a license under this title, a person
182 establishes a community location on a property that puts the outlet or restaurant in
183 violation of the proximity requirements in effect at the time the license is issued or a
184 previously approved variance described in Subsection (3), subject to the other
185 provisions of this title, that outlet or restaurant, or an outlet or a restaurant with the
186 same type of license as that outlet or restaurant, may operate at the premises
187 regardless of whether:
- 188 (i) the outlet or restaurant changes ownership;
189 (ii) the property on which the outlet or restaurant is located changes ownership; or
190 (iii) there is a lapse in the use of the property as an outlet or a restaurant with the
191 same type of license, unless during the lapse the property is used for a different
192 purpose.
- 193 (b) The provisions of this Subsection (5) apply regardless of when the outlet's or
194 restaurant's license is issued.
- 195 (6) The proximity requirements described in Subsection (2) do not apply if the proposed
196 outlet or proposed restaurant and the community location are located within the
197 boundaries of a designated project area zone.

198 [(6)] (7) Nothing in this section prevents the commission from considering the proximity of
199 an educational, religious, and recreational facility, or any other relevant factor in
200 reaching a decision on a proposed location of an outlet.

201 Section 2. Section **32B-1-304** is amended to read:

202 **32B-1-304 . Qualifications for a package agency, license, or permit -- Minors.**

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

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

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

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

212 (B) a crime involving moral turpitude; or

213 (iii) on two or more occasions within the five years before the day on which the
214 package agency, license, or permit is issued, driving under the influence of
215 alcohol, drugs, or the combined influence of alcohol and drugs.

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

219 (i) a partner;

220 (ii) a managing agent;

221 (iii) a manager;

222 (iv) an officer;

223 (v) a director;

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

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

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

231 (2) Except as described in Section 32B-8-501, the commission may immediately suspend or

232 revoke a package agency, license, or permit, and terminate a package agency agreement,
233 if a person described in Subsection (1):

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

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

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

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

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

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

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

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

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

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

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

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

265 (B) a managing agent, officer, director, or stockholder who holds or held at least

- 266 20% of the total issued and outstanding stock of any corporation that had any
267 type of agency, license, or permit issued under this title revoked within the last
268 three years; or
- 269 (C) a manager or member who owns or owned at least 20% of a limited liability
270 company that had any type of agency, license, or permit issued under this title
271 revoked within the last three years.
- 272 (b) The commission may not issue a package agency, license, or permit to a partnership,
273 corporation, or limited liability company if any of the following had any type of
274 agency, license, or permit issued under this title revoked while acting in that person's
275 individual capacity within the last three years:
- 276 (i) a partner or managing agent of a partnership;
277 (ii) a managing agent, officer, director, or stockholder who holds at least 20% of the
278 total issued and outstanding stock of a corporation; or
279 (iii) a manager or member who owns at least 20% of a limited liability company.
- 280 (c) The commission may not issue a package agency, license, or permit to a person
281 acting in an individual capacity if that person was:
- 282 (i) a partner or managing agent of a partnership that had any type of agency, license,
283 or permit issued under this title revoked within the last three years;
284 (ii) a managing agent, officer, director, or stockholder who held at least 20% of the
285 total issued and outstanding stock of a corporation that had any type of agency,
286 license, or permit issued under this title revoked within the last three years; or
287 (iii) a manager or member who owned at least 20% of the limited liability company
288 that had any type of agency, license, or permit issued under this title revoked
289 within the last three years.
- 290 (5) (a) The commission may not issue a package agency, license, or permit to a minor.
- 291 (b) The commission may not issue a package agency, license, or permit to a partnership,
292 corporation, or limited liability company if any of the following is a minor:
- 293 (i) a partner or managing agent of the partnership;
294 (ii) a managing agent, officer, director, or stockholder who holds at least 20% of the
295 total issued and outstanding stock of the corporation; or
296 (iii) a manager or member who owns at least 20% of the limited liability company.
- 297 (c) For purposes of Subsection (5)(b), the commission may not consider a minor's
298 position with or ownership interest in an entity that has an ownership interest in the
299 entity that is applying for the package agency, license, or permit unless the minor

300 would exercise direct decision-making control over the package agency, license, or
 301 permit.

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

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

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

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

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

314 (i) Subsection (1)(a) only applies if an individual listed in Subsection (1)(b) engages
 315 in the management of the [~~airline, railroad, or other public conveyance~~] public
 316 service permittee, as the commission defines in rule; and

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

319 Section 3. Section **32B-2-205** is amended to read:

320 **32B-2-205 . Director of alcoholic beverage services.**

321 (1) (a) In accordance with Subsection (1)(b), the governor, with the advice and consent
 322 of the Senate, shall appoint a director of alcoholic beverage services to a four-year
 323 term. The director may be appointed to more than one four-year term. The director
 324 is the administrative head of the department.

325 (b) (i) The governor shall appoint the director from nominations made by the
 326 commission.

327 (ii) The commission shall submit the nomination of three individuals to the governor
 328 for appointment of the director.

329 (iii) By no later than 30 calendar days from the day on which the governor receives
 330 the three nominations submitted by the commission, the governor may:

331 (A) appoint the director; or

332 (B) reject the three nominations.

333 (iv) If the governor rejects the nominations or fails to take action within the 30-day

334 period, the commission shall nominate three different individuals from which the
335 governor may appoint the director or reject the nominations until such time as the
336 governor appoints the director.

337 (v) The governor may reappoint the director without seeking nominations from the
338 commission. Reappointment of a director is subject to the advice and consent of
339 the Senate.

340 (c) (i) If there is a vacancy in the position of director, during the nomination process
341 described in Subsection (1)(b), the governor may appoint an interim director for a
342 period of up to 30 calendar days.

343 (ii) If a director is not appointed within the 30-day period, the interim director may
344 continue to serve beyond the 30-day period subject to the advice and consent of
345 the Senate at the next scheduled time for the Senate giving consent to
346 appointments of the governor.

347 (iii) Except that if the Senate does not act on the consent to the appointment of the
348 interim director within 60 days of the end of the initial 30-day period, the interim
349 director may continue as the interim director.

350 (d) The director may be terminated by:

351 (i) the commission by a vote of four commissioners; or

352 (ii) the governor after consultation with the commission.

353 (e) The director may not be a commissioner.

354 (f) The director shall:

355 (i) be qualified in administration;

356 (ii) be knowledgeable by experience and training in the field of business
357 management; and

358 (iii) possess any other qualification prescribed by the commission.

359 (2) The governor shall establish the director's compensation within the salary range fixed by
360 the Legislature in Title 67, Chapter 22, State Officer Compensation.

361 (3) The director shall:

362 (a) carry out the policies of the commission;

363 (b) carry out the policies of the department;

364 (c) fully inform the commission of the operations and administrative activities of the
365 department; and

366 (d) assist the commission in the proper discharge of the commission's duties.

367 (4) (a) The director shall form a workgroup that includes representatives from the

- 368 following:
- 369 (i) the department;
- 370 (ii) the Division of Integrated Healthcare created in Section 26B-1-202;
- 371 (iii) the Department of Public Safety created in Section 53-10-103;
- 372 (iv) the retail alcohol industry;
- 373 (v) the bar or restaurant industry;
- 374 (vi) organizations related to alcohol and drug abuse prevention, alcohol or drug
- 375 related enforcement, or alcohol or drug related education; and
- 376 (vii) any other organization or industry the director determines beneficial.
- 377 (b) (i) The workgroup shall study and make recommendations to:
- 378 (A) improve the efficacy of the alcohol training and education described in
- 379 Section 26B-5-205, including recommendations related to the curriculum,
- 380 development, provider, and delivery; and
- 381 (B) maintain appropriate records of cash sale transactions in bar establishments.
- 382 (ii) The workgoup shall ensure that the workgroup's recommendations under
- 383 Subsection (4)(b)(i)(A) include a focus on improving training with respect to laws
- 384 governing the responsible sale and service of alcohol.
- 385 (c) No later than September 1, 2024, the workgroup shall provide written
- 386 recommendations as provided in this Subsection (4) to the Business and Labor
- 387 Interim Committee.

388 Section 4. Section **32B-2-213** is enacted to read:

389 **32B-2-213 . Round up program.**

- 390 (1) The department may establish a round up program under which an individual who
- 391 makes a purchase at a state store may elect to round the purchase price up to the nearest
- 392 dollar.
- 393 (2) The department shall deposit money the department collects under Subsection (1) into
- 394 the Pamela Atkinson Homeless Account created in Section 35A-16-301.

395 Section 5. Section **32B-2-304** is amended to read:

396 **32B-2-304 . Liquor price -- Remittance of markup -- School lunch program --**

397 **Remittance of markup.**

- 398 (1) For purposes of this section:
- 399 (a) (i) "Landed case cost" means the sum of:
- 400 (A) the cost of the product; [and]
- 401 (B) inbound shipping costs [~~incurred by the department.~~] the department incurs;

- 402 and
- 403 (C) case handling costs the department incurs.
- 404 (ii) "Landed case cost" does not include the outbound shipping cost from a
- 405 warehouse of the department to a state store.
- 406 (b) "Proof gallon" means the same as that term is defined in 26 U.S.C. Sec. 5002.
- 407 (2) Except as provided in Subsections (3) and (4):
- 408 (a) spirituous liquor sold by the department within the state shall be marked up in an
- 409 amount not less than [~~88%~~] 88.5% above the landed case cost to the department;
- 410 (b) wine sold by the department within the state shall be marked up in an amount not
- 411 less than [~~88%~~] 88.5% above the landed case cost to the department;
- 412 (c) heavy beer sold by the department within the state shall be marked up in an amount
- 413 not less than 66.5% above the landed case cost to the department; and
- 414 (d) a flavored malt beverage sold by the department within the state shall be marked up
- 415 in an amount not less than [~~88%~~] 88.5% above the landed case cost to the department.
- 416 (3) (a) Liquor sold by the department to a military installation in Utah shall be marked
- 417 up in an amount not less than 17% above the landed case cost to the department.
- 418 (b) Except for spirituous liquor sold by the department to a military installation in Utah,
- 419 spirituous liquor that is sold by the department within the state shall be marked up
- 420 49% above the landed case cost to the department if:
- 421 (i) the spirituous liquor is manufactured by a manufacturer producing less than
- 422 30,000 proof gallons of spirituous liquor in a calendar year; and
- 423 (ii) the manufacturer applies to the department for a reduced markup.
- 424 (c) Except for wine sold by the department to a military installation in Utah, wine that is
- 425 sold by the department within the state shall be marked up 49% above the landed
- 426 case cost to the department if:
- 427 (i) (A) except as provided in Subsection (3)(c)(i)(B), the wine is manufactured by
- 428 a manufacturer producing less than 20,000 gallons of wine in a calendar year;
- 429 or
- 430 (B) for hard cider, the hard cider is manufactured by a manufacturer producing
- 431 less than 620,000 gallons of hard cider in a calendar year; and
- 432 (ii) the manufacturer applies to the department for a reduced markup.
- 433 (d) Except for heavy beer sold by the department to a military installation in Utah, heavy
- 434 beer that is sold by the department within the state shall be marked up 32% above the
- 435 landed case cost to the department if:

- 436 (i) a small brewer manufactures the heavy beer; and
437 (ii) the small brewer applies to the department for a reduced markup.
- 438 (e) The department shall:
- 439 (i) for purposes of Subsections (3)(b) and (c), calculate the production amount of a
440 manufacturer:
- 441 (A) by, if the manufacturer is part of a controlled group of manufacturers,
442 including the combined volume totals of spirituous liquor, wine, or cider, as
443 applicable, for all manufacturers that constitute the controlled group of
444 manufacturers; and
- 445 (B) without considering the manufacturer's production of any other type of
446 alcoholic product; and
- 447 (ii) verify that a manufacturer meets a production amount described in Subsection
448 (3)(b) or (c) and the production amount of a small brewer [~~pursuant to~~] under
449 a federal or other verifiable production report.
- 450 (f) A manufacturer seeking to obtain a reduced markup under Subsection (3)(b), (c), or
451 (d), shall provide to the department any documentation or information the department
452 determines necessary to determine if the manufacturer is part of a controlled group of
453 manufacturers.
- 454 (g) The department may, at any time, revoke a reduced markup granted to a
455 manufacturer under Subsection (3)(b), (c), or (d), if the department determines the
456 manufacturer no longer qualifies for the reduced markup.
- 457 (4) Wine the department purchases on behalf of a subscriber through the wine subscription
458 program established in Section 32B-2-702 shall be marked up not less than [~~88%~~] 88.5%
459 above the cost of the subscription for the interval in which the wine is purchased.
- 460 (5) The department shall deposit 10% of the total gross revenue from sales of liquor with
461 the state treasurer to be credited to the Uniform School Fund and used to support the
462 school meals program administered by the State Board of Education under Section
463 53E-3-510.
- 464 (6) (a) Each month, the department shall collect from each package agency located at a
465 manufacturing facility owned or operated by a person licensed under Chapter 11,
466 Manufacturing and Related Licenses Act, 12.295% of the package agency's reported
467 monthly revenue and deposit the money as follows:
- 468 (i) 1.695% of the reported monthly revenue into the Alcoholic Beverage Control Act
469 Enforcement Fund;

470 (ii) 10% of the reported monthly revenue into the Uniform School Fund and used to
 471 support the school meals program administered by the State Board of Education
 472 under Section 53E-3-510; and

473 (iii) 0.60% of the reported monthly revenue into the Underage Drinking Prevention
 474 Media and Education Campaign Restricted Account.

475 (b) The department may collect a fee established in accordance with Section 63J-1-504
 476 from a package agency described in this subsection to cover the costs of regulation.

477 ~~[(6)]~~ (7) This section does not prohibit the department from selling discontinued items at a
 478 discount.

479 (8) The Legislature shall annually appropriate to support substance use disorder treatment
 480 services, an amount equal to the revenue generated from a 0.5% markup above the
 481 landed case cost to the department on spirituous liquor.

482 Section 6. Section **32B-2-305** is amended to read:

483 **32B-2-305 . Alcoholic Beverage Control Act Enforcement Fund.**

484 (1) As used in this section:

485 (a) "Alcohol-related law enforcement officer" means the same as that term is defined in
 486 Section 32B-1-201.

487 (b) "Drug-related law enforcement officer" means a law enforcement officer employed
 488 by the Department of Public Safety who has enforcement of drug-related offenses as
 489 a primary responsibility.

490 (c) "Enforcement ratio" means the same as that term is defined in Section 32B-1-201.

491 (d) "Fund" means the Alcoholic Beverage Control Act Enforcement Fund created in this
 492 section.

493 (e) "SBI drug-related law enforcement officer" means a law enforcement officer
 494 employed by the State Bureau of Investigation within the Department of Public
 495 Safety who has investigation of drug-related offenses as a primary responsibility.

496 (f) "Social worker" means an individual licensed under Title 58, Chapter 60, Part 2,
 497 Social Worker Licensing Act, and employed by the Department of Public Safety who
 498 has provision of caseworker services to individuals under 21 years old as a primary
 499 responsibility.

500 (2) There is created an expendable special revenue fund known as the "Alcoholic Beverage
 501 Control Act Enforcement Fund."

502 (3) (a) The fund consists of:

503 (i) deposits made under Subsection (4); ~~[and]~~

- 504 (ii) deposits made under Section 59-15-109; and
505 ~~[(ii)]~~ (iii) interest earned on the fund.
- 506 (b) (i) The fund shall earn interest.
507 (ii) Interest on the fund shall be deposited into the fund.
- 508 (4) After the deposit made under Section 32B-2-304 for the school lunch program, the
509 department shall deposit 1.695% of the total gross revenue from the sale of liquor with
510 the state treasurer to be credited to the fund~~[-to-be:]~~ .
- 511 ~~(5)~~ The deposits made under Subsection (4) and Section 59-15-109 shall be:
512 (a) used by the Department of Public Safety as provided in Subsection ~~[(5)]~~ (6); and
513 (b) reallocated to the General Fund as described in Subsection ~~[(6)]~~ (7).
- 514 ~~[(5)]~~ (6) (a) The Department of Public Safety shall expend money from the fund to:
515 (i) supplement appropriations by the Legislature so that the Department of Public
516 Safety maintains a sufficient number of alcohol-related law enforcement officers
517 such that each year the enforcement ratio as of July 1 is equal to or less than the
518 number specified in Section 32B-1-201; and
519 (ii) maintain at least:
520 (A) 10 drug-related law enforcement officers;
521 (B) eight SBI drug-related law enforcement officers; ~~[and]~~
522 (C) two social workers~~[-]~~ ; and
523 (D) three additional alcohol-related law enforcement officers who are dedicated to
524 compliance or enforcement of this title.
- 525 (b) Four of the alcohol-related law enforcement officers described in Subsection [
526 ~~(5)(a)(i)]~~ (6)(a)(i) shall have as a primary focus the enforcement of this title in
527 relationship to restaurants.
- 528 ~~[(6)]~~ (7) For fiscal year 2023, the Division of Finance shall deposit into the General Fund \$3
529 million of unspent money in the fund.
- 530 Section 7. Section **32B-2-503** is amended to read:
531 **32B-2-503 . Operational requirements for a state store.**
- 532 (1) (a) A state store shall display in a prominent place in the store a sign in large letters
533 that consists of text in the following order:
534 (i) a header that reads: "WARNING";
535 (ii) a warning statement that reads: "Drinking alcoholic beverages during pregnancy
536 can cause birth defects and permanent brain damage for the child.";
537 (iii) a statement in smaller font that reads: "Call the Utah Department of Health at

- 538 [insert most current toll-free number] with questions or for more information.";
- 539 (iv) a header that reads: "WARNING"; and
- 540 (v) a warning statement that reads: "Driving under the influence of alcohol or drugs is
- 541 a serious crime that is prosecuted aggressively in Utah."
- 542 (b) (i) The text described in Subsections (1)(a)(i) through (iii) shall be in a different
- 543 font style than the text described in Subsections (1)(a)(iv) and (v).
- 544 (ii) The warning statements in the sign described in Subsection (1)(a) shall be in the
- 545 same font size.
- 546 (c) The Department of Health shall work with the commission and department to
- 547 facilitate consistency in the format of a sign required under this section.
- 548 (2) A state store may not sell, offer for sale, or furnish liquor except at a price fixed by the
- 549 commission.
- 550 (3) A state store may not sell, offer for sale, or furnish liquor to:
- 551 (a) a minor;
- 552 (b) a person actually, apparently, or obviously intoxicated;
- 553 (c) a known interdicted person; or
- 554 (d) a known habitual drunkard.
- 555 (4) (a) A state store employee may not:
- 556 (i) consume an alcoholic product on the premises of a state store; or
- 557 (ii) allow any person to consume an alcoholic product on the premises of a state store.
- 558 (b) A violation of this Subsection (4) is a class B misdemeanor.
- 559 (5) (a) Sale or delivery of liquor may not be made on or from the premises of a state
- 560 store, and a state store may not be kept open for the sale of liquor:
- 561 (i) on Sunday; or
- 562 (ii) on a state or federal legal holiday.
- 563 (b) Sale or delivery of liquor may be made on or from the premises of a state store, and a
- 564 state store may be open for the sale of liquor, only on a day and during hours that the
- 565 commission directs by rule or order.
- 566 (6) (a) A minor may not be admitted into, or be on the premises of, a state store unless
- 567 accompanied by a person who is:
- 568 (i) 21 years of age or older; and
- 569 (ii) the minor's parent, legal guardian, or spouse.
- 570 (b) A state store employee that has reason to believe that a person who is on the
- 571 premises of a state store is under the age of 21 and is not accompanied by a person

- 572 described in Subsection (6)(a) may:
- 573 (i) ask the suspected minor for proof of age;
- 574 (ii) ask the person who accompanies the suspected minor for proof of age; and
- 575 (iii) ask the suspected minor or the person who accompanies the suspected minor for
- 576 proof of parental, guardianship, or spousal relationship.
- 577 (c) A state store employee shall refuse to sell liquor to the suspected minor and to the
- 578 person who accompanies the suspected minor into the state store if the suspected
- 579 minor or person fails to provide information specified in Subsection (6)(b).
- 580 (d) A state store employee shall require a suspected minor and the person who
- 581 accompanies the suspected minor into the state store to immediately leave the
- 582 premises of the state store if the suspected minor or person fails to provide
- 583 information specified in Subsection (6)(b).
- 584 (7) (a) A state store may not sell, offer for sale, or furnish liquor except in a sealed
- 585 container.
- 586 (b) A person may not open a sealed container on the premises of a state store.
- 587 (8) On or after October 1, 2011, a state store may not sell, offer for sale, or furnish heavy
- 588 beer in a sealed container that exceeds two liters.
- 589 (9) A state store may not sell, offer for sale, or furnish:
- 590 (a) liquor that is intended to be frozen and consumed in a manner other than as a
- 591 beverage, including liquor in the form of a freeze pop, popsicle, ice cream, or sorbet;
- 592 or
- 593 (b) liquor that contains more than 80% alcohol by volume.
- 594 Section 8. Section **32B-2-605** is amended to read:
- 595 **32B-2-605 . Operational requirements for package agency.**
- 596 (1) (a) A person may not operate a package agency until a package agency agreement is
- 597 entered into by the package agent and the department.
- 598 (b) A package agency agreement shall state the conditions of operation by which the
- 599 package agent and the department are bound.
- 600 (c) (i) If a package agent or staff of the package agent violates this title, rules under
- 601 this title, or the package agency agreement, the department may take any action
- 602 against the package agent that is allowed by the package agency agreement.
- 603 (ii) An action against a package agent is governed solely by its package agency
- 604 agreement and may include suspension or revocation of the package agency.
- 605 (iii) A package agency agreement shall provide procedures to be followed if a

- 606 package agent fails to pay money owed to the department including a procedure
607 for replacing the package agent or operator of the package agency.
- 608 (iv) A package agency agreement shall provide that the package agency is subject to
609 covert investigations for selling an alcoholic product to a minor.
- 610 (v) Notwithstanding that this part refers to "package agency" or "package agent,"
611 staff of the package agency or package agent is subject to the same requirement or
612 prohibition.
- 613 (2) (a) A package agency shall be operated by an individual who is either:
614 (i) the package agent; or
615 (ii) an individual designated by the package agent.
- 616 (b) An individual who is a designee under this Subsection (2) shall be:
617 (i) an employee of the package agent; and
618 (ii) responsible for the operation of the package agency.
- 619 (c) The conduct of the designee is attributable to the package agent.
- 620 (d) A package agent shall submit the name of the person operating the package agency
621 to the department for the department's approval.
- 622 (e) A package agent shall state the name and title of a designee on the application for a
623 package agency.
- 624 (f) A package agent shall:
625 (i) inform the department of a proposed change in the individual designated to
626 operate a package agency; and
627 (ii) receive prior approval from the department before implementing the change
628 described in this Subsection (2)(f).
- 629 (g) Failure to comply with the requirements of this Subsection (2) may result in the
630 immediate termination of a package agency agreement.
- 631 (3) (a) A package agent shall display in a prominent place in the package agency the
632 record issued by the commission that designates the package agency.
- 633 (b) A package agent that displays or stores liquor at a location visible to the public shall
634 display in a prominent place in the package agency a sign in large letters that consists
635 of text in the following order:
636 (i) a header that reads: "WARNING";
637 (ii) a warning statement that reads: "Drinking alcoholic beverages during pregnancy
638 can cause birth defects and permanent brain damage for the child.";
639 (iii) a statement in smaller font that reads: "Call the Utah Department of Health at

- 640 [insert most current toll-free number] with questions or for more information.";
- 641 (iv) a header that reads: "WARNING"; and
- 642 (v) a warning statement that reads: "Driving under the influence of alcohol or drugs is
- 643 a serious crime that is prosecuted aggressively in Utah."
- 644 (c) (i) The text described in Subsections (3)(b)(i) through (iii) shall be in a different
- 645 font style than the text described in Subsections (3)(b)(iv) and (v).
- 646 (ii) The warning statements in the sign described in Subsection (3)(b) shall be in the
- 647 same font size.
- 648 (d) The Department of Health and Human Services shall work with the commission and
- 649 department to facilitate consistency in the format of a sign required under this section.
- 650 (4) A package agency may not display liquor or a price list in a window or showcase that is
- 651 visible to passersby.
- 652 (5) (a) A package agency may not purchase liquor from a person except from the
- 653 department.
- 654 (b) At the discretion of the department, the department may provide liquor to a package
- 655 agency for sale on consignment.
- 656 (6) A package agency may not store, sell, offer for sale, or furnish liquor in a place other
- 657 than as designated in the package agent's application, unless the package agent first
- 658 applies for and receives approval from the department for a change of location within
- 659 the package agency premises.
- 660 (7) (a) Except as provided in Subsection (7)(b), a package agency may not sell, offer for
- 661 sale, or furnish liquor except at a price fixed by the commission.
- 662 (b) A package agency may provide as room service one alcoholic product free of charge
- 663 per guest reservation, per guest room, if:
- 664 (i) the package agency is the type of package agency that authorizes the package
- 665 agency to sell, offer for sale, or furnish an alcoholic product as part of room
- 666 service;
- 667 (ii) staff of the package agency provides the alcoholic product:
- 668 (A) in person; and
- 669 (B) only to an adult guest in the guest room;
- 670 (iii) staff of the package agency does not leave the alcoholic product outside a guest
- 671 room for retrieval by a guest; and
- 672 (iv) the alcoholic product:
- 673 (A) is not a spirituous liquor; and

- 674 (B) is in an unopened container not to exceed 750 milliliters.
- 675 (8) A package agency may not sell, offer for sale, or furnish liquor to:
- 676 (a) a minor;
- 677 (b) a person actually, apparently, or obviously intoxicated;
- 678 (c) a known interdicted person; or
- 679 (d) a known habitual drunkard.
- 680 (9) (a) A package agency may not employ a minor to handle liquor.
- 681 (b) (i) Staff of a package agency may not:
- 682 (A) consume an alcoholic product on the premises of a package agency; or
- 683 (B) allow any person to consume an alcoholic product on the premises of a
- 684 package agency.
- 685 (ii) Violation of this Subsection (9)(b) is a class B misdemeanor.
- 686 (10) (a) A package agency may not close or cease operation for a period longer than 72
- 687 hours, unless:
- 688 (i) the package agency notifies the department in writing at least seven days before
- 689 the day on which the package agency closes or ceases operation; and
- 690 (ii) the closure or cessation of operation is first approved by the department.
- 691 (b) Notwithstanding Subsection (10)(a), in the case of emergency closure, a package
- 692 agency shall immediately notify the department by telephone.
- 693 (c) (i) The department may authorize a closure or cessation of operation for a period
- 694 not to exceed 60 days.
- 695 (ii) The department may extend the initial period described in Subsection (10)(c)(i)
- 696 an additional 30 days upon written request of the package agency and upon a
- 697 showing of good cause.
- 698 (iii) A closure or cessation of operation may not exceed a total of 90 days without
- 699 commission approval.
- 700 (d) The notice required by Subsection (10)(a) shall include:
- 701 (i) the dates of closure or cessation of operation;
- 702 (ii) the reason for the closure or cessation of operation; and
- 703 (iii) the date on which the package agency will reopen or resume operation.
- 704 (e) Failure of a package agency to provide notice and to obtain department authorization
- 705 before closure or cessation of operation results in an automatic termination of the
- 706 package agency agreement effective immediately.
- 707 (f) Failure of a package agency to reopen or resume operation by the approved date

708 results in an automatic termination of the package agency agreement effective on that
709 date.

710 (11) A package agency may not transfer the package agency's operations from one location
711 to another location without prior written approval of the commission.

712 (12) (a) A person, having been issued a package agency, may not sell, transfer, assign,
713 exchange, barter, give, or attempt in any way to dispose of the package agency to
714 another person, whether for monetary gain or not.

715 (b) A package agency has no monetary value for any type of disposition.

716 (13) (a) Subject to the other provisions of this Subsection (13):

717 (i) sale or delivery of liquor may not be made on or from the premises of a package
718 agency, and a package agency may not be kept open for the sale of liquor:

719 (A) on Sunday; or

720 (B) on a state or federal legal holiday; and

721 (ii) sale or delivery of liquor may be made on or from the premises of a package
722 agency, and a package agency may be open for the sale of liquor, only on a day
723 and during hours that the commission directs by rule or order.

724 (b) A package agency located at a manufacturing facility is not subject to Subsection
725 (13)(a) if:

726 (i) the package agency is located at a manufacturing facility licensed in accordance
727 with Chapter 11, Manufacturing and Related Licenses Act; and

728 (ii) the package agency only sells an alcoholic product produced at the manufacturing
729 facility.

730 (c) (i) Subsection (13)(a) does not apply to a package agency held by the following if
731 the package agent that holds the package agency to sell liquor at a resort or hotel
732 does not sell liquor in a manner similar to a state store:

733 (A) a resort licensee; or

734 (B) a hotel licensee.

735 (ii) The commission may by rule define what constitutes a package agency that sells
736 liquor "in a manner similar to a state store."

737 (14) (a) Except to the extent authorized by commission rule, a minor may not be
738 admitted into, or be on the premises of, a package agency unless accompanied by a
739 person who is:

740 (i) 21 years old or older; and

741 (ii) the minor's parent, legal guardian, or spouse.

- 742 (b) A package agent or staff of a package agency that has reason to believe that a person
743 who is on the premises of a package agency is under 21 years old and is not
744 accompanied by a person described in Subsection (14)(a) may:
- 745 (i) ask the suspected minor for proof of age;
- 746 (ii) ask the person who accompanies the suspected minor for proof of age; and
- 747 (iii) ask the suspected minor or the person who accompanies the suspected minor for
748 proof of parental, guardianship, or spousal relationship.
- 749 (c) A package agent or staff of a package agency shall refuse to sell liquor to the
750 suspected minor and to the person who accompanies the suspected minor into the
751 package agency if the minor or person fails to provide any information specified in
752 Subsection (14)(b).
- 753 (d) A package agent or staff of a package agency shall require the suspected minor and
754 the person who accompanies the suspected minor into the package agency to
755 immediately leave the premises of the package agency if the minor or person fails to
756 provide information specified in Subsection (14)(b).
- 757 (15) (a) A package agency shall sell, offer for sale, or furnish liquor in a sealed container.
- 758 (b) A person may not open a sealed container on the premises of a package agency.
- 759 (c) Notwithstanding Subsection (15)(a), a package agency may sell, offer for sale, or
760 furnish liquor in other than a sealed container:
- 761 (i) if the package agency is the type of package agency that authorizes the package
762 agency to sell, offer for sale, or furnish the liquor as part of room service;
- 763 (ii) if the liquor is sold, offered for sale, or furnished as part of room service; and
- 764 (iii) subject to:
- 765 (A) staff of the package agency providing the liquor in person only to an adult
766 guest in the guest room or privately owned dwelling unit;
- 767 (B) staff of the package agency not leaving the liquor outside a guest room or
768 privately owned dwelling unit for retrieval by a guest or resident; and
- 769 (C) the same limits on the portions in which an alcoholic product may be sold by a
770 retail licensee under Section 32B-5-304.
- 771 (16) A package agency may not sell, offer for sale, or furnish[-] :
- 772 (a) heavy beer in a sealed container that exceeds two liters[-] ; or
- 773 (b) liquor that contains more than 80% alcohol by volume.
- 774 (17) The department may pay or otherwise remunerate a package agent on any basis,
775 including sales or volume of business done by the package agency.

776 (18) The commission may prescribe by policy or rule general operational requirements of a
777 package agency that are consistent with this title and relate to:

- 778 (a) physical facilities;
- 779 (b) conditions of operation;
- 780 (c) hours of operation;
- 781 (d) inventory levels;
- 782 (e) payment schedules;
- 783 (f) methods of payment;
- 784 (g) premises security; and
- 785 (h) any other matter considered appropriate by the commission.

786 (19) A package agency may not maintain a minibar.

787 Section 9. Section **32B-3-203** is amended to read:

788 **32B-3-203 . Initiating a disciplinary proceeding.**

789 Subject to Section 32B-3-202:

- 790 (1) ~~[The department may]~~ Subject to Subsection (3), the department shall initiate a
791 disciplinary proceeding described in Subsection (2) if the department~~[-receives]:~~
- 792 (a) receives a report from an investigator alleging that a person subject to administrative
793 action violated this title or the rules of the commission;
 - 794 (b) ~~[a final adjudication of criminal liability]~~ receives notice of criminal proceedings
795 against a person subject to administrative action on the basis of an alleged violation
796 of this title; ~~[or]~~
 - 797 (c) ~~[a final adjudication of civil liability in accordance with]~~ receives notice of civil
798 proceedings in accordance with Chapter 15, Alcoholic Product Liability Act, against
799 a person subject to administrative action on the basis of an alleged violation of this
800 title~~[-]~~ ; or
 - 801 (d) otherwise becomes aware that a person subject to administrative action on the basis
802 of an alleged violation of this title may have violated this title or commission rule.
- 803 (2) ~~[If the condition of Subsection (1) is met,]~~ Subject to Subsection (3), if a condition in
804 Subsection (1) is met, the department shall:
- 805 (a) ~~[the department may]~~ initiate a disciplinary proceeding to determine:
806 ~~[(a)]~~ (i) whether a person subject to administrative action violated this title or rules of
807 the commission; and
 - 808 ~~[(b)]~~ (ii) if a violation is found, the appropriate sanction to be imposed~~[-]~~ ; and
 - 809 (b) refer the matter to the State Bureau of Investigation, created in Section 53-10-301.

- 810 (3) The department is not required to initiate a disciplinary proceeding described in
 811 Subsection (2) if after reviewing the information described in Subsection (1), the
 812 department determines:
- 813 (a) that there is no basis for initiating a disciplinary proceeding; or
 814 (b) in consultation with the prosecutor or plaintiff's counsel, as applicable, that initiating
 815 a disciplinary proceeding would pose a significant risk of interfering with a criminal
 816 or civil proceeding.
- 817 [(3)] (4) (a) Unless waived by the respondent, a disciplinary proceeding shall be held:
 818 (i) if required by law;
 819 (ii) before revoking or suspending a license, permit, or certificate of approval issued
 820 under this title; or
 821 (iii) before imposing a fine against a person subject to administrative action.
- 822 (b) Inexcusable failure of a respondent to appear at a scheduled disciplinary proceeding
 823 hearing after receiving proper notice is an admission of the charged violation.
- 824 (c) The validity of a disciplinary proceeding is not affected by the failure of a person to
 825 attend or remain in attendance.
- 826 Section 10. Section **32B-4-422** is amended to read:
 827 **32B-4-422 . Unlawful dispensing.**
- 828 (1) A retail licensee licensed under this title to sell, offer for sale, or furnish spirituous
 829 liquor for consumption on the licensed premises, or staff of the retail licensee may not:
- 830 (a) sell, offer for sale, or furnish a primary spirituous liquor to a person on the licensed
 831 premises except in a quantity that does not exceed 1.5 ounces per beverage dispensed
 832 through a calibrated metered dispensing system approved by the department;
- 833 (b) sell, offer for sale, or furnish more than a total of 2.5 ounces of spirituous liquor per
 834 beverage;
- 835 (c) allow a person on the licensed premises to have more than a total of 2.5 ounces of
 836 spirituous liquor at a time; or
- 837 (d) (i) except as provided in Subsection (1)(d)(ii), allow a person to have more than
 838 two spirituous liquor beverages at a time; or
- 839 (ii) allow a person on the premises of the following to have more than one spirituous
 840 liquor beverage at a time:
- 841 (A) a full-service restaurant licensee;
 842 (B) a person operating under a full-service restaurant sublicense;
 843 (C) an on-premise banquet licensee;

844 (D) a person operating under an on-premise banquet sublicense; [or]

845 (E) a single event permittee[-] ; or

846 (F) a hospitality amenity licensee.

847 (2) A violation of this section is a class C misdemeanor.

848 Section 11. Section **32B-4-424** is amended to read:

849 **32B-4-424 . Powdered or vaporized alcohol.**

850 (1) As used in this section[~~-, "powdered alcohol"~~] :

851 (a) "Powdered alcohol" means a product that is in a powdered or crystalline form and
852 contains any amount of alcohol.

853 (b) "Vaporized alcohol" means a product created by mixing alcohol with pure oxygen or
854 another gas to produce a vaporized product for the purpose of consumption through
855 inhalation.

856 (2) It is unlawful for a person to use, offer for use, purchase, offer to purchase, sell, offer to
857 sell, furnish, or possess[~~powdered alcohol~~] for human consumption powdered alcohol
858 or vaporized alcohol.

859 (3) It is unlawful for a holder of a retail license to use powdered alcohol or vaporized
860 alcohol as an alcoholic product.

861 (4) This section does not apply to the use of powdered alcohol or vaporized alcohol for a
862 commercial use specifically approved by state law or bona fide research purposes by a:

863 (a) health care practitioner that operates primarily for the purpose of conducting
864 scientific research;

865 (b) department, commission, board, council, agency, institution, division, office,
866 committee, authority, laboratory, library, unit, bureau, panel, or other administrative
867 unit of the state, including a state institution of higher education listed in Section
868 53B-2-101;

869 (c) private college or university research facility; or

870 (d) pharmaceutical or biotechnology company.

871 Section 12. Section **32B-4-501** is amended to read:

872 **32B-4-501 . Operating without a license or permit.**

873 (1) A person may not operate the following businesses without first obtaining a license
874 under this title if the business allows a person to purchase or consume an alcoholic
875 product on the premises of the business:

876 (a) a restaurant;

877 (b) an airport lounge;

- 878 (c) a business operated in the same manner as a bar establishment licensee;
879 (d) a resort;
880 (e) a business operated to sell, offer for sale, or furnish beer for on-premise consumption;
881 (f) a business operated as an on-premise banquet licensee;
882 (g) a hotel; [~~or~~]
883 (h) an arena; or
884 [~~(h)~~] (i) a business similar to one listed in Subsections (1)(a) through [~~(g)~~] (h).
- 885 (2) A person conducting an event that is open to the general public may not directly or
886 indirectly sell, offer for sale, or furnish an alcoholic product to a person attending the
887 event without first obtaining an event permit under this title.
- 888 (3) A person conducting a private event may not directly or indirectly sell or offer for sale
889 an alcoholic product to a person attending the private event without first obtaining an
890 event permit under this title.
- 891 (4) A person may not operate the following businesses in this state without first obtaining a
892 license under this title:
893 (a) a winery manufacturer;
894 (b) a distillery manufacturer;
895 (c) a brewery manufacturer;
896 (d) a local industry representative of:
897 (i) a manufacturer of an alcoholic product;
898 (ii) a supplier of an alcoholic product; or
899 (iii) an importer of an alcoholic product;
900 (e) a liquor warehouser; or
901 (f) a beer wholesaler.
- 902 (5) A person may not operate a public conveyance in this state without first obtaining a
903 public service permit under this title if that public conveyance allows a person to
904 purchase or consume an alcoholic product:
905 (a) on the public conveyance; or
906 (b) on the premises of a hospitality room located within a depot, terminal, or similar
907 facility at which a service is provided to a patron of the public conveyance.
- 908 Section 13. Section **32B-5-201** is amended to read:
909 **32B-5-201 . Application requirements for retail license.**
- 910 (1) (a) Before a person may store, sell, offer for sale, furnish, or permit consumption of
911 an alcoholic product on licensed premises as a retail licensee, the person shall first

- 912 obtain a retail license issued by the commission, notwithstanding whether the person
913 holds a local license or a permit issued by a local authority.
- 914 (b) Violation of this Subsection (1) is a class B misdemeanor.
- 915 (2) To obtain a retail license under this title, a person shall submit to the department:
- 916 (a) a written application in a form prescribed by the department;
- 917 (b) a nonrefundable application fee in the amount specified in the relevant chapter or
918 part for the type of retail license for which the person is applying;
- 919 (c) an initial license fee:
- 920 (i) in the amount specified in the relevant chapter or part for the type of retail license
921 for which the person is applying; and
- 922 (ii) that is refundable if a retail license is not issued;
- 923 (d) written consent of the local authority, including, if applicable, consent for each
924 proposed sublicense;
- 925 (e) a copy of:
- 926 (i) every license the local authority requires, including the person's current business
927 license; and
- 928 (ii) if the person is applying for a principal license, the current business license for
929 each proposed sublicense, except if the local authority determines that the
930 business license for a proposed sublicense is included in the person's current
931 business license;
- 932 (f) evidence of the proposed retail licensee's proximity to any community location, with
933 proximity requirements being governed by Section 32B-1-202;
- 934 (g) a bond as specified by Section 32B-5-204;
- 935 (h) a floor plan, and boundary map where applicable, of the premises of the retail license
936 and each, if any, accompanying sublicense, including any:
- 937 (i) consumption area; and
- 938 (ii) area where the person proposes to store, sell, offer for sale, or furnish an alcoholic
939 beverage;
- 940 (i) evidence that the retail licensee carries public liability insurance in an amount and
941 form satisfactory to the department;
- 942 (j) evidence that the retail licensee carries dramshop insurance coverage of at least:
- 943 (i) \$1,000,000 per occurrence and \$2,000,000 in the aggregate;
- 944 (ii) if the retail licensee is a hotel licensee or a resort licensee, \$1,000,000 per
945 occurrence and \$2,000,000 in the aggregate to cover both the principal license and

- 946 all accompanying sublicenses; or
- 947 (iii) if the retail licensee is an arena licensee, \$10,000,000 per occurrence and
- 948 \$20,000,000 in the aggregate to cover both the arena license and all accompanying
- 949 sublicenses[-] ;
- 950 (k) a signed consent form stating that the retail licensee will permit any authorized
- 951 representative of the commission, department, or any law enforcement officer to have
- 952 unrestricted right to enter:
- 953 (i) the premises of the retail licensee; and
- 954 (ii) if applicable, the premises of each of the retail licensee's accompanying
- 955 sublicenses;
- 956 (l) if the person is an entity, proper verification evidencing that a person who signs the
- 957 application is authorized to sign on behalf of the entity;
- 958 (m) a responsible alcohol service plan;
- 959 (n) evidence that each individual the person has hired to work as a retail manager, as
- 960 defined in Section 32B-1-701, has completed the alcohol training and education
- 961 seminar as required under Chapter 1, Part 7, Alcohol Training and Education Act; and
- 962 (o) any other information the commission or department may require.
- 963 (3) The commission may not issue a retail license to a person who:
- 964 (a) is disqualified under Section 32B-1-304; or
- 965 (b) is not lawfully present in the United States.
- 966 (4) Unless otherwise provided in the relevant chapter or part for the type of retail license for
- 967 which the person is applying, the commission may not issue a retail license to a person if
- 968 the proposed licensed premises does not meet the proximity requirements of Section
- 969 32B-1-202.
- 970 (5) The commission may not deny an application for a retail license, an application for a
- 971 conditional retail license under Section 32B-5-205, or an application for a sublicense
- 972 under Chapter 8d, Sublicense Act, if:
- 973 (a) the applicant satisfies the requirements of this chapter; and
- 974 (b) for a retail license or a conditional retail license, granting the retail license or the
- 975 conditional retail license would not cause the commission to exceed the maximum
- 976 number of licenses of that retail license type that the commission is authorized to
- 977 issue under this chapter.
- 978 Section 14. Section **32B-5-304** is amended to read:
- 979 **32B-5-304 . Portions in which alcoholic product may be sold.**

- 980 (1) (a) A retail licensee may sell, offer for sale, or furnish spirituous liquor that is a
981 primary spirituous liquor only in a quantity that does not exceed 1.5 ounces per
982 beverage dispensed through a calibrated metered dispensing system approved by the
983 department in accordance with commission rules adopted under this title.
- 984 (b) A retail license is not required to dispense spirituous liquor through a calibrated
985 metered dispensing system if the spirituous liquor is:
- 986 (i) a secondary flavoring ingredient;
987 (ii) used as a flavoring on a dessert; [~~or~~]
988 (iii) used to set aflame a food dish, drink, or dessert[-] ; or
989 (iv) in a beverage that:
- 990 (A) is served to a patron in the original, sealed container;
991 (B) is not more than 12 ounces;
992 (C) contains no more than 10% alcohol by volume or 8% by weight; and
993 (D) is in a container that has the alcohol by volume percentage on the front label
994 and in a font that measures at least three millimeters high.
- 995 (c) A retail licensee that dispenses spirituous liquor that is a secondary flavoring
996 ingredient shall:
- 997 (i) designate a location where the retail licensee stores secondary flavoring
998 ingredients on the floor plan the retail licensee submits to the department; and
999 (ii) clearly and conspicuously label each secondary flavoring ingredient's container
1000 "flavorings".
- 1001 (d) (i) A patron may have no more than 2.5 ounces of spirituous liquor at a time.
1002 (ii) Subsection (1)(d)(i) does not apply to a beverage described in Subsection
1003 (1)(b)(iv).
- 1004 (2) (a) (i) A retail licensee may sell, offer for sale, or furnish wine by the glass or in
1005 an individual portion that does not exceed 5 ounces per glass or individual portion.
1006 (ii) A retail licensee may sell, offer for sale, or furnish an individual portion of wine
1007 to a patron in more than one glass if the total amount of wine does not exceed 5
1008 ounces.
- 1009 (b) (i) A retail licensee may sell, offer for sale, or furnish wine in a container not
1010 exceeding 1.5 liters at a price fixed by the commission to a table of four or more
1011 persons.
1012 (ii) A retail licensee may sell, offer for sale, or furnish wine in a container not to
1013 exceed 750 milliliters at a price fixed by the commission to a table of less than

- 1014 four persons.
- 1015 (c) Notwithstanding Subsections (2)(a) and (b), a retail licensee may sell, offer for sale,
1016 or furnish hard cider that contains no more than 5% of alcohol by volume in a sealed
1017 container not to exceed 16 ounces.
- 1018 (3) A retail licensee may sell, offer for sale, or furnish heavy beer in an original container at
1019 a price fixed by the commission, except that the original container may not exceed one
1020 liter.
- 1021 (4) A retail licensee may sell, offer for sale, or furnish a flavored malt beverage in an
1022 original container at a price fixed by the commission, except that the original container
1023 may not exceed one liter.
- 1024 (5) (a) (i) Subject to Subsection (5)(a)(ii), a retail licensee may sell, offer for sale, or
1025 furnish beer for on-premise consumption:
- 1026 (A) in an open original container; and
1027 (B) in a container on draft.
- 1028 (ii) A retail licensee may not sell, offer for sale, or furnish beer under Subsection
1029 (5)(a)(i):
- 1030 (A) in a size of container that exceeds two liters; or
1031 (B) to an individual patron in a size of container that exceeds one liter.
- 1032 (b) A retail licensee may sell, offer for sale, or furnish beer for off-premise consumption:
1033 (i) in a sealed container; and
1034 (ii) in a size of container that does not exceed two liters.
- 1035 (c) A retail licensee may sell, offer for sale, or furnish a flight of beer to an individual
1036 patron if the total amount of beer does not exceed 16 ounces.
- 1037 Section 15. Section **32B-6-203** is amended to read:
- 1038 **32B-6-203 . Commission's power to issue full-service restaurant license.**
- 1039 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of an
1040 alcoholic product on its premises as a full-service restaurant, the person shall first obtain
1041 a full-service restaurant license from the commission in accordance with this part.
- 1042 (2) The commission may issue a full-service restaurant license to establish full-service
1043 restaurant licensed premises at places and in numbers the commission considers proper
1044 for the storage, sale, offer for sale, furnishing, and consumption of an alcoholic product
1045 on premises operated as a full-service restaurant.
- 1046 (3) Subject to Section 32B-1-201:
1047 (a) the commission may not issue a total number of full-service restaurant licenses that

- 1048 at any time exceeds the sum of:
- 1049 (i) 30; and
- 1050 (ii) the number determined by dividing the population of the state by~~[-4,467;]~~ :
- 1051 (A) before July 1, 2024, 4,467;
- 1052 (B) in fiscal year 2025, 4,281;
- 1053 (C) in fiscal year 2026, 4,095;
- 1054 (D) in fiscal year 2027, 3,909;
- 1055 (E) in fiscal year 2028, 3,723;
- 1056 (F) in fiscal year 2029, 3,537;
- 1057 (G) in fiscal year 2030, 3,351; and
- 1058 (H) in fiscal year 2031, and in each fiscal year thereafter, 3,167;
- 1059 (b) the commission may issue a seasonal full-service restaurant license in accordance
- 1060 with Section 32B-5-206; and
- 1061 (c) (i) if the location, design, and construction of a hotel may require more than one
- 1062 full-service restaurant sales location within the hotel to serve the public
- 1063 convenience, the commission may authorize the sale, offer for sale, or furnishing
- 1064 of an alcoholic product at as many as three full-service restaurant locations within
- 1065 the hotel under one full-service restaurant license if:
- 1066 (A) the hotel has a minimum of 150 guest rooms; and
- 1067 (B) the locations under the full-service restaurant license are:
- 1068 (I) within the same hotel; and
- 1069 (II) on premises that are managed or operated, and owned or leased, by the
- 1070 full-service restaurant licensee; and
- 1071 (ii) except for a hotel, a facility shall have a separate full-service restaurant license
- 1072 for each full-service restaurant where an alcoholic product is sold, offered for sale,
- 1073 or furnished.
- 1074 (4) Except as otherwise provided in Section 32B-1-202, the commission may not issue a
- 1075 full-service restaurant license for premises that do not meet the proximity requirements
- 1076 of Subsection 32B-1-202(2).
- 1077 (5) To be licensed as a full-service restaurant, a person shall maintain at least 70% of the
- 1078 restaurant's gross revenues from the sale of food, which does not include:
- 1079 (a) mix for an alcoholic product; or
- 1080 (b) a service charge.
- 1081 Section 16. Section **32B-6-204** is amended to read:

- 1082 **32B-6-204 . Specific licensing requirements for full-service restaurant license.**
- 1083 (1) To obtain a full-service restaurant license a person shall comply with Chapter 5, Part 2,
1084 Retail Licensing Process.
- 1085 (2) (a) A full-service restaurant license expires on October 31 of each year.
- 1086 (b) To renew a person's full-service restaurant license, a person shall comply with the
1087 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1088 September 30.
- 1089 (3) (a) The nonrefundable application fee for a full-service restaurant license is \$330.
- 1090 (b) (i) The initial license fee for a full-service restaurant license is \$2,200.
- 1091 (ii) The department shall prorate the \$2,200 initial license fee for the period that
1092 begins the day on which the initial license fee is paid and ends the day on which
1093 the full-service restaurant license expires.
- 1094 (c) The renewal fee for a full-service restaurant license is \$1,650.
- 1095 (4) The bond amount required for a full-service restaurant license is the penal sum of
1096 \$10,000.
- 1097 Section 17. Section **32B-6-206** is amended to read:
- 1098 **32B-6-206 . Master full-service restaurant license.**
- 1099 (1) (a) The commission may issue a master full-service restaurant license that authorizes
1100 a person to store, sell, offer for sale, furnish, or allow the consumption of an alcoholic
1101 product on premises at multiple locations as full-service restaurants if the person
1102 applying for the master full-service restaurant license:
- 1103 (i) owns each of the full-service restaurants;
- 1104 (ii) except for the fee requirements, establishes to the satisfaction of the commission
1105 that each location of a full-service restaurant under the master full-service
1106 restaurant license separately meets the requirements of this part; and
- 1107 (iii) the master full-service restaurant license includes at least five full-service
1108 restaurant locations.
- 1109 (b) The person seeking a master full-service restaurant license shall designate which
1110 full-service restaurant locations the person seeks to have under the master full-service
1111 restaurant license.
- 1112 (c) A full-service restaurant location under a master full-service restaurant license is
1113 considered separately licensed for purposes of this title, except as provided in this
1114 section.
- 1115 (2) A master full-service restaurant license and each location designated under Subsection

- 1116 (1) are considered a single full-service restaurant license for purposes of Subsection
1117 32B-6-203(3)(a).
- 1118 (3) (a) A master full-service restaurant license expires on October 31 of each year.
- 1119 (b) To renew a person's master full-service restaurant license, a person shall comply with
1120 the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later
1121 than September 30.
- 1122 (4) (a) The nonrefundable application fee for a master full-service restaurant license is
1123 \$330.
- 1124 (b) (i) The initial license fee for a master full-service restaurant license is \$5,000 plus
1125 a separate initial license fee for each newly licensed full-service restaurant [~~license~~
1126 location under the master full-service restaurant license determined in accordance
1127 with Subsection 32B-6-204(3)(b).
- 1128 (ii) The department [~~may~~] shall prorate the \$5,000 initial license fee [~~based on the~~
1129 ~~number of months out of a year the master full-service restaurant licensee is~~
1130 ~~licensed before~~] for the period that begins the day on which the initial license fee is
1131 paid and ends the day on which the master full-service restaurant license expires.
- 1132 (c) To renew a master full-service restaurant license the master full-service restaurant
1133 licensee shall pay a separate renewal fee for each full-service [~~license~~] restaurant
1134 location under the master full-service restaurant license [~~determined~~] in accordance
1135 with Subsection 32B-6-204(3)(c).
- 1136 (5) A new location may be added to a master full-service restaurant license after the master
1137 full-service restaurant license is issued if:
- 1138 (a) the master full-service restaurant licensee pays a nonrefundable application fee of
1139 \$330; and
- 1140 (b) including payment of the initial license fee, the location separately meets the
1141 requirements of this part.
- 1142 (6) (a) A master full-service restaurant licensee shall notify the department of a change
1143 in the persons managing a location covered by a master full-service restaurant license:
- 1144 (i) immediately, if the management personnel is not management personnel at a
1145 location covered by the master full-service restaurant licensee at the time of the
1146 change; or
- 1147 (ii) within 30 days of the change, if the master full-service restaurant licensee is
1148 transferring management personnel from one location to another location covered
1149 by the master full-service restaurant licensee.

1150 (b) A location covered by a master full-service restaurant license shall keep the
1151 location's own records on the location's premises so that the department may audit the
1152 records.

1153 (c) A master full-service restaurant licensee may not transfer alcoholic products between
1154 different locations covered by the master full-service restaurant license.

1155 (7) If there is a violation of this title at a location covered by a master full-service restaurant
1156 license, the violation may result in disciplinary action in accordance with Chapter 3,
1157 Disciplinary Actions and Enforcement Act, against:

1158 (a) the single location under a master full-service restaurant license;

1159 (b) individual staff of the location under the master full-service restaurant license; or

1160 (c) a combination of persons or locations described in Subsections (7)(a) and (b).

1161 (8) The commission may make rules, in accordance with Title 63G, Chapter 3, Utah
1162 Administrative Rulemaking Act, to establish how a person may apply for a master
1163 full-service restaurant license under this section.

1164 Section 18. Section **32B-6-302** is amended to read:

1165 **32B-6-302 . Definitions.**

1166 As used in this part:

1167 (1) (a) "Dining area" means an area in the licensed premises of a limited-service
1168 restaurant licensee that is primarily used for the service and consumption of food by
1169 one or more patrons.

1170 (b) "Dining area" does not include a dispensing area.

1171 (2) (a) "Dispensing area" means an area in the licensed premises of a limited-service
1172 restaurant licensee where a dispensing structure is located and that:

1173 (i) is physically separated from the dining area and any waiting area by a structure or
1174 other barrier that prevents a patron seated in the dining area or a waiting area from
1175 viewing the dispensing of alcoholic product;

1176 (ii) except as provided in Subsection (2)(b), measures at least 10 feet from the dining
1177 area and any waiting area to the nearest edge of the dispensing structure; or

1178 (iii) is physically separated from the dining area and any waiting area by a permanent
1179 physical structure that complies with the provisions of Title 15A, State
1180 Construction and Fire Codes Act, and, to the extent allowed under Title 15A, State
1181 Construction and Fire Codes Act, measures:

1182 (A) at least 42 inches high; and

1183 (B) at least 60 inches from the inside edge of the barrier to the nearest edge of the

1184 dispensing structure.

1185 (b) "Dispensing area" does not include any area described in Subsection (2)(a)(ii) that is
1186 less than 10 feet from an area where alcoholic product is dispensed, but from which a
1187 patron seated at a table or counter cannot view the dispensing of alcoholic product.

1188 (3) "Small limited-service restaurant licensee" means a limited-service restaurant licensee[
1189 ~~that has a grandfathered bar structure~~] whose dispensing area includes more than 45% of
1190 the available seating for patrons on the licensed premises, excluding outdoor seating:

1191 (a) when measured in accordance with Subsection (2)(a)(ii); and

1192 (b) based on the licensee's floor plan on file with the department on July 1, 2017.

1193 (4) "Waiting area" includes a lobby.

1194 Section 19. Section **32B-6-304** is amended to read:

1195 **32B-6-304 . Specific licensing requirements for limited-service restaurant license.**

1196 (1) To obtain a limited-service restaurant license a person shall comply with Chapter 5, Part
1197 2, Retail Licensing Process.

1198 (2) (a) A limited-service restaurant license expires on October 31 of each year.

1199 (b) To renew a person's limited-service restaurant license, a person shall comply with the
1200 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1201 September 30.

1202 (3) (a) The nonrefundable application fee for a limited-service restaurant license is \$330.

1203 (b) (i) The initial license fee for a limited-service restaurant license is \$1,275.

1204 (ii) The department shall prorate the \$1,275 initial license fee for the period that
1205 begins the day on which the initial license fee is paid and ends the day on which
1206 the limited-service restaurant license expires.

1207 (c) The renewal fee for a limited-service restaurant license is \$750.

1208 (4) The bond amount required for a limited-service restaurant license is the penal sum of
1209 \$5,000.

1210 Section 20. Section **32B-6-306** is amended to read:

1211 **32B-6-306 . Master limited-service restaurant license.**

1212 (1) (a) The commission may issue a master limited-service restaurant license that
1213 authorizes a person to store, sell, offer for sale, furnish, or allow the consumption of
1214 an alcoholic product on premises at multiple locations as limited-service restaurants
1215 if the person applying for the master limited-service restaurant license:

1216 (i) owns each of the limited-service restaurants;

1217 (ii) except for the fee requirements, establishes to the satisfaction of the commission

- 1218 that each location of a limited-service restaurant under the master limited-service
1219 restaurant license separately meets the requirements of this part; and
- 1220 (iii) the master limited-service restaurant includes at least five limited-service
1221 restaurant locations.
- 1222 (b) The person seeking a master limited-service restaurant license shall designate which
1223 limited-service restaurant locations the person seeks to have under the master
1224 limited-service restaurant license.
- 1225 (c) A limited-service restaurant location under a master limited-service restaurant license
1226 is considered separately licensed for purposes of this title, except as provided in this
1227 section.
- 1228 (2) A master limited-service restaurant license and each location under Subsection (1) are
1229 considered a single limited-service restaurant license for purposes of Subsection
1230 32B-6-303(3)(a).
- 1231 (3) (a) A master limited-service restaurant license expires on October 31 of each year.
- 1232 (b) To renew a person's master limited-service restaurant license, a person shall comply
1233 with the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no
1234 later than September 30.
- 1235 (4) (a) The nonrefundable application fee for a master limited-service restaurant license
1236 is \$330.
- 1237 (b) (i) The initial license fee for a master limited-service restaurant license is \$5,000
1238 plus a separate initial license fee for each newly licensed limited-service restaurant
1239 license under the master limited-service restaurant license determined in
1240 accordance with Subsection 32B-6-304(3)(b).
- 1241 (ii) The department shall prorate the \$5,000 initial license fee for the period that
1242 begins the day on which the initial license fee is paid and ends the day on which
1243 the master limited-service restaurant license expires.
- 1244 (c) The renewal fee for a master limited-service restaurant license is \$500 plus a separate
1245 renewal fee for each limited-service license under the master limited-service
1246 restaurant license determined in accordance with Subsection 32B-6-304(3)(c).
- 1247 (5) A new location may be added to a master limited-service restaurant license after the
1248 master limited-service restaurant license is issued if:
- 1249 (a) the master limited-service restaurant licensee pays a nonrefundable application fee of
1250 \$330; and
- 1251 (b) including payment of the initial license fee, the location separately meets the

- 1252 requirements of this part.
- 1253 (6) (a) A master limited-service restaurant licensee shall notify the department of a
1254 change in the persons managing a location covered by a master limited-service
1255 restaurant license:
- 1256 (i) immediately, if the management personnel is not management personnel at a
1257 location covered by the master limited-service restaurant licensee at the time of
1258 the change; or
- 1259 (ii) within 30 days of the change, if the master limited-service restaurant licensee is
1260 transferring management personnel from one location to another location covered
1261 by the master limited-service restaurant licensee.
- 1262 (b) A location covered by a master limited-service restaurant license shall keep its own
1263 records on its premises so that the department may audit the records.
- 1264 (c) A master limited-service restaurant licensee may not transfer alcoholic products
1265 between different locations covered by the master limited-service restaurant license.
- 1266 (7) (a) If there is a violation of this title at a location covered by a master limited-service
1267 restaurant license, the violation may result in disciplinary action in accordance with
1268 Chapter 3, Disciplinary Actions and Enforcement Act, against:
- 1269 (i) the single location under a master limited-service restaurant license;
- 1270 (ii) individual staff of the location under the master limited-service restaurant license;
- 1271 or
- 1272 (iii) a combination of persons or locations described in Subsections (7)(a)(i) and (ii).
- 1273 (b) In addition to disciplinary action under Subsection (7)(a), disciplinary action in
1274 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, may be taken
1275 against a master limited-service restaurant licensee or individual staff of the master
1276 limited-service restaurant licensee if during a period beginning on November 1 and
1277 ending October 31:
- 1278 (i) at least 25% of the locations covered by the master limited-service restaurant
1279 license have been found by the commission to have committed a serious or grave
1280 violation of this title, as defined by rule made by the commission; or
- 1281 (ii) at least 50% of the locations covered by the master limited-service restaurant
1282 license have been found by the commission to have violated this title.
- 1283 (8) The commission may make rules, in accordance with Title 63G, Chapter 3, Utah
1284 Administrative Rulemaking Act, to establish how a person may apply for a master
1285 limited-service restaurant license under this section.

- 1286 Section 21. Section **32B-6-403** is amended to read:
- 1287 **32B-6-403 . Commission's power to issue bar establishment license.**
- 1288 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of an
1289 alcoholic product on the person's premises as a bar establishment licensee, the person
1290 shall first obtain a bar establishment license from the commission in accordance with
1291 this part.
- 1292 (2) The commission may issue a bar establishment license to establish bar establishment
1293 licensed premises at places and in numbers the commission considers proper for the
1294 storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on
1295 premises operated by a bar establishment licensee.
- 1296 (3) Subject to Section 32B-1-201:
- 1297 (a) the commission may not issue a total number of bar establishment licenses that at
1298 any time exceeds the sum of:
- 1299 (i) 15; and
- 1300 (ii) the number determined by dividing the population of the state by~~[-10,200;]~~ :
- 1301 (A) before fiscal July 1, 2024, 10,200;
- 1302 (B) in fiscal year 2025, 9,778;
- 1303 (C) in fiscal year 2026, 9,356;
- 1304 (D) in fiscal year 2027, 8,934;
- 1305 (E) in fiscal year 2028, 8,512;
- 1306 (F) in fiscal year 2029, 8,090;
- 1307 (G) in fiscal year 2030, 7,668; and
- 1308 (H) in fiscal year 2031, and in each fiscal year thereafter, 7,246;
- 1309 (b) the commission may issue a seasonal bar establishment license in accordance with
1310 Section 32B-5-206 to a bar licensee;
- 1311 (c) the commission may authorize as many as three bar establishment license locations
1312 within a hotel under one bar establishment license if:
- 1313 (i) the location, design, and construction of the hotel requires more than one bar
1314 license location within the hotel to serve the public convenience;
- 1315 (ii) the hotel has a minimum of 150 guest rooms;
- 1316 (iii) all locations under the bar establishment license are:
- 1317 (A) within the same hotel; and
- 1318 (B) on premises that are managed or operated, and owned or leased, by the bar
1319 establishment licensee;

- 1320 (d) the commission may authorize up to five dispensing [~~structures~~] locations under one
 1321 equity license if the locations under the equity license:
 1322 (i) are connected by a private roadway to which the equity licensee, each member of
 1323 the equity licensee, and each guest has a legal right of access; and
 1324 (ii) are located on premises managed or operated, and owned or leased, by the equity
 1325 licensee;
- 1326 (e) except for a facility operating in accordance with Subsection (3)(d) or a hotel, a
 1327 facility shall have a separate bar establishment license for each bar establishment
 1328 license location where an alcoholic product is sold, offered for sale, or furnished;
- 1329 (f) when a business establishment undergoes a change of ownership, the commission
 1330 may issue a bar establishment license to the new owner of the business establishment
 1331 notwithstanding that there is no bar establishment license available under Subsection
 1332 (3)(a) if:
 1333 (i) the primary business activity at the business establishment before and after the
 1334 change of ownership is not the sale, offer for sale, or furnishing of an alcoholic
 1335 product;
- 1336 (ii) before the change of ownership there are two or more licensed premises on the
 1337 business establishment that operate under a retail license, with at least one of the
 1338 retail licenses being a bar establishment license;
- 1339 (iii) subject to Subsection (3)(g) the licensed premises of the bar establishment
 1340 license issued under this Subsection (3)(f) is at the same location where the bar
 1341 establishment license licensed premises was located before the change of
 1342 ownership; and
- 1343 (iv) the person who is the new owner of the business establishment qualifies for the
 1344 bar establishment license, except for there being no bar establishment license
 1345 available under Subsection (3)(a); and
- 1346 (g) if a bar establishment licensee of a bar establishment license issued under Subsection
 1347 (3)(f) requests a change of location, the bar establishment licensee may retain the bar
 1348 establishment license after the change of location only if on the day on which the bar
 1349 establishment licensee seeks a change of location a bar establishment license is
 1350 available under Subsection (3)(a).

1351 Section 22. Section **32B-6-405** is amended to read:

1352 **32B-6-405 . Specific licensing requirements for bar establishment license.**

- 1353 (1) To obtain a bar establishment license, in addition to complying with Chapter 5, Part 2,

- 1354 Retail Licensing Process, a person shall submit with the written application:
- 1355 (a) (i) a statement as to whether the person is seeking to qualify as:
- 1356 (A) an equity licensee;
- 1357 (B) a fraternal licensee;
- 1358 (C) a dining club licensee; or
- 1359 (D) a bar licensee; and
- 1360 (ii) evidence that the person meets the requirements for the type of bar establishment
- 1361 license for which the person is applying;
- 1362 (b) evidence that the person operates a premises where a variety of food is prepared and
- 1363 served in connection with dining accommodations; and
- 1364 (c) if the person is applying for an equity license or fraternal license, a copy of the
- 1365 entity's bylaws or house rules, and an amendment to those records.
- 1366 (2) The commission may refuse to issue a bar establishment license to a person for an
- 1367 equity license or fraternal license if the commission determines that a provision of the
- 1368 person's bylaws or house rules, or amendments to those records is not:
- 1369 (a) reasonable; and
- 1370 (b) consistent with:
- 1371 (i) the declared nature and purpose of the bar establishment licensee; and
- 1372 (ii) the purposes of this part.
- 1373 (3) (a) A bar establishment license expires on June 30 of each year.
- 1374 (b) To renew a bar establishment license, a person shall comply with the requirements of
- 1375 Chapter 5, Part 2, Retail Licensing Process, by no later than May 31.
- 1376 (4) (a) The nonrefundable application fee for a bar establishment license is \$300.
- 1377 (b) (i) The initial license fee for a bar establishment license is \$2,750.
- 1378 (ii) The department shall prorate the \$2,750 initial license fee based on the number of
- 1379 months out of a year the bar establishment licensee is licensed before the day on
- 1380 which the bar establishment license expires.
- 1381 (c) The renewal fee for a bar establishment license is \$2,000.
- 1382 (5) The bond amount required for a bar establishment license is the penal sum of \$10,000.
- 1383 Section 23. Section **32B-6-504** is amended to read:
- 1384 **32B-6-504 . Specific licensing requirements for airport lounge license.**
- 1385 (1) To obtain an airport lounge license, in addition to complying with Chapter 5, Part 2,
- 1386 Retail Licensing Process, a person shall submit with the written application:
- 1387 (a) both the written consent of the local authority and the written consent of the airport

- 1388 authority; and
- 1389 (b) a copy of the sign proposed to be used by the airport lounge licensee on its licensed
- 1390 premises to inform the public that alcoholic products are sold and consumed on the
- 1391 licensed premises.
- 1392 (2) (a) An airport lounge license expires on October 31 of each year.
- 1393 (b) To renew a person's airport lounge license, a person shall comply with the renewal
- 1394 requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
- 1395 September 30.
- 1396 (3) (a) The nonrefundable application fee for an airport lounge license is \$300.
- 1397 (b) (i) The initial license fee for an airport lounge license is \$8,000.
- 1398 (ii) The department shall prorate the \$8,000 initial license fee for the period that
- 1399 begins the day on which the initial license fee is paid and ends the day on which
- 1400 the airport lounge license expires.
- 1401 (c) The renewal fee for an airport lounge license is \$6,000.
- 1402 (4) The bond amount required for an airport lounge license is the penal sum of \$10,000.
- 1403 (5) An airport lounge license is not subject to the proximity requirements of Section
- 1404 32B-1-202.
- 1405 Section 24. Section **32B-6-604** is amended to read:
- 1406 **32B-6-604 . Specific licensing requirements for an on-premise banquet license.**
- 1407 (1) To obtain an on-premise banquet license a person shall comply with Chapter 5, Part 2,
- 1408 Retail Licensing Process.
- 1409 (2) (a) An on-premise banquet license expires on October 31 of each year.
- 1410 (b) To renew a person's on-premise banquet license, a person shall comply with the
- 1411 requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
- 1412 September 30.
- 1413 (3) (a) The nonrefundable application fee for an on-premise banquet license is \$300.
- 1414 (b) (i) The initial license fee for an on-premise banquet license is \$750.
- 1415 (ii) The department shall prorate the \$750 initial license fee for the period that begins
- 1416 the day on which the initial license fee is paid and ends the day on which the
- 1417 on-premise banquet license expires.
- 1418 (c) The renewal fee for an on-premise banquet license is \$750.
- 1419 (4) The bond amount required for an on-premise banquet license is the penal sum of
- 1420 \$10,000.
- 1421 (5) Notwithstanding the other provisions of this part, if an applicant is a state agency or

- 1422 political subdivision of the state it is not required to:
- 1423 (a) pay an application fee, initial license fee, or renewal fee;
- 1424 (b) obtain the written consent of the local authority;
- 1425 (c) submit a copy of the applicant's current business license; or
- 1426 (d) post a bond as specified by Section 32B-5-204.
- 1427 (6) Notwithstanding Subsection 32B-5-303(3), the department may approve an additional
- 1428 location in or on the licensed premises of an on-premise banquet licensee from which
- 1429 the on-premise banquet licensee may store, sell, offer for sale, furnish, or allow the
- 1430 consumption of an alcoholic product that is not included in its original application only:
- 1431 (a) upon proper application by an on-premise banquet licensee; and
- 1432 (b) in accordance with guidelines approved by the commission.

1433 Section 25. Section **32B-6-605** is amended to read:

1434 **32B-6-605 . Specific operational requirements for on-premise banquet license.**

- 1435 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
- 1436 Requirements, an on-premise banquet licensee and staff of the on-premise banquet
- 1437 licensee shall comply with this section.
- 1438 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
- 1439 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
- 1440 (i) an on-premise banquet licensee;
- 1441 (ii) individual staff of an on-premise banquet licensee; or
- 1442 (iii) both an on-premise banquet licensee and staff of the on-premise banquet licensee.
- 1443 (2) An on-premise banquet licensee shall comply with Subsections 32B-5-301(4) and (5)
- 1444 for the entire premises of the hotel, resort facility, sports center, convention center,
- 1445 performing arts facility, arena, or restaurant venue that is the basis for the on-premise
- 1446 banquet license.
- 1447 (3) (a) For the purpose described in Subsection (3)(b), an on-premise banquet licensee
- 1448 shall provide the department with advance notice of a scheduled banquet in
- 1449 accordance with rules made by the commission.
- 1450 (b) Any of the following may conduct a random inspection of a banquet:
- 1451 (i) an authorized representative of the commission or the department; or
- 1452 (ii) a law enforcement officer.
- 1453 (4) (a) An on-premise banquet licensee is not subject to Subsection 32B-5-302(1), but
- 1454 shall make and maintain the records described in Subsection 32B-5-302(2) and the
- 1455 records the commission or department requires.

- 1456 (b) Section 32B-1-205 applies to a record required to be made or maintained in
 1457 accordance with this Subsection (4).
- 1458 (5) (a) Except as otherwise provided in this title, an on-premise banquet licensee may
 1459 sell, offer for sale, or furnish an alcoholic product at a banquet only for consumption
 1460 at the location of the banquet.
- 1461 (b) [~~Except as provided in Subsection 32B-5-307(4),~~] Notwithstanding Section
 1462 32B-5-307 and except as otherwise provided in this title:
- 1463 (i) [~~a host of a banquet, a patron, or~~] a person at a banquet other than the on-premise
 1464 banquet licensee or staff of the on-premise banquet licensee, may not remove an
 1465 alcoholic product from the premises of the banquet[-] ; and
- 1466 (ii) a patron at a banquet may not bring an alcoholic product into or onto[~~, or remove~~
 1467 ~~an alcoholic product from,~~] the premises of [a] the banquet.
- 1468 [~~(c) Notwithstanding Subsections 32B-5-307(3) and (5) and except as provided in~~
 1469 ~~Subsection 32B-5-307(4),~~]
- 1470 (6) (a) An on-premise banquet licensee may not leave an unsold alcoholic product at the
 1471 banquet following the conclusion of the banquet.
- 1472 (b) At the conclusion of a banquet, an on-premise banquet licensee shall:
- 1473 (i) destroy an opened and unused alcoholic product that is not saleable, under
 1474 conditions established by the department; and
- 1475 (ii) return to the on-premise banquet licensee's approved locked storage area any:
- 1476 (A) opened and unused alcoholic product that is saleable; and
- 1477 (B) unopened container of an alcoholic product.
- 1478 (c) Except as provided in Subsection (6)(b) with regard to an open or sealed container of
 1479 an alcoholic product not sold or consumed at a banquet, an on-premise banquet
 1480 licensee:
- 1481 (i) shall store the alcoholic product in the on-premise banquet licensee's approved
 1482 locked storage area; and
- 1483 (ii) may use the alcoholic product at more than one banquet.
- 1484 (7) Notwithstanding Section 32B-5-308, an on-premise banquet licensee may not employ a
 1485 minor to sell, furnish, or dispense an alcoholic product in connection with the
 1486 on-premise banquet licensee's banquet and room service activities.
- 1487 (8) An on-premise banquet licensee:
- 1488 (a) may provide room service in portions described in Section 32B-5-304;
- 1489 (b) may not sell, offer for sale, or furnish an alcoholic product at a banquet or in

- 1490 connection with room service any day during a period that:
- 1491 (i) begins at 1 a.m.; and
- 1492 (ii) ends at 9:59 a.m.; and
- 1493 (c) notwithstanding Section 32B-5-305, may provide as room service one alcoholic
- 1494 product free of charge per guest reservation, per guest room, if the alcoholic product:
- 1495 (i) is not a spirituous liquor; and
- 1496 (ii) is in an unopened container not to exceed 750 milliliters.
- 1497 (9) (a) Subject to the other provisions of this Subsection (9), a patron may not have more
- 1498 than two alcoholic products of any kind at a time before the patron.
- 1499 (b) A patron may not have more than one spirituous liquor drink at a time before the
- 1500 patron.
- 1501 (c) An individual portion of wine is considered to be one alcoholic product under
- 1502 Subsection (9)(a).
- 1503 (10) (a) An on-premise banquet licensee shall supervise and direct a person involved in
- 1504 the sale, offer for sale, or furnishing of an alcoholic product.
- 1505 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product
- 1506 shall complete an alcohol training and education seminar.
- 1507 (11) A staff person of an on-premise banquet licensee shall remain at the banquet at all
- 1508 times when an alcoholic product is sold, offered for sale, furnished, or consumed at the
- 1509 banquet.
- 1510 (12) (a) Room service of an alcoholic product to a guest room or privately owned
- 1511 dwelling unit of a hotel or resort facility shall be provided in person by staff of an
- 1512 on-premise banquet licensee only to an adult guest in the guest room or privately
- 1513 owned dwelling unit.
- 1514 (b) An alcoholic product may not be left outside a guest room or privately owned
- 1515 dwelling unit for retrieval by a guest or resident.
- 1516 (13) An on-premise banquet licensee may not maintain a minibar.
- 1517 Section 26. Section **32B-6-702** is amended to read:
- 1518 **32B-6-702 . Definitions.**
- 1519 As used in this part:
- 1520 (1) "Commission-approved activity" means a leisure activity that:
- 1521 (a) the commission approves by rule made in accordance with Title 63G, Chapter 3,
- 1522 Utah Administrative Rulemaking Act; and
- 1523 (b) does not involve the use of a dangerous weapon.

- 1524 (2) (a) "Recreational amenity" means:
- 1525 (i) a billiard parlor;
- 1526 (ii) a pool parlor;
- 1527 (iii) a bowling facility;
- 1528 (iv) a golf course;
- 1529 (v) miniature golf;
- 1530 (vi) a golf driving range;
- 1531 (vii) a tennis club;
- 1532 (viii) a sports facility that hosts professional sporting events and has a seating
- 1533 capacity equal to or greater than [~~6,500~~] 5,000;
- 1534 (ix) a concert venue that has a seating capacity equal to or greater than [~~6,500~~] 5,000;
- 1535 (x) one of the following if owned by a government agency:
- 1536 (A) a convention center;
- 1537 (B) a fair facility;
- 1538 (C) an equestrian park;
- 1539 (D) a theater; or
- 1540 (E) a concert venue;
- 1541 (xi) an amusement park:
- 1542 (A) with one or more permanent amusement rides; and
- 1543 (B) located on at least 50 acres;
- 1544 (xii) a ski resort;
- 1545 (xiii) a venue for live entertainment if the venue:
- 1546 (A) is not regularly open for more than five hours on any day;
- 1547 (B) is operated so that food is available whenever beer is sold, offered for sale, or
- 1548 furnished at the venue; and
- 1549 (C) is operated so that no more than 15% of its total annual receipts are from the
- 1550 sale of beer;
- 1551 (xiv) concessions operated within the boundary of a park administered by the:
- 1552 (A) Division of State Parks; or
- 1553 (B) National Parks Service;
- 1554 (xv) a facility or venue that is a recreational amenity for a person licensed under this
- 1555 part before May 12, 2020;
- 1556 (xvi) a venue for karaoke; or
- 1557 (xvii) an enterprise developed around a commission-approved activity.

1558 (b) "Recreational amenity" does not include an item described in Subsection (2)(a), if
1559 the item is tangential to an enterprise or activity that is not included in Subsection
1560 (2)(a).

1561 Section 27. Section **32B-6-705** is amended to read:

1562 **32B-6-705 . Specific licensing requirements for on-premise beer retailer license.**

1563 (1) To obtain an on-premise beer retailer license a person shall comply with Chapter 5, Part
1564 2, Retail Licensing Process, except that an on-premise beer retailer is required to carry
1565 dramshop insurance coverage in accordance with Section 32B-5-201 only if the
1566 on-premise beer retailer sells more than \$5,000 of beer annually.

1567 (2) (a) An on-premise beer retailer license expires on the last day of February each year.

1568 (b) To renew a person's on-premise beer retailer license, a person shall comply with the
1569 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1570 January 31.

1571 (3) (a) The nonrefundable application fee for an on-premise beer retailer license is \$300.

1572 (b) (i) (A) The initial license fee for an on-premise beer retailer license that is not
1573 a tavern is \$300.

1574 (B) The department shall prorate the \$300 initial license fee for the period that
1575 begins the day on which the initial license fee is paid and ends the day on
1576 which the on-premise beer retailer license expires.

1577 (ii) (A) The initial license fee for an on-premise beer retailer license that is a
1578 tavern is \$1,500.

1579 (B) The department shall prorate the \$1,500 initial license fee for the period that
1580 begins the day on which the initial license fee is paid and ends the day on
1581 which the on-premise beer retailer license expires.

1582 (c) (i) The renewal fee for an on-premise beer retailer license that is not a tavern is
1583 \$350.

1584 (ii) The renewal fee for an on-premise beer retailer license that is a tavern is \$1,250.

1585 (4) The bond amount required for an on-premise beer retailer license is the penal sum of
1586 \$5,000.

1587 (5) Notwithstanding the other provisions of this part, if an applicant is a state agency or
1588 political subdivision of the state it is not required to:

1589 (a) pay an application fee, initial license fee, or renewal fee;

1590 (b) obtain the written consent of the local authority;

1591 (c) submit a copy of the applicant's current business license; or

1592 (d) post a bond as specified by Section 32B-5-204.

1593 Section 28. Section **32B-6-804** is amended to read:

1594 **32B-6-804 . Specific licensing requirements for reception center license.**

1595 (1) To obtain a reception center license a person shall comply with Chapter 5, Part 2, Retail
1596 Licensing Process.

1597 (2) (a) A reception center license expires on October 31 of each year.

1598 (b) To renew a person's reception center license, a person shall comply with the renewal
1599 requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1600 September 30.

1601 (3) (a) The nonrefundable application fee for a reception center license is \$300.

1602 (b) (i) The initial license fee for a reception center license is \$750.

1603 (ii) The department shall prorate the \$750 initial license fee for the period that begins
1604 the day on which the initial license fee is paid and ends the day on which the
1605 reception center license expires.

1606 (c) The renewal fee for a reception center license is \$750.

1607 (4) The bond amount required for a reception center license is the penal sum of \$10,000.

1608 Section 29. Section **32B-6-902** is amended to read:

1609 **32B-6-902 . Definitions.**

1610 (1) As used in this part:

1611 (a) (i) "Dining area" means an area in the licensed premises of a beer-only restaurant
1612 licensee that is primarily used for the service and consumption of food by one or
1613 more patrons.

1614 (ii) "Dining area" does not include a dispensing area.

1615 (b) (i) "Dispensing area" means an area in the licensed premises of a beer-only
1616 restaurant licensee where a dispensing structure is located and that:

1617 (A) is physically separated from the dining area and any waiting area by a
1618 structure or other barrier that prevents a patron seated in the dining area or a
1619 waiting area from viewing the dispensing of beer;

1620 (B) except as provided in Subsection (1)(b)(ii), measures at least 10 feet from the
1621 dining area and any waiting area to the nearest edge of the dispensing structure;
1622 or

1623 (C) is physically separated from the dining area and any waiting area by a
1624 permanent physical structure that complies with the provisions of Title 15A,
1625 State Construction and Fire Codes Act, and, to the extent allowed under Title

1626 15A, State Construction and Fire Codes Act, measures at least 42 inches high,
 1627 and at least 60 inches from the inside edge of the barrier to the nearest edge of
 1628 the dispensing structure.

1629 (ii) "Dispensing area" does not include any area described in Subsection (1)(b)(i)(B)
 1630 that is less than 10 feet from an area where beer is dispensed, but from which a
 1631 patron seated at a table or counter cannot view the dispensing of beer.

1632 (c) "Small beer-only restaurant licensee" means a beer-only restaurant licensee~~[-that has~~
 1633 ~~a grandfathered bar structure]~~ whose dispensing area includes more than 45% of the
 1634 available seating for patrons on the licensed premises, excluding outdoor seating:

1635 (i) when measured in accordance with Subsection (1)(b)(i)(B); and

1636 (ii) based on the licensee's floor plan on file with the department on July 1, 2017.

1637 (d) "Waiting area" includes a lobby.

1638 Section 30. Section **32B-6-904** is amended to read:

1639 **32B-6-904 . Specific licensing requirements for beer-only restaurant license.**

1640 (1) To obtain a beer-only restaurant license a person shall comply with Chapter 5, Part 2,
 1641 Retail Licensing Process.

1642 (2) (a) A beer-only restaurant license expires the last day of February of each year.

1643 (b) To renew a person's beer-only restaurant license, a person shall comply with the
 1644 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
 1645 January 31.

1646 (3) (a) The nonrefundable application fee for a beer-only restaurant license is \$330.

1647 (b) (i) The initial license fee for a beer-only restaurant license is \$825.

1648 (ii) The department shall prorate the \$825 initial license fee for the period that begins
 1649 the day on which the initial license fee is paid and ends the day on which the
 1650 beer-only restaurant license expires.

1651 (c) The renewal fee for a beer-only restaurant license is \$605.

1652 (4) The bond amount required for a beer-only restaurant license is the penal sum of \$5,000.

1653 Section 31. Section **32B-6-1004** is amended to read:

1654 **32B-6-1004 . Specific licensing requirements for a hospitality amenity license.**

1655 (1) To obtain a hospitality amenity license a person shall comply with Chapter 5, Part 2,
 1656 Retail Licensing Process.

1657 (2) (a) A hospitality amenity license expires on October 31 of each year.

1658 (b) To renew a person's hospitality amenity license, a person shall comply with the
 1659 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than

- 1660 September 30.
- 1661 (3) (a) The nonrefundable application fee for a hospitality amenity license is \$330.
- 1662 (b) (i) The initial license fee for a hospitality amenity license is \$2,000.
- 1663 (ii) The department shall prorate the \$2,000 initial license fee for the period that
- 1664 begins the day on which the initial license fee is paid and ends the day on which
- 1665 the hospitality amenity license expires.
- 1666 (c) The renewal fee for a hospitality amenity license is \$1,000.
- 1667 (4) The bond amount required for a hospitality amenity license is the penal sum of \$10,000.
- 1668 (5) Notwithstanding Subsection 32B-5-303(3), the commission may approve an additional
- 1669 location in or on the licensed premises of a hospitality amenity licensee from which the
- 1670 hospitality amenity licensee may store, sell, offer for sale, furnish, or allow the
- 1671 consumption of an alcoholic product that is not included in the person's original
- 1672 application only:
- 1673 (a) upon proper application by a hospitality amenity licensee; and
- 1674 (b) in accordance with guidelines the commission approves.
- 1675 Section 32. Section **32B-7-202** is amended to read:
- 1676 **32B-7-202 . General operational requirements for off-premise beer retailer.**
- 1677 (1) (a) An off-premise beer retailer or staff of the off-premise beer retailer shall comply
- 1678 with the provisions of this title and any applicable rules made by the commission.
- 1679 (b) Failure to comply with this section may result in a suspension or revocation of a
- 1680 local license and, on or after July 1, 2018, disciplinary action in accordance with
- 1681 Chapter 3, Disciplinary Actions and Enforcement Act.
- 1682 (2) (a) (i) An off-premise beer retailer may not purchase, acquire, possess for the
- 1683 purpose of resale, or sell beer, except beer that the off-premise beer retailer
- 1684 lawfully purchases from:
- 1685 (A) a beer wholesaler licensee; or
- 1686 (B) a small brewer that manufactures the beer.
- 1687 (ii) A violation of Subsection (2)(a) is a class A misdemeanor.
- 1688 (b) (i) If an off-premise beer retailer purchases beer under this Subsection (2) from a
- 1689 beer wholesaler licensee, the off-premise beer retailer shall purchase beer only
- 1690 from a beer wholesaler licensee who is designated by the manufacturer to sell beer
- 1691 in the geographical area in which the off-premise beer retailer is located, unless an
- 1692 alternate wholesaler is authorized by the department to sell to the off-premise beer
- 1693 retailer as provided in Section 32B-13-301.

- 1694 (ii) A violation of Subsection (2)(b) is a class B misdemeanor.
- 1695 (3) An off-premise beer retailer may not possess, sell, offer for sale, or furnish beer in a
1696 container larger than two liters.
- 1697 (4) (a) Staff of an off-premise beer retailer, while on duty, may not:
- 1698 (i) consume an alcoholic product; or
- 1699 (ii) be intoxicated.
- 1700 (b) A minor may not sell beer on the licensed premises of an off-premise beer retailer
1701 unless:
- 1702 (i) the sale is done under the supervision of a person 21 years old or older who is on
1703 the licensed premises; and
- 1704 (ii) the minor is at least 16 years old.
- 1705 (5) An off-premise beer retailer may not sell, offer for sale, or furnish an alcoholic product
1706 to:
- 1707 (a) a minor;
- 1708 (b) a person actually, apparently, or obviously intoxicated;
- 1709 (c) a known interdicted person; or
- 1710 (d) a known habitual drunkard.
- 1711 (6) (a) Subject to the other provisions of this Subsection (6), an off-premise beer retailer
1712 shall:
- 1713 (i) display all beer accessible by and visible to a patron in no more than two locations
1714 on the retail sales floor, each of which is:
- 1715 (A) a display cabinet, cooler, aisle, floor display, or room where beer is the only
1716 beverage displayed; and
- 1717 (B) not adjacent to a display of nonalcoholic beverages, unless the location is a
1718 cooler with a door from which the nonalcoholic beverages are not accessible,
1719 or the beer is separated from the display of nonalcoholic beverages by a display
1720 of one or more nonbeverage products or another physical divider; and
- 1721 (ii) display a sign in the area described in Subsection (6)(a)(i) that:
- 1722 (A) is prominent;
- 1723 (B) is easily readable by a consumer;
- 1724 (C) meets the requirements for format established by the commission by rule; and
- 1725 (D) reads in print that is no smaller than .5 inches, bold type, "These beverages
1726 contain alcohol. Please read the label carefully."
- 1727 (b) Notwithstanding Subsection (6)(a), a nonalcoholic beer may be displayed with beer

- 1728 if the nonalcoholic beer is labeled, packaged, or advertised as a nonalcoholic beer.
- 1729 (c) The requirements of this Subsection (6) apply to beer notwithstanding that it is
- 1730 labeled, packaged, or advertised as:
- 1731 (i) a malt cooler; or
- 1732 (ii) a beverage that may provide energy.
- 1733 (d) A violation of this Subsection (6) is an infraction.
- 1734 (e) (i) Except as provided in Subsection (6)(e)(ii), the provisions of Subsection
- 1735 (6)(a)(i) apply on and after May 9, 2017.
- 1736 (ii) For a beer retailer that operates two or more off-premise beer retailers, the
- 1737 provisions of Subsection (6)(a)(i) apply on and after August 1, 2017.
- 1738 (7) (a) Staff of an off-premise beer retailer who directly supervises the sale of beer or
- 1739 who sells beer to a patron for consumption off the premises of the off-premise beer
- 1740 retailer shall wear a unique identification badge:
- 1741 (i) on the front of the staff's clothing;
- 1742 (ii) visible above the waist;
- 1743 (iii) bearing the staff's:
- 1744 (A) first or last name;
- 1745 (B) initials; or
- 1746 (C) unique identification in letters or numbers; and
- 1747 (iv) with the number or letters on the unique identification badge being sufficiently
- 1748 large to be clearly visible and identifiable while engaging in or directly
- 1749 supervising the retail sale of beer.
- 1750 (b) An off-premise beer retailer shall make and maintain a record of each current staff's
- 1751 unique identification badge assigned by the off-premise beer retailer that includes the
- 1752 staff's:
- 1753 (i) full name;
- 1754 (ii) address; and
- 1755 (iii) (A) driver license number; or
- 1756 (B) similar identification number.
- 1757 (c) An off-premise beer retailer shall make available a record required to be made or
- 1758 maintained under this Subsection (7) for immediate inspection by:
- 1759 (i) a peace officer;
- 1760 (ii) a representative of the local authority that issues the off-premise beer retailer
- 1761 license; or

- 1762 (iii) for an off-premise beer retailer state license, a representative of the commission
1763 or department.
- 1764 (d) A local authority may impose a fine of up to \$250 against an off-premise beer
1765 retailer that does not comply or require its staff to comply with this Subsection (7).
- 1766 (8) (a) An off-premise beer retailer may sell, offer for sale, or furnish beer through a
1767 drive through window.
- 1768 (b) Subsection (8)(a) does not modify the display limitations and requirements described
1769 in Subsection (6).
- 1770 (9) An off-premise beer retailer may not on the licensed premises:
- 1771 (a) engage in or permit any form of:
- 1772 (i) gambling, as defined in Section 76-10-1101; or
1773 (ii) fringe gambling, as defined in Section 76-10-1101;
- 1774 (b) have any fringe gaming device, video gaming device, or gambling device or record
1775 as defined in Section 76-10-1101; or
- 1776 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires
1777 the risking of something of value for a return or for an outcome when the return or
1778 outcome is based upon an element of chance, excluding the playing of an amusement
1779 device that confers only an immediate and unrecorded right of replay not
1780 exchangeable for value.
- 1781 (10) An off-premise beer retailer may not knowingly allow a person on the licensed
1782 premises to, in violation of Title 58, Chapter 37, Utah Controlled Substances Act, or
1783 Chapter 37a, Utah Drug Paraphernalia Act:
- 1784 (a) sell, distribute, possess, or use a controlled substance, as defined in Section 58-37-2;
1785 or
- 1786 (b) use, deliver, or possess, with the intent to deliver, drug paraphernalia, as defined in
1787 Section 58-37a-3.
- 1788 (11) An off-premise beer retailer may not sell, offer for sale, or furnish a beer that is
1789 intended to be frozen and consumed in a manner other than as a beverage, including beer
1790 in the form of a freeze pop, popsicle, ice cream, or sorbet.
- 1791 Section 33. Section **32B-8-102** is amended to read:
- 1792 **32B-8-102 . Definitions.**
- 1793 As used in this chapter:
- 1794 (1) "Boundary of a resort building" means the physical boundary of the real property
1795 reasonably related to a resort building and any structure or improvement to that land as

- 1796 determined by the commission.
- 1797 (2) "Designated conveyance area" means a route within a hotel or resort:
- 1798 (a) that connects one or more of the following:
- 1799 (i) the premises of a bar establishment sublicensee;
- 1800 (ii) the premises of a hospitality amenity sublicensee;
- 1801 (iii) the premises of an on-premise banquet sublicensee; or
- 1802 (iv) a guest's room; and
- 1803 (b) that does not begin, end, or pass through a pool area or other recreation area, a
- 1804 designated business center, or a sublicensed premises not described in Subsection
- 1805 (2)(a).
- 1806 [(2)] (3) "Dwelling" means a portion of a resort building:
- 1807 (a) owned by one or more individuals;
- 1808 (b) that is used or designated for use as a residence by one or more persons; and
- 1809 (c) that may be rented, loaned, leased, or hired out for a period of no longer than 30
- 1810 consecutive days by a person who uses it for a residence.
- 1811 [(3)] (4) "Engaged in the management of the resort" may be defined by the commission by
- 1812 rule.
- 1813 [(4)] (5) "Resident" means an individual who:
- 1814 (a) owns a dwelling located within a resort building; or
- 1815 (b) rents lodging accommodations for 30 consecutive days or less from:
- 1816 (i) an owner of a dwelling described in Subsection [(4)(a)] (5)(a); or
- 1817 (ii) the resort licensee.
- 1818 [(5)] (6) "Resort" means a location:
- 1819 (a) on which is located one resort building; and
- 1820 (b) that is affiliated with a ski area that physically touches the boundary of the resort
- 1821 building.
- 1822 [(6)] (7) "Resort building" means a building:
- 1823 (a) that is primarily operated to provide dwellings or lodging accommodations;
- 1824 (b) that has at least 150 units that consist of a dwelling or lodging accommodations;
- 1825 (c) that consists of at least 400,000 square feet:
- 1826 (i) including only the building itself; and
- 1827 (ii) not including areas such as above ground surface parking; and
- 1828 (d) of which at least 50% of the units described in Subsection [(6)(b)] (7)(b) consist of
- 1829 dwellings owned by a person other than the resort licensee.

1830 Section 34. Section **32B-8-201** is amended to read:

1831 **32B-8-201 . Commission's power to issue a resort license.**

1832 (1) Before a person as a resort under a single license may store, sell, offer for sale, furnish,
1833 or allow the consumption of an alcoholic product on sublicense premises, the person
1834 shall first obtain a resort license from the commission in accordance with this part.

1835 (2) (a) The commission may issue to a person a resort license to allow the storage, sale,
1836 offer for sale, furnishing, and consumption of an alcoholic product in connection with
1837 a resort designated in the resort license if the person operates at least four sublicenses
1838 under the resort license.

1839 (b) A resort license shall:

1840 (i) consist of:

1841 (A) a general resort license; and

1842 (B) four or more sublicenses; and

1843 (ii) designate the boundary of the resort building, each sublicense, and each
1844 designated conveyance area.

1845 (c) This chapter does not prohibit an alcoholic product in or on the boundary of the
1846 resort building to the extent otherwise permitted by this title.

1847 (3) The commission may not issue a total number of resort licenses that at any time totals
1848 more than eight.

1849 Section 35. Section **32B-8-202** is amended to read:

1850 **32B-8-202 . Specific licensing requirements for resort license.**

1851 (1) To obtain a resort license, in addition to complying with Chapter 5, Part 2, Retail
1852 Licensing Process, a person shall submit with the person's written application:

1853 (a) evidence:

1854 (i) of proximity of the resort building to any community location;

1855 (ii) that each proposed sublicensed premises is entirely within the boundaries of the
1856 resort building; and

1857 (iii) that the building designated in the application as the resort building qualifies as a
1858 resort building; [~~and~~]

1859 (b) a description and boundary map of the resort building[~~;~~];

1860 (c) a description, floor plan, and boundary map of each proposed designated conveyance
1861 area; and

1862 (d) a signed consent form stating that the resort licensee will permit any authorized
1863 representative of the commission or department, or any law enforcement officer, to

- 1864 have an unrestricted right to enter any proposed designated conveyance area.
- 1865 (2) (a) A resort license expires on October 31 of each year.
- 1866 (b) To renew a person's resort license, the person shall comply with the requirements of
- 1867 Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.
- 1868 (3) (a) The nonrefundable application fee for a resort license is \$300.
- 1869 (b) The initial license fee for a resort license is calculated as follows:
- 1870 (i) if four sublicenses are being applied for under the resort license, \$10,000; or
- 1871 (ii) if more than four sublicenses are being applied for under the resort license, the
- 1872 sum of:
- 1873 (A) \$10,000; and
- 1874 (B) \$2,000 for each sublicense in excess of four sublicenses for which the person
- 1875 is applying.
- 1876 (c) The renewal fee for a resort license is \$1,000 for each sublicense under the resort
- 1877 license.
- 1878 (4) (a) The bond amount required for a resort license is the penal sum of \$25,000[-],
- 1879 covering each sublicense and each designated conveyance area under the resort
- 1880 license.
- 1881 (b) A resort licensee is not required to have a separate bond for each sublicense[-, except
- 1882 ~~that the aggregate of the bonds posted by the resort licensee shall cover each~~
- 1883 ~~sublicense under the resort license]~~ or each designated conveyance area.
- 1884 (5) The commission may not issue a resort license for a resort building that does not meet
- 1885 the proximity requirements of Section 32B-1-202.
- 1886 (6) In accordance with Subsection 32B-8d-103(4), a resort licensee may request to add a
- 1887 sublicense after the commission issues the resort licensee's resort license.
- 1888 (7) (a) A resort licensee may request to add a designated conveyance area after the
- 1889 commission issues the resort licensee's resort license.
- 1890 (b) If a resort licensee seeks to add a designated conveyance area under Subsection
- 1891 (7)(a), the resort licensee shall submit to the department:
- 1892 (i) the information and evidence described in Subsections (1)(a)(iii), (1)(c), and
- 1893 (1)(d); and
- 1894 (ii) if the resort licensee is an entity, proper verification evidencing that the person
- 1895 who signs the submission is authorized to sign on behalf of the entity.
- 1896 Section 36. Section **32B-8-401** is amended to read:
- 1897 **32B-8-401 . Specific operational requirements for resort license.**

- 1898 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
1899 Requirements, a resort licensee, staff of the resort licensee, and a sublicensee or a
1900 person otherwise operating under a sublicense shall comply with this section.
- 1901 (b) Subject to Section 32B-8-502, failure to comply as provided in Subsection (1)(a)
1902 may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions
1903 and Enforcement Act, against:
- 1904 (i) the resort licensee;
1905 (ii) individual staff of the resort licensee;
1906 (iii) a sublicensee or person otherwise operating under a sublicense of the resort
1907 licensee;
1908 (iv) individual staff of a sublicensee or person otherwise operating under a sublicense
1909 of the resort licensee; or
1910 (v) any combination of the persons listed in Subsections (1)(b)(i) through (iv).
- 1911 (2) (a) A resort licensee may not sell, offer for sale, or furnish an alcoholic product
1912 except:
- 1913 (i) on sublicensed premises;
1914 (ii) pursuant to a permit issued under this title;
1915 (iii) under a package agency agreement with the department, subject to Chapter 2,
1916 Part 6, Package Agency; or
1917 (iv) through room service.
- 1918 (b) A resort licensee who sells, offers for sale, or furnishes an alcoholic product as
1919 provided in Subsection (2)(a), shall sell, offer for sale, or furnish the alcoholic
1920 product:
- 1921 (i) if on a sublicense premises, in accordance with the operational requirements
1922 described in Section 32B-8d-104;
1923 (ii) if under a permit issued under this title, in accordance with the operational
1924 requirements under the provisions applicable to the permit;
1925 (iii) if as a package agency, in accordance with the contract with the department and
1926 Chapter 2, Part 6, Package Agency; and
1927 (iv) if through room service, in accordance with Subsection [~~(5)~~] (6).
- 1928 (3) A resort licensee shall operate in a manner so that at least 70% of the annual aggregate
1929 of the gross receipts related to the sale of food or beverages for the resort license and
1930 each of the resort licensee's sublicenses is from the sale of food, not including:
- 1931 (a) mix for an alcoholic product; and

- 1932 (b) a charge in connection with the service of an alcoholic product.
- 1933 (4) (a) A resort licensee shall supervise and direct a person involved in the sale, offer for
1934 sale, or furnishing of an alcoholic product under a resort license.
- 1935 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product
1936 under a resort license shall complete the alcohol training and education seminar.
- 1937 (5) A resort licensee shall:
- 1938 (a) in accordance with commission rule, establish and maintain signage that clearly
1939 identifies each designated conveyance area and conspicuously states that a patron
1940 may not take an alcoholic beverage beyond the designated conveyance area except as
1941 otherwise provided in this chapter;
- 1942 (b) ensure that an alcoholic beverage is not left unattended in a designated conveyance
1943 area; and
- 1944 (c) ensure that each patron complies with the requirements of Subsection 32B-8d-104
1945 (5)(b)(ii).
- 1946 ~~[(5)]~~ (6) (a) ~~[Room]~~ Staff of the resort licensee shall provide room service of an alcoholic
1947 product to a lodging accommodation of a resort licensee~~[-shall be provided]~~ in person~~[~~
1948 ~~by staff of the resort licensee]~~ only to an adult occupant in the lodging
1949 accommodation.
- 1950 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval
1951 by an occupant.
- 1952 Section 37. Section **32B-8b-102** is amended to read:
- 1953 **32B-8b-102 . Definitions.**
- 1954 As used in this chapter:
- 1955 (1) "Boundary of a hotel" means the physical boundary of one or more contiguous parcels
1956 of real property owned or managed by the same person and on which a hotel is located.
- 1957 (2) "Designated conveyance area" means a route within a hotel or resort:
- 1958 (a) that connects one or more of the following:
- 1959 (i) the premises of a bar establishment sublicensee;
1960 (ii) the premises of a hospitality amenity sublicensee;
1961 (iii) the premises of an on-premise banquet sublicensee; or
1962 (iv) a guest's room; and
- 1963 (b) does not begin, end, or pass through a pool area or other recreation area, a designated
1964 business center, or a sublicensed premises not described in Subsection (2)(a).
- 1965 ~~[(2)]~~ (3) "Hotel" means one or more buildings that:

- 1966 (a) comprise a hotel, as defined by the commission;
- 1967 (b) are owned or managed by the same person or by a person who has a majority interest
- 1968 in or can direct or exercise control over the management or policy of the person who
- 1969 owns or manages any other building under the hotel license within the boundary of
- 1970 the hotel;
- 1971 (c) primarily operate to provide lodging accommodations;
- 1972 (d) have on-premise banquet space and provide on-premise banquet service within the
- 1973 boundary of the hotel meeting the requirements of this title;
- 1974 (e) have a restaurant or bar establishment within the boundary of the hotel meeting the
- 1975 requirements of this title; and
- 1976 (f) have at least 40 rooms as temporary sleeping accommodations for compensation.

1977 Section 38. Section **32B-8b-201** is amended to read:

1978 **32B-8b-201 . Commission's power to issue a hotel license.**

- 1979 (1) Before a person as a hotel under a single license may store, sell, offer for sale, furnish,
- 1980 or allow the consumption of an alcoholic product on sublicense premises, the person
- 1981 shall first obtain a hotel license from the commission in accordance with this part.
- 1982 (2) (a) The commission may issue to a person a hotel license to allow the storage, sale,
- 1983 offer for sale, furnishing, and consumption of an alcoholic product in connection with
- 1984 a hotel designated in the hotel license if the person operates at least three sublicenses
- 1985 under the hotel license:
 - 1986 (i) one of which is an on-premise banquet license; and
 - 1987 (ii) one of which is:
 - 1988 (A) a full-service restaurant sublicense;
 - 1989 (B) a limited-service restaurant sublicense;
 - 1990 (C) a beer-only restaurant sublicense; or
 - 1991 (D) a bar establishment sublicense.
- 1992 (b) A hotel license shall:
 - 1993 (i) consist of:
 - 1994 (A) a general hotel license; and
 - 1995 (B) three or more sublicenses meeting the requirements of Subsection (2)(a); and
 - 1996 (ii) designate the boundary of the hotel~~[-and]~~ , sublicenses~~[-]~~ , and each designated
 - 1997 conveyance area.
- 1998 (c) This chapter does not prohibit an alcoholic product on the boundary of the hotel to
- 1999 the extent otherwise permitted by this title.

2000 (3) The commission may not issue a total number of hotel licenses that at any time totals
 2001 more than 80.

2002 Section 39. Section **32B-8b-202** is amended to read:

2003 **32B-8b-202 . Specific licensing requirements for hotel license.**

2004 (1) To obtain a hotel license, in addition to complying with Chapter 5, Part 2, Retail
 2005 Licensing Process, a person shall submit with the person's written application:

2006 (a) evidence:

2007 (i) of proximity of each building under the hotel license to any community location;

2008 (ii) that each proposed sublicensed premises is entirely within the boundary of the
 2009 hotel; and

2010 (iii) that each building designated in the application as a building under the hotel
 2011 license qualifies to be under the hotel license; [~~and~~]

2012 (b) a description and boundary map of the hotel[-];

2013 (c) a description, floor plan, and boundary map of each proposed designated conveyance
 2014 area; and

2015 (d) a signed consent form stating that the hotel licensee will permit any authorized
 2016 representative of the commission or department, or any law enforcement officer, to
 2017 have an unrestricted right to enter any proposed designated conveyance area.

2018 (2) (a) A hotel license expires on October 31 of each year.

2019 (b) To renew a person's hotel license, the person shall comply with the requirements of
 2020 Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.

2021 (3) (a) The nonrefundable application fee for a hotel license is \$500.

2022 (b) The initial license fee for a hotel license is calculated as follows:

2023 (i) if three sublicenses are being applied for under the hotel license, \$5,000; or

2024 (ii) if more than three sublicenses are being applied for under the hotel license, the
 2025 sum of:

2026 (A) \$5,000; and

2027 (B) \$2,000 for each sublicense in excess of three sublicenses for which the person
 2028 is applying.

2029 (c) The renewal fee for a hotel license is \$1,000 for each sublicense under the hotel
 2030 license.

2031 (4) (a) The bond amount required for a hotel license is the penal sum of \$10,000,
 2032 covering each sublicense and each designated conveyance area under the hotel license.

2033 (b) A hotel licensee is not required to have a separate bond for each sublicense[~~, except~~

- 2034 that the aggregate of the bonds posted by the hotel licensee shall cover each
 2035 sublicense under the hotel license] or each designated conveyance area.
- 2036 (5) The commission may not issue a hotel license that includes a building under the hotel
 2037 license that does not meet the proximity requirements of Section 32B-1-202.
- 2038 (6) In accordance with Subsection 32B-8d-103(4), a hotel licensee may request to add a
 2039 sublicense after the commission issues the hotel licensee's hotel license.
- 2040 (7) (a) A hotel licensee may request to add a designated conveyance area after the
 2041 commission issues the hotel licensee's hotel license.
- 2042 (b) If a hotel licensee seeks to add a designated conveyance area under Subsection
 2043 (7)(a), the hotel licensee shall submit to the department:
- 2044 (i) the information and evidence described in Subsections (1)(a)(iii), (1)(c), and
 2045 (1)(d); and
- 2046 (ii) if the hotel licensee is an entity, proper verification evidencing that the person
 2047 who signs the submission is authorized to sign on behalf of the entity.
- 2048 Section 40. Section **32B-8b-301** is amended to read:
- 2049 **32B-8b-301 . Specific operational requirements for hotel license.**
- 2050 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
 2051 Requirements, a hotel licensee, staff of the hotel licensee, and a sublicensee or person
 2052 otherwise operating under a sublicense shall comply with this section.
- 2053 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
 2054 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
- 2055 (i) the hotel licensee;
- 2056 (ii) individual staff of the hotel licensee;
- 2057 (iii) a sublicensee or person otherwise operating under a sublicense of the hotel
 2058 licensee;
- 2059 (iv) individual staff of a sublicensee or person otherwise operating under a sublicense
 2060 of the hotel licensee; or
- 2061 (v) any combination of the persons listed in this Subsection (1)(b).
- 2062 (2) (a) A hotel licensee may not sell, offer for sale, or furnish an alcoholic product
 2063 except:
- 2064 (i) on sublicensed premises;
- 2065 (ii) pursuant to a permit issued under this title;
- 2066 (iii) under a package agency agreement with the department, subject to Chapter 2,
 2067 Part 6, Package Agency; or

- 2068 (iv) through room service.
- 2069 (b) A hotel licensee who sells, offers for sale, or furnishes an alcoholic product as
 2070 provided in Subsection (2)(a) shall sell, offer for sale, or furnish the alcoholic product:
 2071 (i) if on sublicensed premises, in accordance with the operational requirements
 2072 described in Section 32B-8d-104;
 2073 (ii) if under a permit issued under this title, in accordance with the operational
 2074 requirements under the provisions applicable to the permit;
 2075 (iii) if as a package agency, in accordance with the contract with the department and
 2076 Chapter 2, Part 6, Package Agency; and
 2077 (iv) if through room service, in accordance with Subsection ~~[(4)]~~ (5).
- 2078 (c) Notwithstanding the other provisions of this Subsection (2) and except as provided in
 2079 Section 32B-8d-104, a hotel licensee may not permit a patron to carry an alcoholic
 2080 product off the premises of a sublicense in violation of Section 32B-5-307 ~~[or]~~ , off an
 2081 area designated under a permit, or off a designated conveyance area.
- 2082 (3) A hotel licensee shall supervise and direct a person involved in the sale, offer for sale,
 2083 or furnishing of an alcoholic product under a hotel license.
- 2084 (4) (a) A hotel licensee shall:
- 2085 (i) in accordance with commission rule, establish and maintain signage that clearly
 2086 identifies each designated conveyance area and conspicuously states that a patron
 2087 may not take an alcoholic beverage beyond the designated conveyance area except
 2088 as otherwise provided in this chapter;
- 2089 (ii) ensure that an alcoholic beverage is not left unattended in a designated
 2090 conveyance area; and
- 2091 (iii) ensure that each patron complies with the requirements of Subsection
 2092 32B-8d-104(5)(b)(ii).
- 2093 (b) In accordance with Subsection (2), a hotel licensee may not sell, offer for sale, or
 2094 furnish an alcoholic product in a designated conveyance area.
- 2095 ~~[(4)]~~ (5) (a) ~~[Room]~~ Staff of the hotel licensee shall provide room service of an alcoholic
 2096 product to a lodging accommodation of a hotel licensee~~[-shall be provided]~~ in person~~[~~
 2097 ~~by staff of the hotel licensee]~~ only to an adult occupant in the lodging
 2098 accommodation.
- 2099 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval
 2100 by an occupant.
- 2101 ~~[(5)]~~ (6) A hotel licensee shall operate in a manner so that at least 70% of the annual

2102 aggregate of the gross receipts related to the sale of food or beverages for the hotel
 2103 license and each of the hotel license's sublicenses is from the sale of food, not including:
 2104 (a) mix for an alcoholic product; and
 2105 (b) a charge in connection with the service of an alcoholic product.

2106 Section 41. Section **32B-8d-104** is amended to read:

2107 **32B-8d-104 . General operational requirements for a sublicense.**

- 2108 (1) Except as provided in Subsections (2) through [~~(3)~~] (5), a person operating under a
 2109 sublicense is subject to the operational requirements under the provisions applicable to
 2110 the sublicense.
- 2111 (2) Notwithstanding a requirement in the provisions applicable to the sublicense, a person
 2112 operating under the sublicense is not subject to a requirement that a certain percentage of
 2113 the gross receipts for the sublicense be from the sale of food, except to the extent that the
 2114 gross receipts for the sublicense are included in calculating the percentages under
 2115 Subsections 32B-8-401(3), [~~32B-8b-301(5)~~] 32B-8b-301(6), and 32B-8c-301(3).
- 2116 (3) Notwithstanding [~~Section 32B-5-307;~~] Section 32B-5-307,
 2117 [~~(a)~~] a patron may
 2118 transport beer between the sublicensed premises of an arena licensee's accompanying
 2119 sublicenses, if the patron transports the beer from and to an area of each sublicensed
 2120 premises:
 2121 [~~(i)~~] (a) that is adjacent to the other; and
 2122 [~~(ii)~~] (b) where the consumption of beer is permitted[~~;~~ and] .
- 2123 [~~(b)~~] (4) Notwithstanding Section 32B-5-307, staff of a sublicensee or person otherwise
 2124 operating under a sublicense of a hotel licensee or a resort licensee may transport an
 2125 alcoholic beverage from and to sublicensed premises of the hotel license or resort
 2126 license, if:
 2127 [~~(i)~~] (a) the sublicensee is:
 2128 [~~(A)~~] (i) a full-service restaurant sublicensee;
 2129 [~~(B)~~] (ii) a limited-service restaurant sublicensee;
 2130 [~~(C)~~] (iii) a bar establishment sublicensee;
 2131 [~~(D)~~] (iv) a beer-only restaurant sublicensee; or
 2132 [~~(E)~~] (v) an on-premise beer retailer sublicensee;
 2133 [~~(ii)~~] (b) the individual staff carries the alcoholic beverage:
 2134 [~~(A)~~] (i) from the sublicensed premises of a sublicensee described in Subsection [~~(3)~~]
 2135 [~~(b)~~](i) (4)(a);

- 2135 ~~[(B)]~~ (ii) briefly through an unlicensed area or briefly through sublicensed premises
 2136 on which the type of alcoholic beverage that the individual staff carries is
 2137 permitted; and
- 2138 ~~[(C)]~~ (iii) to the sublicensed premises of a sublicensee described in Subsection [
 2139 ~~(3)(b)(i)]~~ (4)(a); and
- 2140 ~~[(iii)]~~ (c) the individual staff at all times stays within:
- 2141 ~~[(A)]~~ (i) the boundary of the hotel; or
- 2142 ~~[(B)]~~ (ii) the boundary of the resort building.
- 2143 ~~[(4)]~~ (5) (a) Notwithstanding Section 32B-5-307, 32B-6-605, or 32B-6-1005, a patron
 2144 may transport an alcoholic beverage between any of the following locations, if the
 2145 patron lawfully obtained the alcoholic beverage on the premises of a sublicensee
 2146 described in Subsections (5)(a)(i) through (iv) and complies with Subsection (5)(b):
- 2147 (i) a bar establishment sublicensee's sublicensed premises;
 2148 (ii) a hospitality amenity sublicensee's sublicensed premises;
 2149 (iii) an on-premise banquet sublicensee's sublicensed premises; and
 2150 (iv) a guest room.
- 2151 (b) A patron may transport an alcoholic beverage in accordance with Subsection (5)(a)
 2152 only if:
- 2153 (i) the patron travels exclusively within a designated conveyance area as defined in
 2154 Section 32B-8-102 or 32B-8b-102; and
- 2155 (ii) the alcoholic beverage:
- 2156 (A) is not in the alcoholic beverage's original container; and
 2157 (B) is in an opaque or solid color container that is readily identifiable as intended
 2158 for use in a designated conveyance area.
- 2159 (6) Except as provided in Section 32B-8-502, for purposes of interpreting an operational
 2160 requirement imposed by the provisions applicable to a sublicensee:
- 2161 (a) a requirement imposed on a sublicensee or person operating under a sublicense
 2162 applies to the principal licensee; and
- 2163 (b) a requirement imposed on staff of a sublicensee or person operating under a
 2164 sublicense applies to staff of the principal licensee.
- 2165 Section 42. Section **32B-10-202** is amended to read:
- 2166 **32B-10-202 . Application for special use permit -- Qualifications.**
- 2167 (1) To obtain a special use permit, a person shall submit to the department:
- 2168 (a) a written application in a form prescribed by the department;

- 2169 (b) a nonrefundable application fee, if required by the relevant part of this chapter
2170 applicable to the type of special use permit for which the person applies;
- 2171 (c) an initial permit fee:
- 2172 (i) if required by the relevant part of this chapter applicable to the type of special use
2173 permit for which the person applies; and
- 2174 (ii) that is refundable if a special use permit is not issued;
- 2175 (d) a one-time special use permit fee if required by a section of this chapter:
- 2176 (i) applicable to the type of special use permit for which the person applies; and
2177 (ii) that is refundable if a special use permit is not issued;
- 2178 (e) a statement of the purpose for which the person applies for the special use permit;
- 2179 (f) a description of the types of alcoholic product the person intends to use under
2180 authority of the special use permit;
- 2181 (g) written consent of the local authority;
- 2182 (h) if required, a bond as provided in Section 32B-10-205;
- 2183 (i) a floor plan of the immediate area within the premises in which the person proposes
2184 that an alcoholic product will be used, mixed, stored, sold, or consumed if required
2185 by the relevant part of this chapter applicable to the type of special use permit for
2186 which the person applies;
- 2187 (j) a signed consent form stating that the special use permittee will permit any authorized
2188 representative of the commission, department, or any other law enforcement officer
2189 to have unrestricted right to enter the special use permittee's premises;
- 2190 (k) if the person is an entity, proper verification evidencing that a person who signs the
2191 application is authorized to sign on behalf of the entity; and
- 2192 (l) any other information the commission or department may require.
- 2193 (2) (a) The commission may issue a special use permit only to a person who qualifies as
2194 follows:
- 2195 (i) the commission may issue a religious wine use permit to a religious organization;
- 2196 (ii) the commission may issue an industrial or manufacturing use permit to a person
2197 engaged in an industrial or manufacturing pursuit;
- 2198 (iii) the commission may issue a scientific or educational use permit to a person
2199 engaged in a scientific or educational pursuit; and
- 2200 (iv) the commission may issue a public service permit to[-] :
- 2201 (A) an operator of an airline, railroad, or other public conveyance[-]; or
- 2202 (B) an entity with authorization from an international airport to establish and

2203 operate a hospitality room at the international airport.

2204 (b) The commission may not issue a special use permit to a person who is disqualified
2205 under Section 32B-1-304.

2206 (c) If a person to whom a special use permit is issued no longer possesses the
2207 qualifications required by this title for obtaining that special use permit, the
2208 commission may suspend or revoke that special use permit.

2209 Section 43. Section **32B-10-303** is amended to read:

2210 **32B-10-303 . Specific application and renewal requirements for public service**
2211 **permit.**

2212 (1) To obtain a public service permit, in addition to complying with Section 32B-10-202, a
2213 person shall submit to the department:

2214 (a) a statement of the total of regularly numbered flights, trains, buses, boats, or other
2215 types of public conveyance for which the person plans to use the special use permit;

2216 (b) a floor plan of any room or facility in which the person plans to establish a
2217 hospitality room; and

2218 (c) evidence of proximity of a proposed hospitality room to[-] :

2219 (i) the arrival and departure area used by a person traveling on the person's airline,
2220 railroad, bus, boat, or other public conveyance[-]; or

2221 (ii) if the applicant is a person described in Subsection 32B-10-202(2)(a)(iv)(B), the
2222 arrival and departure area of another person's airline.

2223 (2) (a) The nonrefundable application fee for a public service permit is \$75.

2224 (b) The initial permit fee for a public service permit is \$250.

2225 (c) The bond amount required for a public service permittee is the penal sum of \$1,000.

2226 (3) (a) To renew a public service permit, a person shall comply with Section 32B-10-203.

2227 (b) (i) [The] Except as provided in Subsection (3)(b)(ii), the renewal fee for a public
2228 service permit is \$30 for each regularly numbered passenger airplane flight,

2229 passenger train, bus, boat, or any other regularly scheduled public conveyance
2230 upon which an alcoholic product is sold, offered for sale, or furnished.

2231 (ii) For an applicant described in Subsection 32B-10-202(2)(a)(iv)(B), the renewal
2232 fee for a public service permit is \$5,000.

2233 Section 44. Section **32B-10-304** is amended to read:

2234 **32B-10-304 . Specific operational requirements for a public service permit.**

2235 (1) (a) In addition to complying with Section 32B-10-206, a public service permittee and
2236 staff of the public service permittee shall comply with this section.

- 2237 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
 2238 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
 2239 (i) a public service permittee;
 2240 (ii) individual staff of a public service permittee; or
 2241 (iii) both a public service permittee and staff of the public service permittee.
- 2242 (2) (a) A public service permittee described in Subsection 32B-10-202(2)(a)(iv)(A)
 2243 whose public conveyances operate on an interstate basis may do the following:
 2244 (i) purchase an alcoholic product outside of the state;
 2245 (ii) bring an alcoholic product purchased outside of the state into the state; and
 2246 (iii) sell, offer for sale, and furnish an alcoholic product purchased outside of the state
 2247 to a passenger traveling on the public service permittee's public conveyance for
 2248 consumption while en route on the public conveyance.
- 2249 (b) A public service permittee described in Subsection 32B-10-202(2)(a)(iv)(A) whose
 2250 public conveyance operates solely within the state~~[-, to]~~ :
 2251 (i) may sell, offer for sale, or furnish an alcoholic product to a passenger traveling on
 2252 the public service permittee's public conveyance for consumption while en route
 2253 on the public conveyance~~[-, shall purchase:]~~ ; and
 2254 (ii) shall purchase:
 2255 [(i)] (A) liquor from a state store or package agency; and
 2256 [(ii)] (B) beer from a beer wholesaler licensee.
- 2257 (c) A public service permittee described in Subsection 32B-10-202(2)(a)(iv)(B):
 2258 (i) may sell, offer for sale, or furnish an alcoholic product to a patron at the public
 2259 service permittee's hospitality room; and
 2260 (ii) shall purchase:
 2261 (A) liquor from a state store or package agency; and
 2262 (B) beer from a beer wholesaler licensee.
- 2263 (3) (a) A public service permittee may establish a hospitality room, if:
 2264 (i) (A) the room is located within a depot, terminal, or similar facility adjacent to
 2265 and servicing the public service permittee's airline, railroad, bus, boat, or other
 2266 public conveyance; or
 2267 (B) the room is located within a terminal at an international airport and servicing
 2268 another public service permittee's airline;
 2269 (ii) the room is completely enclosed and the interior is not visible to the public;
 2270 (iii) the sale, offer for sale, or furnishing of an alcoholic product is made only to a

- 2271 person:
- 2272 (A) then in transit using the public service permittee's airline, railroad, bus line, or
- 2273 other public conveyance or, for a public service permittee described in
- 2274 Subsection (2), another public service permittee's airline; and
- 2275 (B) holding a valid boarding pass or similar travel document issued by [~~the~~] a
- 2276 public service permittee; and
- 2277 (iv) (A) liquor is purchased from:
- 2278 (I) a state store; or
- 2279 (II) a package agency; and
- 2280 (B) beer is purchased from a beer wholesaler licensee.
- 2281 (b) (i) A public service permittee operating a hospitality room shall display in a
- 2282 prominent place in the hospitality room, a sign in large letters that consists of text
- 2283 in the following order:
- 2284 (A) a header that reads: "WARNING";
- 2285 (B) a warning statement that reads: "Drinking alcoholic beverages during
- 2286 pregnancy can cause birth defects and permanent brain damage for the child.";
- 2287 (C) a statement in smaller font that reads: "Call the Utah Department of Health at
- 2288 [insert most current toll-free number] with questions or for more information.";
- 2289 (D) a header that reads: "WARNING"; and
- 2290 (E) a warning statement that reads: "Driving under the influence of alcohol or
- 2291 drugs is a serious crime that is prosecuted aggressively in Utah."
- 2292 (ii) (A) The text described in Subsections (3)(b)(i)(A) through (C) shall be in a
- 2293 different font style than the text described in Subsections (3)(b)(i)(D) and (E).
- 2294 (B) The warning statements in the sign described in Subsection (3)(b)(i) shall be
- 2295 in the same font size.
- 2296 (iii) The Department of Health shall work with the commission and department to
- 2297 facilitate consistency in the format of a sign required under this section.
- 2298 (c) A hospitality room shall be operated in accordance with this chapter and rules
- 2299 adopted by the commission.
- 2300 Section 45. Section **32B-15-201** is amended to read:
- 2301 **32B-15-201 . Liability for injuries and damage resulting from distribution of**
- 2302 **alcoholic products -- Prima facie evidence.**
- 2303 (1) (a) Except as provided in Subsections 32B-15-202(2) and (3), a person described in
- 2304 Subsection (1)(b) is liable for:

- 2305 (i) any and all injury and damage, except punitive damages to:
2306 (A) a third person; or
2307 (B) the heir, as defined in Section 78B-3-105, of the third person; or
2308 (ii) the death of a third person.
- 2309 (b) A person is liable under Subsection (1)(a) if:
- 2310 (i) the person directly gives, sells, or otherwise provides an alcoholic product:
2311 (A) to a person described in Subsection (1)(b)(ii); and
2312 (B) as part of the commercial sale, storage, service, manufacture, distribution, or
2313 consumption of an alcoholic product;
- 2314 (ii) those actions cause the intoxication of:
2315 (A) an individual under 21 years old;
2316 (B) an individual who is apparently under the influence of an alcoholic product or
2317 drug;
2318 (C) an individual whom the person furnishing the alcoholic product knew or
2319 should have known from the circumstances was under the influence of an
2320 alcoholic product or drug; or
2321 (D) an individual who is a known interdicted person; and
- 2322 (iii) the injury or death described in Subsection (1)(a) results from the intoxication of
2323 the individual who is provided the alcoholic product.
- 2324 (c) It is prima facie evidence that a person is liable under Subsection (1)(a) for an injury
2325 or death that results from the intoxication of an individual described in Subsection
2326 (1)(b)(ii)(B) or (C) if:
- 2327 (i) the person directly gives, sells, or otherwise provides the individual the last
2328 alcoholic product the individual consumes before the injury or death described in
2329 Subsection (1)(b)(iii);
- 2330 (ii) the individual consumes the alcoholic product at the location where the person
2331 directly gives, sells, or otherwise provides the individual the alcoholic product;
- 2332 (iii) the injury or death occurs within 30 minutes after the time at which the
2333 individual leaves, and within a 10 mile radius of, the location where the person
2334 gives, sells, or otherwise provides the individual the alcoholic product; and
- 2335 (iv) (A) the individual is charged with [~~a criminal violation of Section 41-6a-502~~
2336 ~~for driving under the influence of an alcoholic product in relation to the injury~~
2337 ~~or death.~~] an offense described in Subsection 41-6a-501(2)(a); or
2338 (B) if the individual dies as a result of the event that caused the injury or death, a

- 2339 subsequent chemical test shows that the individual had a blood alcohol
 2340 concentration of .05 grams or greater at the time of the test.
- 2341 (2) (a) A person 21 years old or older who is described in Subsection (2)(b) is liable for:
 2342 (i) any and all injury and damage, except punitive damages to:
 2343 (A) a third person; or
 2344 (B) the heir, as defined in Section 78B-3-105, of the third person; or
 2345 (ii) the death of the third person.
- 2346 (b) A person is liable under Subsection (2)(a) if:
 2347 (i) the person directly gives or otherwise provides an alcoholic product to an
 2348 individual who the person knows or should have known is under 21 years old;
 2349 (ii) those actions caused the intoxication of the individual provided the alcoholic
 2350 product;
 2351 (iii) the injury or death described in Subsection (2)(a) results from the intoxication of
 2352 the individual who is provided the alcoholic product; and
 2353 (iv) the person is not liable under Subsection (1), because the person did not directly
 2354 give or provide the alcoholic product as part of the commercial sale, storage,
 2355 service, manufacture, distribution, or consumption of an alcoholic product.
- 2356 (3) This section does not apply to a business licensed in accordance with Chapter 7,
 2357 Off-Premise Beer Retailer Act, to sell beer at retail only for off-premise consumption.
 2358 Section 46. Section **41-6a-531** is enacted to read:
 2359 **41-6a-531 . Access to DUI investigative reports.**
- 2360 (1) As used in this section:
 2361 (a) "Agent" means a person's attorney that has been formally engaged.
 2362 (b) "DUI investigative report" means all materials that a peace officer gathers as part of
 2363 investigating an offense described in Subsection 41-6a-501 including:
 2364 (i) the identity of witnesses and, if known, contact information;
 2365 (ii) witness statements;
 2366 (iii) photographs and videotapes;
 2367 (iv) diagrams;
 2368 (v) field notes;
 2369 (vi) test results; and
 2370 (vii) any Targeted Responsibility for Alcohol Connected Emergencies investigation
 2371 report.
- 2372 (2) (a) Upon request, a law enforcement agency shall disclose an unredacted DUI

- 2373 investigative report to:
- 2374 (i) a person who suffers loss or injury related to the person's actions that gave rise to
- 2375 the investigation; or
- 2376 (ii) an agent, parent, or legal guardian of the person described in Subsection (2)(a)(i).
- 2377 (b) A law enforcement agency responding to a request under Subsection (2)(a) may:
- 2378 (i) withhold a portion of the DUI investigative report if disclosure would materially
- 2379 prejudice an ongoing criminal investigation or criminal prosecution;
- 2380 (ii) redact or withhold any privileged information;
- 2381 (iii) redact an individual's phone number or address, if disclosure of the individual's
- 2382 phone number or address may endanger an individual's physical safety; or
- 2383 (iv) provide the DUI investigative report subject to an agreement that limits the
- 2384 recipient's use of the DUI investigative report to use solely for the purpose of
- 2385 pursuing a civil claim related to the incident.
- 2386 (3) A law enforcement agency may charge a reasonable fee to cover the cost incurred by
- 2387 disclosing a DUI investigative report in accordance with this section.

2388 Section 47. Section **53-28-101** is enacted to read:

2389 **CHAPTER 28. PLACE OF LAST DRINK PROGRAM**

2390 **53-28-101 . Definitions.**

- 2391 (1) "Alcohol-related law enforcement officer" means the same as that term is defined in
- 2392 Section 32B-1-201.
- 2393 (2) "Alcohol-related traffic stop" means a traffic stop that results in an individual being
- 2394 arrested for an offense described in Subsection 41-6a-501(2)(a) related to alcohol.
- 2395 (3) "Alcoholic beverage" means the same as that term is defined in Section 32B-1-102.
- 2396 (4) "Place of last drink" means the location where an individual obtains and consumes the
- 2397 last alcoholic beverage before the individual is the subject of an alcohol-related traffic
- 2398 stop.
- 2399 (5) "Retail licensee" means the same as that term is defined in Section 32B-1-102.

2400 Section 48. Section **53-28-102** is enacted to read:

2401 **53-28-102 . Place of last drink reporting requirements.**

- 2402 (1) The department shall establish a program in accordance with this chapter to:
- 2403 (a) identify when an individual's place of last drink is a retail licensee; and
- 2404 (b) efficiently share information with alcohol-related law enforcement officers about
- 2405 each retail licensee that is an individual's place of last drink for the purpose of

2406 allowing the alcohol-related law enforcement officers to investigate a possible
 2407 violation of Section 32B-5-306.

2408 (2) In developing the program described in this section, the department shall coordinate
 2409 with and take input from the Department of Alcoholic Beverage Services created in
 2410 Section 32B-2-203.

2411 (3) Before November 1, 2025, the department shall provide a written report to the Criminal
 2412 Justice and Law Enforcement Interim Committee that describes how the department
 2413 implemented the program, the extent to which the program accomplishes the objectives
 2414 described in Subsection (1), and any planned or recommended changes.

2415 Section 49. Section **59-15-101** is amended to read:

2416 **59-15-101 . Tax basis -- Rate.**

2417 (1) As used in this chapter, "beer" means:

2418 (a) beer as defined in Section 32B-1-102; or

2419 (b) heavy beer as defined in Section 32B-1-102.

2420 (2) (a) A tax is imposed at the rate specified in [Subsection (1)(b) on all beer, as defined
 2421 in Section 32B-1-102,] Subsection (2)(b) on beer that is imported or manufactured for
 2422 sale, use, or distribution in this state.

2423 [(b) The tax described in Subsection (1)(a) shall be imposed at a rate of:]

2424 [(i) \$11 per 31-gallon barrel for beer imported or manufactured:]

2425 [(A) before July 1, 2003; and]

2426 [(B) for sale, use, or distribution in this state; and]

2427 [(ii) \$13.10 per 31-gallon barrel for beer imported or manufactured:]

2428 [(A) on or after July 1, 2003; and]

2429 [(B) for sale, use, or distribution in this state.]

2430 (b) The rate of the tax imposed under this Subsection (2) is:

2431 (i) \$13.10 per 31-gallon barrel for beer imported or manufactured before July 1, 2024;

2432 (ii) \$13.35 per 31-gallon barrel for beer imported or manufactured on or after July 1,
 2433 2024, and before July 1, 2025;

2434 (iii) \$13.60 per 31-gallon barrel for beer imported or manufactured on or after July 1,
 2435 2025, and before July 1, 2026;

2436 (iv) \$13.85 per 31-gallon barrel for beer imported or manufactured on or after July 1,
 2437 2026, and before July 1, 2027; and

2438 (v) \$14.10 per 31-gallon barrel for beer imported or manufactured on or after July 1,
 2439 2027.

- 2440 (c) The tax imposed under this Subsection [~~(1)~~] (2):
- 2441 (i) shall be imposed at a proportionate rate for:
- 2442 (A) any quantity of beer other than a 31-gallon barrel; or
- 2443 (B) the fractional parts of a 31-gallon barrel; and
- 2444 (ii) may not be imposed more than once on the same beer.
- 2445 [~~(2)~~] (3) A tax may not be imposed on beer:
- 2446 (a) sold to the United States and its agencies; or
- 2447 (b) (i) manufactured or imported for sale, use, or distribution outside the state; and
- 2448 (ii) exported from the state.
- 2449 Section 50. Section **59-15-109** is amended to read:
- 2450 **59-15-109 . Commission to deposit beer tax revenue.**
- 2451 (1) [~~Except as provided in Subsection (2), taxes collected under this chapter shall be paid~~
- 2452 ~~by the commission to the state treasurer daily for deposit]~~ Except as provided in
- 2453 Subsections (2) and (3), the commission shall deposit revenue collected under this
- 2454 chapter as follows:
- 2455 (a) the greater of the following shall be deposited into the Alcoholic Beverage
- 2456 Enforcement and Treatment Restricted Account created in Section 32B-2-403:
- 2457 (i) an amount calculated by:
- 2458 (A) determining an amount equal to 50% of the revenue collected for the fiscal
- 2459 year two years preceding the fiscal year for which the deposit is made; and
- 2460 (B) subtracting \$30,000 from the amount determined under Subsection
- 2461 (1)(a)(i)(A); or
- 2462 (ii) \$4,350,000; and
- 2463 (b) the revenue collected in excess of the amount deposited in accordance with
- 2464 Subsection (1)(a) shall be deposited into the General Fund.
- 2465 (2) The [~~state treasurer]~~ commission shall annually deposit into the Alcoholic Beverage
- 2466 Enforcement and Treatment Restricted Account created in Section 32B-2-403 an amount
- 2467 equal to the amount of revenue generated in the current fiscal year by the portion of the
- 2468 tax imposed under Section 59-15-101 that [~~exceeds]~~ is equal to:
- 2469 [~~(a) \$12.80 per 31-gallon barrel for beer imported or manufactured:]~~
- 2470 [~~(i) on or after July 1, 2003; and]~~
- 2471 [~~(ii) for sale, use, or distribution in this state; and]~~
- 2472 (a) \$0.30 per 31-gallon barrel for beer imported or manufactured on or after July 1,
- 2473 2003; and

- 2474 (b) a proportionate rate to the rate described in Subsection (2)(a) for:
- 2475 (i) any quantity of beer other than a 31-gallon barrel; or
- 2476 (ii) the fractional parts of a 31-gallon barrel.
- 2477 (3) Beginning fiscal year 2024-25, the commission shall annually deposit into the Alcoholic
- 2478 Beverage Control Act Enforcement Fund created in Section 32B-2-305 an amount equal
- 2479 to the amount of revenue generated in the current fiscal year by the portion of the tax
- 2480 imposed under Section 59-15-101 that exceeds:
- 2481 (a) \$13.10 per 31-gallon barrel for beer imported or manufactured on or after July 1,
- 2482 2024; and
- 2483 (b) a proportionate rate to the rate described in Subsection (3)(a) for:
- 2484 (i) any quantity of beer other than a 31-gallon barrel; or
- 2485 (ii) the fractional parts of a 31-gallon barrel.
- 2486 [~~(3)~~] (4) (a) The commission shall notify the entities described in Subsection [~~(3)~~](b)
- 2487 (4)(b) not later than the September 1 preceding the fiscal year of the deposit of:
- 2488 (i) the amount of the proceeds of the beer excise tax collected in accordance with this
- 2489 section for the fiscal year two years preceding the fiscal year of deposit; and
- 2490 (ii) an amount equal to 50% of the amount listed in Subsection [~~(3)~~](a)(i) (4)(a)(i).
- 2491 (b) The notification required by Subsection [~~(3)~~](a) (4)(a) shall be sent to:
- 2492 (i) the Governor's Office of Planning and Budget; and
- 2493 (ii) the Legislative Fiscal Analyst.
- 2494 Section 51. Section **63I-2-232** is amended to read:
- 2495 **63I-2-232 . Repeal dates: Title 32B.**
- 2496 (1) Subsection 32B-1-603.5(7), regarding the Department of Alcoholic Beverage Services'
- 2497 review of beer that is sold or distributed in the state, is repealed December 31, 2024.
- 2498 (2) Subsection 32B-2-205(4), which creates a workgroup to make recommendations
- 2499 regarding training and recordkeeping for certain cash transactions, is repealed January 1,
- 2500 2025.
- 2501 Section 52. **Repealer.**
- 2502 This bill repeals:
- 2503 Section **32B-2-210, Alcoholic Beverage Services Advisory Board.**
- 2504 Section 53. **Effective date.**
- 2505 This bill takes effect on May 1, 2024.
- 2506 Section 54. **Coordinating H.B. 548 with S.B. 272.**
- 2507 If S.B. 272, Capital City Reinvestment Zone Amendments, does not pass and

2508 become law, the Legislature intends that, on May 1, 2024, the changes to Section
2509 32B-1-202 in H.B. 548, Alcohol Amendments, not be made.