

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:

- ▶ modifies the powers and duties of the Alcoholic Beverage Services Commission (commission) and the Department of Alcoholic Beverage Services (department);
- ▶ modifies the process for appointing the director of the department by providing the governor sole responsibility for selection and appointment;
- ▶ 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;
- ▶ increases the state markup on spirituous liquor, wine, heavy beer, 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



- 28 intended to be frozen and consumed in a manner other than as a beverage;
- 29 ▶ requires the department to initiate disciplinary proceedings and refer the matter to
30 the State Bureau of Investigation under certain circumstances;
- 31 ▶ prohibits a person from selling in the state:
- 32 • liquor that contains more than 80% alcohol by volume; or
33 • powdered alcohol;
- 34 ▶ requires the commission to issue any available retail license, including through a
35 conditional retail license, if an applicant satisfies the requirements for the retail
36 license;
- 37 ▶ allows a retail licensee to sell, offer for sale, or furnish spirituous liquor in a
38 pre-mixed beverage, if the beverage is in the original, sealed container and satisfies
39 other requirements, including requirements related to volume, alcohol content, and
40 labeling;
- 41 ▶ increases the number of full-service restaurant and bar establishment licenses the
42 commission is authorized to issue;
- 43 ▶ requires the department to prorate the initial licensing fee for retail licenses;
- 44 ▶ allows an on-premise beer retailer or an equity licensee to dispense from a
45 motorized or non-motorized vehicle while on a golf course;
- 46 ▶ decreases the required capacity of a sports facility or concert venue to qualify as a
47 recreational amenity for purposes of an on-premise beer retailer license;
- 48 ▶ provides that a patron in a hotel with a hotel license may carry an alcoholic
49 beverage between specified locations within the hotel, provided the patron travels
50 within a designated conveyance area and the alcoholic beverage is in an approved
51 container;
- 52 ▶ allows an entity that is not an airline to obtain a public service permit for the
53 purpose of operating a hospitality room at an international airport;
- 54 ▶ allows an individual to obtain a DUI investigative report if the individual suffered
55 loss or injury as a result of the defendant's actions;
- 56 ▶ establishes a place of last drink program, operated by the Department of Public
57 Safety;
- 58 ▶ repeals the Alcoholic Beverage Services Advisory Board; and

59 ▶ makes technical and conforming changes.

60 **Money Appropriated in this Bill:**

61 None

62 **Other Special Clauses:**

63 None

64 **Utah Code Sections Affected:**

65 AMENDS:

66 **32B-1-102**, as last amended by Laws of Utah 2023, Chapters 328, 371 and 400

67 **32B-1-304**, as last amended by Laws of Utah 2023, Chapter 371

68 **32B-2-201**, as last amended by Laws of Utah 2022, Chapter 447

69 **32B-2-202**, as last amended by Laws of Utah 2023, Chapter 371

70 **32B-2-203**, as last amended by Laws of Utah 2022, Chapter 447

71 **32B-2-205**, as last amended by Laws of Utah 2022, Chapter 447

72 **32B-2-206**, as last amended by Laws of Utah 2021, Chapter 345

73 **32B-2-304**, as last amended by Laws of Utah 2022, Chapter 447

74 **32B-2-305**, as last amended by Laws of Utah 2023, Chapter 396

75 **32B-2-503**, as last amended by Laws of Utah 2011, Chapters 307, 334

76 **32B-3-203**, as last amended by Laws of Utah 2012, Chapter 369

77 **32B-4-401**, as last amended by Laws of Utah 2016, Chapter 266

78 **32B-4-422**, as last amended by Laws of Utah 2020, Chapter 219

79 **32B-4-424**, as enacted by Laws of Utah 2015, Chapter 54

80 **32B-4-501**, as last amended by Laws of Utah 2017, Chapter 455

81 **32B-5-201**, as last amended by Laws of Utah 2022, Chapter 447

82 **32B-5-304**, as last amended by Laws of Utah 2023, Chapter 371

83 **32B-6-203**, as last amended by Laws of Utah 2023, Chapter 371

84 **32B-6-204**, as last amended by Laws of Utah 2017, Chapter 455

85 **32B-6-206**, as last amended by Laws of Utah 2023, Chapter 371

86 **32B-6-302**, as last amended by Laws of Utah 2018, Chapters 249, 313

87 **32B-6-304**, as last amended by Laws of Utah 2016, Chapter 82

88 **32B-6-306**, as enacted by Laws of Utah 2013, Chapter 349

89 **32B-6-403**, as last amended by Laws of Utah 2023, Chapter 371

- 90 **32B-6-405**, as last amended by Laws of Utah 2017, Chapter 455
- 91 **32B-6-407**, as last amended by Laws of Utah 2017, Chapter 455
- 92 **32B-6-504**, as last amended by Laws of Utah 2011, Chapter 334
- 93 **32B-6-604**, as last amended by Laws of Utah 2011, Chapter 334
- 94 **32B-6-605**, as last amended by Laws of Utah 2023, Chapters 371, 400
- 95 **32B-6-702**, as last amended by Laws of Utah 2021, Chapter 280
- 96 **32B-6-705**, as last amended by Laws of Utah 2011, Second Special Session, Chapter 2
- 97 **32B-6-706**, as last amended by Laws of Utah 2023, Chapter 400
- 98 **32B-6-804**, as enacted by Laws of Utah 2011, Chapter 334
- 99 **32B-6-902**, as last amended by Laws of Utah 2019, Chapter 403
- 100 **32B-6-904**, as last amended by Laws of Utah 2012, Fourth Special Session, Chapter 1
- 101 **32B-6-1004**, as last amended by Laws of Utah 2021, Chapter 291
- 102 **32B-7-202**, as last amended by Laws of Utah 2022, Chapter 447
- 103 **32B-8b-102**, as last amended by Laws of Utah 2023, Chapter 371
- 104 **32B-8b-201**, as last amended by Laws of Utah 2020, Chapter 219
- 105 **32B-8b-202**, as last amended by Laws of Utah 2020, Chapter 219
- 106 **32B-8b-301**, as last amended by Laws of Utah 2023, Chapter 371
- 107 **32B-8d-104**, as last amended by Laws of Utah 2022, Chapter 447
- 108 **32B-10-202**, as enacted by Laws of Utah 2010, Chapter 276
- 109 **32B-10-303**, as last amended by Laws of Utah 2020, Sixth Special Session, Chapter 6
- 110 **32B-10-304**, as last amended by Laws of Utah 2020, Sixth Special Session, Chapter 6
- 111 **32B-15-201**, as last amended by Laws of Utah 2023, Chapter 400
- 112 **59-15-101**, as last amended by Laws of Utah 2019, Chapter 336
- 113 **59-15-109**, as last amended by Laws of Utah 2023, Chapter 396
- 114 **63I-2-232**, as last amended by Laws of Utah 2023, Chapter 371

115 ENACTS:

- 116 **41-6a-531**, Utah Code Annotated 1953
- 117 **53-28-101**, Utah Code Annotated 1953
- 118 **53-28-102**, Utah Code Annotated 1953

119 REPEALS:

- 120 **32B-2-201.5**, as enacted by Laws of Utah 2012, Chapter 365

121 **32B-2-210**, as last amended by Laws of Utah 2022, Chapter 447

122

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

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

125 **32B-1-102. Definitions.**

126 As used in this title:

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

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

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

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

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

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

133 (a) beer; or

134 (b) liquor.

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

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

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

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

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

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

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

142 otherwise come within the definition of an alcoholic product:

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

144 (ii) vinegar;

145 (iii) preserved nonintoxicating cider;

146 (iv) essence;

147 (v) tincture;

148 (vi) food preparation; or

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

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

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

- 152 (5) "Alcohol training and education seminar" means a seminar that is:
- 153 (a) required by Chapter 1, Part 7, Alcohol Training and Education Act; and
- 154 (b) described in Section 26B-5-205.
- 155 (6) "Arena" means an enclosed building:
- 156 (a) that is managed by:
- 157 (i) the same person who owns the enclosed building;
- 158 (ii) a person who has a majority interest in each person who owns or manages a space
- 159 in the enclosed building; or
- 160 (iii) a person who has authority to direct or exercise control over the management or
- 161 policy of each person who owns or manages a space in the enclosed building;
- 162 (b) that operates as a venue; and
- 163 (c) that has an occupancy capacity of at least 12,500.
- 164 (7) "Arena license" means a license issued in accordance with Chapter 5, Retail
- 165 License Act, and Chapter 8c, Arena License Act.
- 166 (8) "Banquet" means an event:
- 167 (a) that is a private event or a privately sponsored event;
- 168 (b) that is held at one or more designated locations approved by the commission in or
- 169 on the premises of:
- 170 (i) a hotel;
- 171 (ii) a resort facility;
- 172 (iii) a sports center;
- 173 (iv) a convention center;
- 174 (v) a performing arts facility;
- 175 (vi) an arena; or
- 176 (vii) a restaurant venue;
- 177 (c) for which there is a contract:
- 178 (i) between a person operating a facility listed in Subsection (8)(b) and another person
- 179 that has common ownership of less than 20% with the person operating the facility; and
- 180 (ii) under which the person operating a facility listed in Subsection (8)(b) is required to
- 181 provide an alcoholic product at the event; and
- 182 (d) at which food and alcoholic products may be sold, offered for sale, or furnished.

183 (9) (a) "Bar establishment license" means a license issued in accordance with Chapter
184 5, Retail License Act, and Chapter 6, Part 4, Bar Establishment License.

185 (b) "Bar establishment license" includes:

186 (i) a dining club license;

187 (ii) an equity license;

188 (iii) a fraternal license; or

189 (iv) a bar license.

190 (10) "Bar license" means a license issued in accordance with Chapter 5, Retail License
191 Act, and Chapter 6, Part 4, Bar Establishment License.

192 (11) (a) "Beer" means a product that:

193 (i) contains:

194 (A) at least .5% of alcohol by volume; and

195 (B) no more than 5% of alcohol by volume or 4% by weight;

196 (ii) is obtained by fermentation, infusion, or decoction of:

197 (A) malt; or

198 (B) a malt substitute; and

199 (iii) is clearly marketed, labeled, and identified as:

200 (A) beer;

201 (B) ale;

202 (C) porter;

203 (D) stout;

204 (E) lager;

205 (F) a malt;

206 (G) a malted beverage; or

207 (H) seltzer.

208 (b) "Beer" may contain:

209 (i) hops extract;

210 (ii) caffeine, if the caffeine is a natural constituent of an added ingredient; or

211 (iii) a propylene glycol-, ethyl alcohol-, or ethanol-based flavoring agent that:

212 (A) is used in the production of beer;

213 (B) is in a formula approved by the federal Alcohol and Tobacco Tax and Trade

214 Bureau after the formula is filed for approval under 27 C.F.R. Sec. 25.55; and
215 (C) does not contribute more than 10% of the overall alcohol content of the beer.
216 (c) "Beer" does not include:
217 (i) a flavored malt beverage;
218 (ii) a product that contains alcohol derived from:
219 (A) except as provided in Subsection (11)(b)(iii), spirituous liquor; or
220 (B) wine; or
221 (iii) a product that contains an additive masking or altering a physiological effect of
222 alcohol, including kratom, kava, cannabidiol, or natural or synthetic tetrahydrocannabinol.
223 (12) "Beer-only restaurant license" means a license issued in accordance with Chapter
224 5, Retail License Act, and Chapter 6, Part 9, Beer-Only Restaurant License.
225 (13) "Beer retailer" means a business that:
226 (a) is engaged, primarily or incidentally, in the retail sale of beer to a patron, whether
227 for consumption on or off the business premises; and
228 (b) is licensed as:
229 (i) an off-premise beer retailer, in accordance with Chapter 7, Part 2, Off-Premise Beer
230 Retailer Local Authority; or
231 (ii) an on-premise beer retailer, in accordance with Chapter 5, Retail License Act, and
232 Chapter 6, Part 7, On-Premise Beer Retailer License.
233 (14) "Beer wholesaling license" means a license:
234 (a) issued in accordance with Chapter 13, Beer Wholesaling License Act; and
235 (b) to import for sale, or sell beer in wholesale or jobbing quantities to one or more
236 retail licensees or off-premise beer retailers.
237 (15) "Billboard" means a public display used to advertise, including:
238 (a) a light device;
239 (b) a painting;
240 (c) a drawing;
241 (d) a poster;
242 (e) a sign;
243 (f) a signboard; or
244 (g) a scoreboard.

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

276 location, a person who appears to the commission to have been given on behalf of the
277 community location the authority to prohibit an activity at the community location.

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

279 (a) a bottle;

280 (b) a vessel; or

281 (c) a similar item.

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

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

285 (a) in total at least 30,000 square feet; and

286 (b) otherwise defined as a "convention center" by the commission by rule.

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

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

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

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

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

294 (a) an auditor or inspector; and

295 (b) employed by the department.

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

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

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

303 (35) "Disciplinary proceeding" means an adjudicative proceeding permitted under this
304 title:

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

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

- 307 (36) (a) Subject to Subsection (36)(b), "dispense" means:
- 308 (i) drawing an alcoholic product; and
- 309 (ii) using the alcoholic product at the location from which it was drawn to mix or
- 310 prepare an alcoholic product to be furnished to a patron of the retail licensee.
- 311 (b) The definition of "dispense" in this Subsection (36) applies only to:
- 312 (i) a full-service restaurant license;
- 313 (ii) a limited-service restaurant license;
- 314 (iii) a reception center license;
- 315 (iv) a beer-only restaurant license;
- 316 (v) a bar license;
- 317 (vi) an on-premise beer retailer;
- 318 (vii) an airport lounge license;
- 319 (viii) an on-premise banquet license; and
- 320 (ix) a hospitality amenity license.
- 321 (37) "Dispensing structure" means a surface or structure on a licensed premises:
- 322 (a) where an alcoholic product is dispensed; or
- 323 (b) from which an alcoholic product is served.
- 324 (38) "Distillery manufacturing license" means a license issued in accordance with
- 325 Chapter 11, Part 4, Distillery Manufacturing License.
- 326 (39) "Distressed merchandise" means an alcoholic product in the possession of the
- 327 department that is saleable, but for some reason is unappealing to the public.
- 328 (40) "Domestic airport" means an airport that:
- 329 (a) has at least 15,000 commercial airline passenger boardings in any five-year period;
- 330 (b) receives scheduled commercial passenger aircraft service; and
- 331 (c) is not an international airport.
- 332 (41) "Equity license" means a license issued in accordance with Chapter 5, Retail
- 333 License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the
- 334 commission as an equity license.
- 335 (42) "Event permit" means:
- 336 (a) a single event permit; or
- 337 (b) a temporary beer event permit.

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

341 (44) (a) "Flavored malt beverage" means a beverage:

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

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

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

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

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

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

355 (45) "Fraternal license" means a license issued in accordance with Chapter 5, Retail
356 License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the
357 commission as a fraternal license.

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

360 (47) (a) "Furnish" means by any means to provide with, supply, or give an individual
361 an alcoholic product, by sale or otherwise.

362 (b) "Furnish" includes to:

363 (i) serve;

364 (ii) deliver; or

365 (iii) otherwise make available.

366 (48) "Guest" means an individual who meets the requirements of Subsection
367 [32B-6-407\(9\)](#).

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

- 369 (50) "Health care practitioner" means:
- 370 (a) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;
- 371 (b) an optometrist licensed under Title 58, Chapter 16a, Utah Optometry Practice Act;
- 372 (c) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;
- 373 (d) a physical therapist licensed under Title 58, Chapter 24b, Physical Therapy Practice
- 374 Act;
- 375 (e) a nurse or advanced practice registered nurse licensed under Title 58, Chapter 31b,
- 376 Nurse Practice Act;
- 377 (f) a recreational therapist licensed under Title 58, Chapter 40, Recreational Therapy
- 378 Practice Act;
- 379 (g) an occupational therapist licensed under Title 58, Chapter 42a, Occupational
- 380 Therapy Practice Act;
- 381 (h) a nurse midwife licensed under Title 58, Chapter 44a, Nurse Midwife Practice Act;
- 382 (i) a mental health professional licensed under Title 58, Chapter 60, Mental Health
- 383 Professional Practice Act;
- 384 (j) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act;
- 385 (k) an osteopath licensed under Title 58, Chapter 68, Utah Osteopathic Medical
- 386 Practice Act;
- 387 (l) a dentist or dental hygienist licensed under Title 58, Chapter 69, Dentist and Dental
- 388 Hygienist Practice Act; and
- 389 (m) a physician assistant licensed under Title 58, Chapter 70a, Utah Physician
- 390 Assistant Act.
- 391 (51) (a) "Heavy beer" means a product that:
- 392 (i) (A) contains more than 5% alcohol by volume;
- 393 (B) contains at least .5% of alcohol by volume and no more than 5% of alcohol by
- 394 volume or 4% by weight, and a propylene glycol-, ethyl alcohol-, or ethanol-based flavoring
- 395 agent that contributes more than 10% of the overall alcohol content of the product; or
- 396 (C) contains at least .5% of alcohol by volume and no more than 5% of alcohol by
- 397 volume or 4% by weight, and has a label or packaging that is rejected under Subsection
- 398 [32B-1-606\(3\)\(b\)](#); and
- 399 (ii) is obtained by fermentation, infusion, or decoction of:

400 (A) malt; or
401 (B) a malt substitute.
402 (b) "Heavy beer" may, if the heavy beer contains more than 5% alcohol by volume,
403 contain a propylene glycol-, ethyl alcohol-, or ethanol-based flavoring agent that contributes to
404 the overall alcohol content of the heavy beer.
405 (c) "Heavy beer" does not include:
406 (i) a flavored malt beverage;
407 (ii) a product that contains alcohol derived from:
408 (A) except as provided in Subsections (51)(a)(i)(B) and (51)(b), spirituous liquor; or
409 (B) wine; or
410 (iii) a product that contains an additive masking or altering a physiological effect of
411 alcohol, including kratom, kava, cannabidiol, or natural or synthetic tetrahydrocannabinol.
412 (d) "Heavy beer" is considered liquor for the purposes of this title.
413 (52) "Hospitality amenity license" means a license issued in accordance with Chapter
414 5, Retail License Act, and Chapter 6, Part 10, Hospitality Amenity License.
415 (53) (a) "Hotel" means a commercial lodging establishment that:
416 (i) offers at least 40 rooms as temporary sleeping accommodations for compensation;
417 (ii) is capable of hosting conventions, conferences, and food and beverage functions
418 under a banquet contract; and
419 (iii) (A) has adequate kitchen or culinary facilities on the premises to provide complete
420 meals;
421 (B) has at least 1,000 square feet of function space consisting of meeting or dining
422 rooms that can be reserved for a banquet and can accommodate at least 75 individuals; or
423 (C) if the establishment is located in a small or unincorporated locality, has an
424 appropriate amount of function space consisting of meeting or dining rooms that can be
425 reserved for private use under a banquet contract, as determined by the commission.
426 (b) "Hotel" includes a commercial lodging establishment that:
427 (i) meets the requirements under Subsection (53)(a); and
428 (ii) has one or more privately owned dwelling units.
429 (54) "Hotel license" means a license issued in accordance with Chapter 5, Retail
430 License Act, and Chapter 8b, Hotel License Act.

431 (55) "Identification card" means an identification card issued under Title 53, Chapter 3,
432 Part 8, Identification Card Act.

433 (56) "Industry representative" means an individual who is compensated by salary,
434 commission, or other means for representing and selling an alcoholic product of a
435 manufacturer, supplier, or importer of liquor.

436 (57) "Industry representative sample" means liquor that is placed in the possession of
437 the department for testing, analysis, and sampling by a local industry representative on the
438 premises of the department to educate the local industry representative of the quality and
439 characteristics of the product.

440 (58) "Interdicted person" means a person to whom the sale, offer for sale, or furnishing
441 of an alcoholic product is prohibited by:

- 442 (a) law; or
- 443 (b) court order.

444 (59) "International airport" means an airport:

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

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

448 (60) "Intoxicated" or "intoxication" means that

449 an individual exhibits plain and easily observable outward manifestations of behavior
450 or physical signs produced by or as a result of the use of:

- 451 (a) an alcoholic product;
- 452 (b) a controlled substance;
- 453 (c) a substance having the property of releasing toxic vapors; or
- 454 (d) a combination of products or substances described in Subsections (60)(a) through
455 (c).

456 (61) "Investigator" means an individual who is:

- 457 (a) a department compliance officer; or
- 458 (b) a nondepartment enforcement officer.

459 (62) "License" means:

- 460 (a) a retail license;
- 461 (b) a sublicense;

462 (c) a license issued in accordance with Chapter 7, Part 4, Off-premise Beer Retailer
463 State License;

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

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

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

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

469 (63) "Licensee" means a person who holds a license.

470 (64) "Limited-service restaurant license" means a license issued in accordance with
471 Chapter 5, Retail License Act, and Chapter 6, Part 3, Limited-Service Restaurant License.

472 (65) "Limousine" means a motor vehicle licensed by the state or a local authority, other
473 than a bus or taxicab:

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

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

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

480 (66) (a) (i) "Liquor" means a liquid that:

481 (A) is:

482 (I) alcohol;

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

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

485 (IV) other drink or drinkable liquid; and

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

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

488 (ii) "Liquor" includes:

489 (A) heavy beer;

490 (B) wine; and

491 (C) a flavored malt beverage.

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

493 (67) "Liquor Control Fund" means the enterprise fund created by Section 32B-2-301.

494 (68) "Liquor transport license" means a license issued in accordance with Chapter 17,
495 Liquor Transport License Act.

496 (69) "Liquor warehousing license" means a license that is issued:

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

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

500 (70) "Local authority" means:

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

503 (b) for premises that are located in an incorporated city, town, or metro township, the
504 governing body of the city, town, or metro township; or

505 (c) for premises that are located in a project area as defined in Section 63H-1-102 and
506 in a project area plan adopted by the Military Installation Development Authority under Title
507 63H, Chapter 1, Military Installation Development Authority Act, the Military Installation
508 Development Authority.

509 (71) "Lounge or bar area" is as defined by rule made by the commission.

510 (72) "Malt substitute" means:

511 (a) rice;

512 (b) grain;

513 (c) bran;

514 (d) glucose;

515 (e) sugar; or

516 (f) molasses.

517 (73) "Manufacture" means to distill, brew, rectify, mix, compound, process, ferment, or
518 otherwise make an alcoholic product for personal use or for sale or distribution to others.

519 (74) "Member" means an individual who, after paying regular dues, has full privileges
520 in an equity licensee or fraternal licensee.

521 (75) (a) "Military installation" means a base, air field, camp, post, station, yard, center,
522 or homeport facility for a ship:

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

- 524 (B) of the National Guard;
- 525 (ii) that is located within the state; and
- 526 (iii) including a leased facility.
- 527 (b) "Military installation" does not include a facility used primarily for:
- 528 (i) civil works;
- 529 (ii) a rivers and harbors project; or
- 530 (iii) a flood control project.
- 531 (76) "Minibar" means an area of a hotel guest room where one or more alcoholic
- 532 products are kept and offered for self-service sale or consumption.
- 533 (77) "Minor" means an individual under 21 years old.
- 534 (78) "Mobile dispensing unit" means a motorized or non-motorized vehicle:
- 535 (a) where an alcoholic product is dispensed; or
- 536 (b) from which an alcoholic product is served.
- 537 [~~78~~] (79) "Nondepartment enforcement agency" means an agency that:
- 538 (a) (i) is a state agency other than the department; or
- 539 (ii) is an agency of a county, city, town, or metro township; and
- 540 (b) has a responsibility to enforce one or more provisions of this title.
- 541 [~~79~~] (80) "Nondepartment enforcement officer" means an individual who is:
- 542 (a) a peace officer, examiner, or investigator; and
- 543 (b) employed by a nondepartment enforcement agency.
- 544 [~~80~~] (81) (a) "Off-premise beer retailer" means a beer retailer who is:
- 545 (i) licensed in accordance with Chapter 7, Off-Premise Beer Retailer Act; and
- 546 (ii) engaged in the retail sale of beer to a patron for consumption off the beer retailer's
- 547 premises.
- 548 (b) "Off-premise beer retailer" does not include an on-premise beer retailer.
- 549 [~~81~~] (82) "Off-premise beer retailer state license" means a state license issued in
- 550 accordance with Chapter 7, Part 4, Off-premise Beer Retailer State License.
- 551 [~~82~~] (83) "On-premise banquet license" means a license issued in accordance with
- 552 Chapter 5, Retail License Act, and Chapter 6, Part 6, On-Premise Banquet License.
- 553 [~~83~~] (84) "On-premise beer retailer" means a beer retailer who is:
- 554 (a) authorized to sell, offer for sale, or furnish beer under a license issued in

555 accordance with Chapter 5, Retail License Act, and Chapter 6, Part 7, On-Premise Beer
556 Retailer License; and

557 (b) engaged in the sale of beer to a patron for consumption on the beer retailer's
558 premises:

559 (i) regardless of whether the beer retailer sells beer for consumption off the licensed
560 premises; and

561 (ii) on and after March 1, 2012, operating:

562 (A) as a tavern; or

563 (B) in a manner that meets the requirements of Subsection [32B-6-703\(2\)\(e\)\(i\)](#).

564 ~~[(84)]~~ (85) "Opaque" means impenetrable to sight.

565 ~~[(85)]~~ (86) "Package agency" means a retail liquor location operated:

566 (a) under an agreement with the department; and

567 (b) by a person:

568 (i) other than the state; and

569 (ii) who is authorized by the commission in accordance with Chapter 2, Part 6, Package
570 Agency, to sell packaged liquor for consumption off the premises of the package agency.

571 ~~[(86)]~~ (87) "Package agent" means a person who holds a package agency.

572 ~~[(87)]~~ (88) "Patron" means an individual to whom food, beverages, or services are sold,
573 offered for sale, or furnished, or who consumes an alcoholic product including:

574 (a) a customer;

575 (b) a member;

576 (c) a guest;

577 (d) an attendee of a banquet or event;

578 (e) an individual who receives room service;

579 (f) a resident of a resort; or

580 (g) a hospitality guest, as defined in Section [32B-6-1002](#), under a hospitality amenity
581 license.

582 ~~[(88)]~~ (89) (a) "Performing arts facility" means a multi-use performance space that:

583 (i) is primarily used to present various types of performing arts, including dance,
584 music, and theater;

585 (ii) contains over 2,500 seats;

586 (iii) is owned and operated by a governmental entity; and

587 (iv) is located in a city of the first class.

588 (b) "Performing arts facility" does not include a space that is used to present sporting
589 events or sporting competitions.

590 ~~[(89)]~~ (90) "Permittee" means a person issued a permit under:

591 (a) Chapter 9, Event Permit Act; or

592 (b) Chapter 10, Special Use Permit Act.

593 ~~[(90)]~~ (91) "Person subject to administrative action" means:

594 (a) a licensee;

595 (b) a permittee;

596 (c) a manufacturer;

597 (d) a supplier;

598 (e) an importer;

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

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

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

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

603 (g) staff of:

604 (i) a person listed in Subsections ~~[(90)(a)]~~ (91)(a) through (f); or

605 (ii) a package agent.

606 ~~[(91)]~~ (92) "Premises" means a building, enclosure, or room used in connection with
607 the storage, sale, furnishing, consumption, manufacture, or distribution, of an alcoholic
608 product, unless otherwise defined in this title or rules made by the commission.

609 ~~[(92)]~~ (93) "Prescription" means an order issued by a health care practitioner when:

610 (a) the health care practitioner is licensed under Title 58, Occupations and Professions,
611 to prescribe a controlled substance, other drug, or device for medicinal purposes;

612 (b) the order is made in the course of that health care practitioner's professional
613 practice; and

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

615 ~~[(93)]~~ (94) (a) "Primary spirituous liquor" means the main distilled spirit in a beverage.

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

617 [~~(94)~~] (95) "Principal license" means:

618 (a) a resort license;

619 (b) a hotel license; or

620 (c) an arena license.

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

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

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

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

628 [~~(96)~~] (97) "Privately sponsored event" means a specific social, business, or
629 recreational event:

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

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

632 [~~(97)~~] (98) (a) "Proof of age" means:

633 (i) an identification card;

634 (ii) an identification that:

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

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

638 (C) includes date of birth; and

639 (D) has a picture affixed;

640 (iii) a valid driver license certificate that:

641 (A) includes date of birth;

642 (B) has a picture affixed; and

643 (C) is issued:

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

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

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

647 (iv) a military identification card that:

648 (A) includes date of birth; and

649 (B) has a picture affixed; or

650 (v) a valid passport.

651 (b) "Proof of age" does not include a driving privilege card issued in accordance with

652 Section [53-3-207](#).

653 [~~98~~] (99) "Provisions applicable to a sublicense" means:

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

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

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

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

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

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

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

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

670 [~~99~~] (100) (a) "Public building" means a building or permanent structure that is:

671 (i) owned or leased by:

672 (A) the state; or

673 (B) a local government entity; and

674 (ii) used for:

675 (A) public education;

676 (B) transacting public business; or

677 (C) regularly conducting government activities.

678 (b) "Public building" does not include a building owned by the state or a local

679 government entity when the building is used by a person, in whole or in part, for a proprietary
680 function.

681 ~~[(100)]~~ (101) "Public conveyance" means a conveyance that the public or a portion of
682 the public has access to and a right to use for transportation, including an airline, railroad, bus,
683 boat, or other public conveyance.

684 ~~[(101)]~~ (102) "Reception center" means a business that:

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

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

687 ~~[(101)(a)]~~ (102)(a) to a third party for the third party's event.

688 ~~[(102)]~~ (103) "Reception center license" means a license issued in accordance with
689 Chapter 5, Retail License Act, and Chapter 6, Part 8, Reception Center License.

690 ~~[(103)]~~ (104) (a) "Record" means information that is:

691 (i) inscribed on a tangible medium; or

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

693 (b) "Record" includes:

694 (i) a book;

695 (ii) a book of account;

696 (iii) a paper;

697 (iv) a contract;

698 (v) an agreement;

699 (vi) a document; or

700 (vii) a recording in any medium.

701 ~~[(104)]~~ (105) "Residence" means a person's principal place of abode within Utah.

702 ~~[(105)]~~ (106) "Resident," in relation to a resort, means the same as that term is defined
703 in Section [32B-8-102](#).

704 ~~[(106)]~~ (107) "Resort" means the same as that term is defined in Section [32B-8-102](#).

705 ~~[(107)]~~ (108) "Resort facility" is as defined by the commission by rule.

706 ~~[(108)]~~ (109) "Resort license" means a license issued in accordance with Chapter 5,
707 Retail License Act, and Chapter 8, Resort License Act.

708 ~~[(109)]~~ (110) "Responsible alcohol service plan" means a written set of policies and
709 procedures that outlines measures to prevent employees from:

- 710 (a) over-serving alcoholic beverages to customers;
- 711 (b) serving alcoholic beverages to customers who are actually, apparently, or obviously
- 712 intoxicated; and
- 713 (c) serving alcoholic beverages to minors.
- 714 [~~(110)~~] (111) "Restaurant" means a business location:
- 715 (a) at which a variety of foods are prepared;
- 716 (b) at which complete meals are served; and
- 717 (c) that is engaged primarily in serving meals.
- 718 [~~(111)~~] (112) "Restaurant license" means one of the following licenses issued under
- 719 this title:
- 720 (a) a full-service restaurant license;
- 721 (b) a limited-service restaurant license; or
- 722 (c) a beer-only restaurant license.
- 723 [~~(112)~~] (113) "Restaurant venue" means a room within a restaurant that:
- 724 (a) is located on the licensed premises of a restaurant licensee;
- 725 (b) is separated from the area within the restaurant for a patron's consumption of food
- 726 by a permanent, opaque, floor-to-ceiling wall such that the inside of the room is not visible to a
- 727 patron in the area within the restaurant for a patron's consumption of food; and
- 728 (c) (i) has at least 1,000 square feet that:
- 729 (A) may be reserved for a banquet; and
- 730 (B) accommodates at least 75 individuals; or
- 731 (ii) if the restaurant is located in a small or unincorporated locality, has an appropriate
- 732 amount of space, as determined by the commission, that may be reserved for a banquet.
- 733 [~~(113)~~] (114) "Retail license" means one of the following licenses issued under this
- 734 title:
- 735 (a) a full-service restaurant license;
- 736 (b) a master full-service restaurant license;
- 737 (c) a limited-service restaurant license;
- 738 (d) a master limited-service restaurant license;
- 739 (e) a bar establishment license;
- 740 (f) an airport lounge license;

- 741 (g) an on-premise banquet license;
- 742 (h) an on-premise beer license;
- 743 (i) a reception center license;
- 744 (j) a beer-only restaurant license;
- 745 (k) a hospitality amenity license;
- 746 (l) a resort license;
- 747 (m) a hotel license; or
- 748 (n) an arena license.

749 [~~(114)~~] (115) "Room service" means furnishing an alcoholic product to a person in a
750 guest room or privately owned dwelling unit of a:

- 751 (a) hotel; or
- 752 (b) resort facility.

753 [~~(115)~~] (116) (a) "School" means a building in which any part is used for more than
754 three hours each weekday during a school year as a public or private:

- 755 (i) elementary school;
- 756 (ii) secondary school; or
- 757 (iii) kindergarten.
- 758 (b) "School" does not include:
 - 759 (i) a nursery school;
 - 760 (ii) a day care center;
 - 761 (iii) a trade and technical school;
 - 762 (iv) a preschool; or
 - 763 (v) a home school.

764 [~~(116)~~] (117) "Secondary flavoring ingredient" means any spirituous liquor added to a
765 beverage for additional flavoring that is different in type, flavor, or brand from the primary
766 spirituous liquor in the beverage.

767 [~~(117)~~] (118) "Sell" or "offer for sale" means a transaction, exchange, or barter
768 whereby, for consideration, an alcoholic product is either directly or indirectly transferred,
769 solicited, ordered, delivered for value, or by a means or under a pretext is promised or
770 obtained, whether done by a person as a principal, proprietor, or as staff, unless otherwise
771 defined in this title or the rules made by the commission.

772 ~~[(118)]~~ (119) "Serve" means to place an alcoholic product before an individual.

773 ~~[(119)]~~ (120) "Sexually oriented entertainer" means a person who while in a state of
774 seminudity appears at or performs:

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

776 (b) on the premises of:

777 (i) a bar licensee; or

778 (ii) a tavern;

779 (c) on behalf of or at the request of the licensee described in Subsection ~~[(119)(b)]~~

780 (120)(b);

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

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

783 (i) an employee;

784 (ii) an independent contractor;

785 (iii) an agent of the licensee; or

786 (iv) a different type of classification.

787 ~~[(120)]~~ (121) "Shared seating area" means the licensed premises of two or more
788 restaurant licensees that the restaurant licensees share as an area for alcoholic beverage
789 consumption in accordance with Subsection [32B-5-207\(3\)](#).

790 ~~[(121)]~~ (122) "Single event permit" means a permit issued in accordance with Chapter
791 9, Part 3, Single Event Permit.

792 ~~[(122)]~~ (123) "Small brewer" means a brewer who manufactures less than 60,000
793 barrels of beer, heavy beer, and flavored malt beverage per year, as the department calculates
794 by:

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

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

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

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

803 [~~(123)~~] (124) "Small or unincorporated locality" means:

- 804 (a) a city of the third, fourth, or fifth class, as classified under Section 10-2-301;
- 805 (b) a town, as classified under Section 10-2-301; or
- 806 (c) an unincorporated area in a county of the third, fourth, or fifth class, as classified
- 807 under Section 17-50-501.

808 [~~(124)~~] (125) "Spa sublicense" means a sublicense:

- 809 (a) to a resort license or hotel license; and
- 810 (b) that the commission issues in accordance with Chapter 8d, Part 2, Resort Spa
- 811 Sublicense.

812 [~~(125)~~] (126) "Special use permit" means a permit issued in accordance with Chapter

813 10, Special Use Permit Act.

814 [~~(126)~~] (127) (a) "Spirituous liquor" means liquor that is distilled.

815 (b) "Spirituous liquor" includes an alcoholic product defined as a "distilled spirit" by

816 27 U.S.C. Sec. 211 and 27 C.F.R. Sec. 5.11 through 5.23.

817 [~~(127)~~] (128) "Sports center" is as defined by the commission by rule.

818 [~~(128)~~] (129) (a) "Staff" means an individual who engages in activity governed by this

819 title:

820 (i) on behalf of a business, including a package agent, licensee, permittee, or certificate

821 holder;

822 (ii) at the request of the business, including a package agent, licensee, permittee, or

823 certificate holder; or

824 (iii) under the authority of the business, including a package agent, licensee, permittee,

825 or certificate holder.

826 (b) "Staff" includes:

827 (i) an officer;

828 (ii) a director;

829 (iii) an employee;

830 (iv) personnel management;

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

832 (vi) an operator; or

833 (vii) a representative.

834 [~~(129)~~] (130) "State of nudity" means:

835 (a) the appearance of:

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

837 (ii) a human genital;

838 (iii) a human pubic area; or

839 (iv) a human anus; or

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

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

842 (ii) a human genital;

843 (iii) a human pubic area; or

844 (iv) a human anus.

845 [~~(130)~~] (131) "State of seminudity" means a state of dress in which opaque clothing
846 covers no more than:

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

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

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

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

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

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

854 [~~(131)~~] (132) (a) "State store" means a facility for the sale of packaged liquor:

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

856 (ii) operated by a state employee.

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

858 (i) a package agency;

859 (ii) a licensee; or

860 (iii) a permittee.

861 [~~(132)~~] (133) (a) "Storage area" means an area on licensed premises where the licensee
862 stores an alcoholic product.

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

864 [~~(133)~~] (134) "Sublicense" means:

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

- 867 (i) a full-service restaurant license;
- 868 (ii) a limited-service restaurant license;
- 869 (iii) a bar establishment license;
- 870 (iv) an on-premise banquet license;
- 871 (v) an on-premise beer retailer license;
- 872 (vi) a beer-only restaurant license; or
- 873 (vii) a hospitality amenity license; or
- 874 (b) a spa sublicense.

875 [~~(134)~~] (135) "Supplier" means a person who sells an alcoholic product to the
876 department.

877 [~~(135)~~] (136) "Tavern" means an on-premise beer retailer who is:

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

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

882 [~~(136)~~] (137) "Temporary beer event permit" means a permit issued in accordance with
883 Chapter 9, Part 4, Temporary Beer Event Permit.

884 [~~(137)~~] (138) "Temporary domicile" means the principal place of abode within Utah of
885 a person who does not have a present intention to continue residency within Utah permanently
886 or indefinitely.

887 [~~(138)~~] (139) "Translucent" means a substance that allows light to pass through, but
888 does not allow an object or person to be seen through the substance.

889 [~~(139)~~] (140) "Unsaleable liquor merchandise" means a container that:

- 890 (a) is unsaleable because the container is:
 - 891 (i) unlabeled;
 - 892 (ii) leaky;
 - 893 (iii) damaged;
 - 894 (iv) difficult to open; or
 - 895 (v) partly filled;

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

897 (ii) has contents that are:

898 (A) cloudy;

899 (B) spoiled; or

900 (C) chemically determined to be impure; or

901 (iii) contains:

902 (A) sediment; or

903 (B) a foreign substance; or

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

905 [~~(140)~~] (141) (a) "Wine" means an alcoholic product obtained by the fermentation of
906 the natural sugar content of fruits, plants, honey, or milk, or other like substance, whether or
907 not another ingredient is added.

908 (b) "Wine" includes:

909 (i) an alcoholic beverage defined as wine under 27 U.S.C. Sec. 211 and 27 C.F.R. Sec.
910 4.10; and

911 (ii) hard cider.

912 (c) "Wine" is considered liquor for purposes of this title, except as otherwise provided
913 in this title.

914 [~~(141)~~] (142) "Winery manufacturing license" means a license issued in accordance
915 with Chapter 11, Part 3, Winery Manufacturing License.

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

917 **32B-1-304. Qualifications for a package agency, license, or permit -- Minors.**

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

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

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

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

- 927 (B) a crime involving moral turpitude; or
- 928 (iii) on two or more occasions within the five years before the day on which the
- 929 package agency, license, or permit is issued, driving under the influence of alcohol, drugs, or
- 930 the combined influence of alcohol and drugs.
- 931 (b) If the person is a partnership, corporation, or limited liability company, the
- 932 proscription under Subsection (1)(a) applies if any of the following has been convicted of an
- 933 offense described in Subsection (1)(a):
- 934 (i) a partner;
- 935 (ii) a managing agent;
- 936 (iii) a manager;
- 937 (iv) an officer;
- 938 (v) a director;
- 939 (vi) a stockholder who holds at least 20% of the total issued and outstanding stock of
- 940 the corporation; or
- 941 (vii) a member who owns at least 20% of the limited liability company.
- 942 (c) Except as provided in Subsection (7), the proscription under Subsection (1)(a)
- 943 applies if a person who is employed to act in a supervisory or managerial capacity for a
- 944 package agency, licensee, or permittee has been convicted of an offense described in
- 945 Subsection (1)(a).
- 946 (2) Except as described in Section [32B-8-501](#), the commission may immediately
- 947 suspend or revoke a package agency, license, or permit, and terminate a package agency
- 948 agreement, if a person described in Subsection (1):
- 949 (a) after the day on which the package agency, license, or permit is issued, is found to
- 950 have been convicted of an offense described in Subsection (1)(a) before the package agency,
- 951 license, or permit is issued; or
- 952 (b) on or after the day on which the package agency, license, or permit is issued:
- 953 (i) is convicted of an offense described in Subsection (1)(a)(i) or (ii); or
- 954 (ii) (A) is convicted of driving under the influence of alcohol, drugs, or the combined
- 955 influence of alcohol and drugs; and
- 956 (B) was convicted of driving under the influence of alcohol, drugs, or the combined
- 957 influence of alcohol and drugs within five years before the day on which the person is

958 convicted of the offense described in Subsection (2)(b)(ii)(A).

959 (3) Except as described in Section 32B-8-501, the director may take emergency action
960 by immediately suspending the operation of the package agency, licensee, or permittee for the
961 period during which a criminal matter is being adjudicated if a person described in Subsection
962 (1):

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

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

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

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

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

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

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

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

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

- 989 (i) a partner or managing agent of a partnership;
- 990 (ii) a managing agent, officer, director, or stockholder who holds at least 20% of the
991 total issued and outstanding stock of a corporation; or
- 992 (iii) a manager or member who owns at least 20% of a limited liability company.
- 993 (c) The commission may not issue a package agency, license, or permit to a person
994 acting in an individual capacity if that person was:
- 995 (i) a partner or managing agent of a partnership that had any type of agency, license, or
996 permit issued under this title revoked within the last three years;
- 997 (ii) a managing agent, officer, director, or stockholder who held at least 20% of the
998 total issued and outstanding stock of a corporation that had any type of agency, license, or
999 permit issued under this title revoked within the last three years; or
- 1000 (iii) a manager or member who owned at least 20% of the limited liability company
1001 that had any type of agency, license, or permit issued under this title revoked within the last
1002 three years.
- 1003 (5) (a) The commission may not issue a package agency, license, or permit to a minor.
- 1004 (b) The commission may not issue a package agency, license, or permit to a
1005 partnership, corporation, or limited liability company if any of the following is a minor:
- 1006 (i) a partner or managing agent of the partnership;
- 1007 (ii) a managing agent, officer, director, or stockholder who holds at least 20% of the
1008 total issued and outstanding stock of the corporation; or
- 1009 (iii) a manager or member who owns at least 20% of the limited liability company.
- 1010 (c) For purposes of Subsection (5)(b), the commission may not consider a minor's
1011 position with or ownership interest in an entity that has an ownership interest in the entity that
1012 is applying for the package agency, license, or permit unless the minor would exercise direct
1013 decision-making control over the package agency, license, or permit.
- 1014 (6) Except as described in Section [32B-8-501](#), if a package agent, licensee, or permittee
1015 no longer possesses the qualifications required by this title for obtaining a package agency,
1016 license, or permit, the commission may terminate the package agency agreement, or revoke the
1017 license or permit.
- 1018 (7) (a) If the licensee is a resort licensee:
- 1019 (i) Subsection (1)(a) only applies if an individual listed in Subsection (1)(b) engages in

1020 the management of the resort, as the commission defines in rule; and

1021 (ii) Subsection (1)(c) only applies to an individual employed to act in a supervisory or
1022 managerial capacity for the resort licensee or in relation to a sublicense of the resort license.

1023 (b) If the permittee is a public service permittee under Chapter 10, Special Use Permit
1024 Act:

1025 (i) Subsection (1)(a) only applies if an individual listed in Subsection (1)(b) engages in
1026 the management of the [~~airline, railroad, or other public conveyance~~] public service permittee,
1027 as the commission defines in rule; and

1028 (ii) Subsection (1)(c) only applies to an individual employed to act in a supervisory or
1029 managerial capacity for the public service permittee.

1030 Section 3. Section **32B-2-201** is amended to read:

1031 **32B-2-201. Alcoholic Beverage Services Commission created.**

1032 (1) There is created the [~~"Alcoholic Beverage Services Commission." The commission~~
1033 ~~is the governing board over the department~~] Alcoholic Beverage Services Commission.

1034 (2) (a) The commission is composed of seven part-time commissioners appointed by
1035 the governor with the advice and consent of the Senate in accordance with Title 63G, Chapter
1036 24, Part 2, Vacancies.

1037 (b) No more than four commissioners may be of the same political party.

1038 (3) (a) Except as required by Subsection (3)(b), as terms of commissioners expire, the
1039 governor shall appoint each new commissioner or reappointed commissioner to a four-year
1040 term.

1041 (b) Notwithstanding the requirements of Subsection (3)(a), the governor shall, at the
1042 time of appointment or reappointment, adjust the length of terms to ensure that the terms of no
1043 more than three commissioners expire in a fiscal year.

1044 (4) (a) When a vacancy occurs on the commission for any reason, the governor shall
1045 appoint a replacement for the unexpired term with the advice and consent of the Senate.

1046 (b) Unless removed in accordance with Subsection (6), a commissioner shall remain on
1047 the commission after the expiration of a term until a successor is appointed by the governor,
1048 with the advice and consent of the Senate.

1049 (5) A commissioner shall take the oath of office.

1050 (6) (a) The governor may remove a commissioner from the commission for cause,

1051 neglect of duty, inefficiency, or malfeasance after a public hearing conducted by:

1052 (i) the governor; or

1053 (ii) an impartial hearing examiner appointed by the governor to conduct the hearing.

1054 (b) At least 10 days before the hearing described in Subsection (6)(a), the governor

1055 shall provide the commissioner notice of:

1056 (i) the date, time, and place of the hearing; and

1057 (ii) the alleged grounds for the removal.

1058 (c) The commissioner shall have an opportunity to:

1059 (i) attend the hearing;

1060 (ii) present witnesses and other evidence; and

1061 (iii) confront and cross examine witnesses.

1062 (d) After a hearing under this Subsection (6):

1063 (i) the person conducting the hearing shall prepare written findings of fact and

1064 conclusions of law; and

1065 (ii) the governor shall serve a copy of the prepared findings and conclusions upon the

1066 commissioner.

1067 (e) If a hearing under this Subsection (6) is held before a hearing examiner, the hearing

1068 examiner shall issue a written recommendation to the governor in addition to complying with

1069 Subsection (6)(d).

1070 (f) A commissioner has five days from the day on which the commissioner receives the

1071 findings and conclusions described in Subsection (6)(d) to file written objections to the

1072 recommendation before the governor issues a final order.

1073 (g) The governor shall:

1074 (i) issue the final order under this Subsection (6) in writing; and

1075 (ii) serve the final order upon the commissioner.

1076 (7) A commissioner may not receive compensation or benefits for the commissioner's

1077 service, but may receive per diem and travel expenses in accordance with:

1078 (a) Section 63A-3-106;

1079 (b) Section 63A-3-107; and

1080 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and

1081 63A-3-107.

- 1082 (8) (a) (i) The governor shall annually appoint the chair of the commission.
1083 (ii) A commissioner serves as chair to the commission at the pleasure of the governor.
1084 (iii) If removed as chair, the commissioner continues to serve as a commissioner unless
1085 removed as a commissioner under Subsection (6).
1086 (b) The commission shall elect:
1087 (i) another commissioner to serve as vice chair; and
1088 (ii) other commission officers as the commission considers advisable.
1089 (c) A commissioner elected under Subsection (8)(b) shall serve in the office to which
1090 the commissioner is elected at the pleasure of the commission.
1091 (9) (a) Each commissioner has equal voting rights on a commission matter when in
1092 attendance at a commission meeting.
1093 (b) Four commissioners is a quorum for conducting commission business.
1094 (c) A majority vote of the quorum present at a meeting is required for the commission
1095 to act.
1096 (d) A commissioner shall comply with the conflict of interest provisions described in
1097 Title 63G, Chapter 24, Part 3, Conflicts of Interest.
1098 (10) (a) The commission shall meet at least monthly, but may hold other meetings at
1099 times and places as scheduled by:
1100 (i) the commission;
1101 (ii) the chair; or
1102 (iii) three commissioners upon filing a written request for a meeting with the chair.
1103 (b) (i) Notice of the time and place of a commission meeting shall be given to each
1104 commissioner, and to the public in compliance with Title 52, Chapter 4, Open and Public
1105 Meetings Act.
1106 (ii) A commission meeting is open to the public, except for a commission meeting or
1107 portion of a commission meeting that is closed by the commission as authorized by Sections
1108 [52-4-204](#) and [52-4-205](#).
1109 (11) (a) The commission may form one or more subcommittees to help the commission
1110 fulfill the commission's duties under this chapter.
1111 (b) If the commission forms a subcommittee, the chair of the commission shall appoint
1112 the members of the subcommittee.

- 1113 (c) The commission shall establish the duties of a subcommittee.
1114 Section 4. Section **32B-2-202** is amended to read:
1115 **32B-2-202. Powers and duties of the commission.**
1116 (1) The commission shall:
1117 (a) consistent with the policy established by the Legislature by statute, act as a general
1118 policymaking body on the subject of alcoholic product control;
1119 (b) adopt and issue policies, rules, and procedures in accordance with this title;
1120 (c) set policy by written rules that establish criteria and procedures for:
1121 (i) issuing, denying, not renewing, suspending, or revoking a package agency, license,
1122 permit, or certificate of approval; and
1123 (ii) determining the location of a state store, package agency, or retail licensee;
1124 (d) decide within the limits, and under the conditions imposed by this title, the number
1125 and location of state stores, package agencies, and retail licensees in the state;
1126 (e) issue, deny, suspend, revoke, or not renew the following package agencies, licenses,
1127 sublicenses, permits, or certificates of approval for the purchase, storage, sale, offer for sale,
1128 furnishing, consumption, manufacture, and distribution of an alcoholic product:
1129 (i) a package agency;
1130 (ii) a full-service restaurant license;
1131 (iii) a master full-service restaurant license;
1132 (iv) a limited-service restaurant license;
1133 (v) a master limited-service restaurant license;
1134 (vi) a bar establishment license;
1135 (vii) an airport lounge license;
1136 (viii) an on-premise banquet license;
1137 (ix) a resort license, which includes four or more sublicenses;
1138 (x) an on-premise beer retailer license;
1139 (xi) a reception center license;
1140 (xii) a beer-only restaurant license;
1141 (xiii) a hotel license, which includes three or more sublicenses;
1142 (xiv) an arena license, which includes three or more sublicenses;
1143 (xv) a hospitality amenity license;

- 1144 (xvi) subject to Subsection (5), a single event permit;
- 1145 (xvii) subject to Subsection (5), a temporary beer event permit;
- 1146 (xviii) a special use permit;
- 1147 (xix) a manufacturing license;
- 1148 (xx) a liquor warehousing license;
- 1149 (xxi) a beer wholesaling license;
- 1150 (xxii) a liquor transport license;
- 1151 (xxiii) an off-premise beer retailer state license;
- 1152 (xxiv) a master off-premise beer retailer state license;
- 1153 (xxv) one of the following that holds a certificate of approval:
- 1154 (A) an out-of-state brewer;
- 1155 (B) an out-of-state importer of beer, heavy beer, or flavored malt beverages; and
- 1156 (C) an out-of-state supplier of beer, heavy beer, or flavored malt beverages; and
- 1157 (xxvi) a spa sublicense;
- 1158 (f) issue, deny, suspend, or revoke the following conditional licenses:
- 1159 (i) a conditional retail license as defined in Section [32B-5-205](#); and
- 1160 (ii) a conditional off-premise beer retailer state license as defined in Section
- 1161 [32B-7-406](#);
- 1162 (g) prescribe the duties of the department in assisting the commission in issuing a
- 1163 package agency, license, permit, or certificate of approval under this title;
- 1164 (h) to the extent a fee is not specified in this title, establish a fee allowed under this title
- 1165 in accordance with Section [63J-1-504](#);
- 1166 (i) fix prices at which liquor is sold that are the same at all state stores, package
- 1167 agencies, and retail licensees;
- 1168 ~~[(j) issue and distribute price lists showing the price to be paid by a purchaser for each~~
- 1169 ~~class, variety, or brand of liquor kept for sale by the department;]~~
- 1170 ~~[(k) (i) require the director to follow sound management principles; and]~~
- 1171 ~~[(ii) require periodic reporting from the director to ensure that:]~~
- 1172 ~~[(A) sound management principles are being followed; and]~~
- 1173 ~~[(B) policies established by the commission are being observed;]~~
- 1174 ~~[(†) (j) (i) receive, consider, and act in a timely manner upon the reports,~~

1175 recommendations, and matters submitted by the director to the commission; and
1176 (ii) do the things necessary to support the department in properly performing the
1177 department's duties;

1178 ~~[(m)]~~ (k) obtain temporarily and for special purposes the services of an expert or
1179 person engaged in the practice of a profession, or a person who possesses a needed skill if:
1180 (i) considered expedient; and
1181 (ii) approved by the governor;

1182 ~~[(n)]~~ (l) prescribe by rule the conduct, management, and equipment of premises upon
1183 which an alcoholic product may be stored, sold, offered for sale, furnished, or consumed;

1184 ~~[(o)]~~ (m) make rules governing the credit terms of beer sales within the state to retail
1185 licensees; and

1186 ~~[(p)]~~ (n) in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, take
1187 disciplinary action against a person subject to administrative action.

1188 (2) Consistent with the policy established by the Legislature by statute, the power of
1189 the commission to do the following is plenary, except as otherwise provided by this title, and
1190 not subject to review:

1191 (a) establish a state store;
1192 (b) issue authority to act as a package agent or operate a package agency; and
1193 (c) issue, deny, or deem forfeit a license, permit, or certificate of approval.

1194 (3) (a) Subject to Subsections (3)(b) and (c), the commission may make rules
1195 permitting and establishing the parameters of a late license renewal.

1196 (b) The commission may not allow for the late renewal of a license after the later of:
1197 (i) the tenth day of the month after the month in which the license type is required to be
1198 renewed; or
1199 (ii) if the tenth day of the month after the month in which the license type is required to
1200 be renewed falls on a Saturday, Sunday, or state or federal holiday, the first business day after
1201 the Saturday, Sunday, or holiday.

1202 (c) The fee for a late license renewal is \$300.

1203 (4) If the commission is authorized or required to make a rule under this title, the
1204 commission shall make the rule in accordance with Title 63G, Chapter 3, Utah Administrative
1205 Rulemaking Act.

1206 (5) Notwithstanding Subsections (1)(e)(xvi) and (xvii), the director or deputy director
1207 may issue an event permit in accordance with Chapter 9, Event Permit Act.

1208 Section 5. Section **32B-2-203** is amended to read:

1209 **32B-2-203. Department of Alcoholic Beverage Services created.**

1210 (1) There is created the Department of Alcoholic Beverage Services. [~~The department~~
1211 ~~is governed by the commission.~~]

1212 (2) The director of alcoholic beverage services appointed under Section [32B-2-205](#)
1213 shall administer the department and oversee the department's operations.

1214 (3) The director shall allocate the duties within the department into the divisions,
1215 bureaus, sections, offices, and committees as the director considers necessary for the
1216 administration of this title.

1217 (4) The department shall cooperate with any other recognized agency in the
1218 administration of this title and in the enforcement of a policy or rule of the commission or
1219 policy of the director.

1220 Section 6. Section **32B-2-205** is amended to read:

1221 **32B-2-205. Director of alcoholic beverage services.**

1222 (1) (a) [~~In accordance with Subsection (1)(b), the~~] The governor, with the advice and
1223 consent of the Senate, shall appoint a director of alcoholic beverage services to a four-year
1224 term. The director may be appointed to more than one four-year term. The director is the
1225 administrative head of the department and shall oversee the department's operations.

1226 [~~(b) (i) The governor shall appoint the director from nominations made by the~~
1227 ~~commission.~~]

1228 [~~(ii) The commission shall submit the nomination of three individuals to the governor~~
1229 ~~for appointment of the director.~~]

1230 [~~(iii) By no later than 30 calendar days from the day on which the governor receives the~~
1231 ~~three nominations submitted by the commission, the governor may:]~~

1232 [~~(A) appoint the director; or~~

1233 [~~(B) reject the three nominations.]~~

1234 [~~(iv) If the governor rejects the nominations or fails to take action within the 30-day~~
1235 ~~period, the commission shall nominate three different individuals from which the governor may~~
1236 ~~appoint the director or reject the nominations until such time as the governor appoints the~~

1237 director.]

1238 ~~[(v) The governor may reappoint the director without seeking nominations from the~~
1239 ~~commission. Reappointment of a director is subject to the advice and consent of the Senate.]~~

1240 ~~[(c)] (b) (i) If there is a vacancy in the position of director, [during the nomination~~
1241 ~~process described in Subsection (1)(b);] the governor may appoint an interim director for a~~
1242 period of up to 30 calendar days.

1243 (ii) If a director is not appointed within the 30-day period, the interim director may
1244 continue to serve beyond the 30-day period subject to the advice and consent of the Senate at
1245 the next scheduled time for the Senate giving consent to appointments of the governor.

1246 (iii) Except that if the Senate does not act on the consent to the appointment of the
1247 interim director within 60 days of the end of the initial 30-day period, the interim director may
1248 continue as the interim director.

1249 ~~[(d) The director may be terminated by:]~~

1250 ~~[(i) the commission by a vote of four commissioners; or]~~

1251 ~~[(ii) the governor after consultation with the commission.]~~

1252 (c) The governor may terminate the director at the governor's pleasure.

1253 ~~[(e)] (d) The director may not be a commissioner.~~

1254 ~~[(f)] (e) The director shall:~~

1255 (i) be qualified in administration;

1256 (ii) be knowledgeable by experience and training in the field of business management;

1257 and

1258 (iii) possess any other qualification ~~[prescribed by the commission]~~ the governor
1259 deems important.

1260 (2) The governor shall establish the director's compensation within the salary range
1261 fixed by the Legislature in Title 67, Chapter 22, State Officer Compensation.

1262 (3) The director shall:

1263 (a) carry out the policies of the commission made in furtherance of the commission's
1264 duties;

1265 (b) carry out the policies of the department;

1266 (c) ~~[fully inform]~~ periodically update the commission ~~[of]~~ regarding the operations and
1267 administrative activities of the department; and

- 1268 (d) assist the commission in the proper discharge of the commission's duties.
- 1269 (4) (a) The director shall form a workgoup that includes representatives from the
- 1270 following:
- 1271 (i) the department;
- 1272 (ii) the Division of Integrated Healthcare created in Section [26B-1-202](#);
- 1273 (iii) the Department of Public Safety created in Section [53-10-103](#);
- 1274 (iv) the retail alcohol industry;
- 1275 (v) the bar or restaurant industry;
- 1276 (vi) organizations related to alcohol and drug abuse prevention, alcohol or drug related
- 1277 enforcement, or alcohol or drug related education; and
- 1278 (vii) any other organization or industry the director determines beneficial.
- 1279 (b) (i) The workgroup shall study and make recommendations to:
- 1280 (A) improve the efficacy of the alcohol training and education described in Section
- 1281 [26B-5-205](#), including the curriculum, development, provider, and delivery; and
- 1282 (B) maintain appropriate records of cash sale transactions in bar establishments.
- 1283 (ii) As part of the recommendations described in Subsection (4)(a)(i)(A), the
- 1284 workgroup shall include recommendations focused on improving training with respect to laws
- 1285 governing the responsible sale and service of alcohol.
- 1286 (c) No later than September 1, 2024, the workgroup shall provide written
- 1287 recommendations as provided in this Subsection (4) to the Business and Labor Interim
- 1288 Committee.
- 1289 Section 7. Section **32B-2-206** is amended to read:
- 1290 **32B-2-206. Powers and duties of the director.**
- 1291 Subject to the powers and responsibilities of the commission under this title, the
- 1292 director shall:
- 1293 (1) [~~(a) shall prepare and propose to the commission~~] establish general policies, rules,
- 1294 and procedures governing the administrative activities and operations of the department; [~~and~~]
- 1295 [~~(b) may submit other recommendations to the commission as the director considers in~~
- 1296 ~~the interest of the commission's or the department's business;~~]
- 1297 [~~(2) within the general policies, rules, and procedures of the commission, shall:~~]
- 1298 [~~(a)~~] (2) provide day-to-day direction, coordination, and delegation of responsibilities

1299 in the administrative activities of the department's business; ~~[and]~~

1300 ~~[(b)]~~ (3) make internal department policies and procedures relating to:

1301 ~~[(i)]~~ (a) department personnel matters; and

1302 ~~[(ii)]~~ (b) the day-to-day operation of the department;

1303 ~~[(3)]~~ (4) subject to Section 32B-2-207, ~~[shall]~~ appoint or employ personnel as

1304 considered necessary in the administration of this title, and with regard to the personnel ~~[shall]~~:

1305 (a) prescribe the conditions of employment;

1306 (b) define the respective duties and powers; and

1307 (c) fix the remuneration in accordance with Title 63A, Chapter 17, Utah State

1308 Personnel Management Act;

1309 ~~[(4)]~~ (5) ~~[shall]~~ establish and secure adherence to a system of reports, controls, and

1310 performance in matters relating to personnel, security, department property management, and

1311 operation of:

1312 (a) a department office;

1313 (b) a warehouse;

1314 (c) a state store; and

1315 (d) a package agency;

1316 ~~[(5) within the policies, rules, and procedures approved by the commission and~~

1317 ~~provisions of law, shall]~~

1318 (6) purchase, store, keep for sale, sell, import, and control the storage, sale, furnishing,

1319 transportation, or delivery of an alcoholic product;

1320 ~~[(6) shall prepare for commission approval;]~~

1321 ~~[(a) recommendations regarding the location, establishment, relocation, and closure of~~

1322 ~~a state store or package agency;]~~

1323 ~~[(b) recommendations regarding the issuance, denial, nonrenewal, suspension, or~~

1324 ~~revocation of a license, permit, or certificate of approval;]~~

1325 ~~[(c) an annual budget, proposed legislation, and reports as required by law and sound~~

1326 ~~business principles;]~~

1327 ~~[(d) plans for reorganizing divisions of the department and the functions of the~~

1328 ~~divisions;]~~

1329 ~~[(e) manuals containing commission and department policies, rules, and procedures;]~~

- 1330 ~~[(f) an inventory control system;]~~
- 1331 ~~[(g) any other report or recommendation requested by the commission;]~~
- 1332 ~~[(h) rules described in Subsection [32B-2-202](#)(1)(o) governing the credit terms of the~~
- 1333 ~~sale of beer;]~~
- 1334 ~~[(i) rules governing the calibration, maintenance, and regulation of a calibrated metered~~
- 1335 ~~dispensing system;]~~
- 1336 ~~[(j) rules governing the display of a list of types and brand names of liquor furnished~~
- 1337 ~~through a calibrated metered dispensing system;]~~
- 1338 ~~[(k) price lists issued and distributed showing the price to be paid for each class,~~
- 1339 ~~variety, or brand of liquor kept for sale at a state store, package agency, or retail licensee;]~~
- 1340 ~~[(l) policies or rules prescribing the books of account maintained by the department~~
- 1341 ~~and by a state store, package agency, or retail licensee; and]~~
- 1342 ~~[(m) a policy prescribing the manner of giving and serving a notice required by this~~
- 1343 ~~title or rules made under this title;]~~
- 1344 (7) prepare recommendations for the commission regarding:
- 1345 (a) the location of state stores, package agencies, and retail licensees; and
- 1346 (b) the issuance, denial, nonrenewal, suspension, or revocation of a license, permit, or
- 1347 certificate of approval;
- 1348 (8) develop and maintain an inventory control system;
- 1349 (9) issue and distribute price lists showing the price to be paid for each class, variety,
- 1350 or brand of liquor kept for sale at a state store, package agency, or retail licensee;
- 1351 (10) prepare for commission approval, rules described in Subsection [32B-2-202](#)(1)(m)
- 1352 governing the credit terms of the sale of beer;
- 1353 (11) makes rules governing:
- 1354 (a) the calibration, maintenance, and regulation of a calibrated metered dispensing
- 1355 system;
- 1356 (b) the display of a list of types and brand names of liquor furnished through a
- 1357 calibrated metered dispensing system;
- 1358 (c) the books of account maintained by the department and by a state store, package
- 1359 agency, or retail licensee; and
- 1360 (d) the manner of giving and serving a notice required by this title or rules made under

1361 this title;

1362 [~~(7)~~] (12) [~~shall~~] make available through the department to any person, upon request, a
1363 copy of a policy made by the director;

1364 [~~(8)~~] (13) [~~shall~~] make and maintain a current copy of a manual that contains the rules
1365 and policies of the commission and department available for public inspection;

1366 [~~(9)~~] (14) (a) after consultation with the governor, [~~shall~~] determine whether an
1367 alcoholic product should not be sold, offered for sale, or otherwise furnished in an area of the
1368 state during a period of emergency that is proclaimed by the governor to exist in that area; and

1369 (b) [~~shall~~] issue a necessary public announcement or policy with respect to the
1370 determination described in Subsection [~~(9)(a)~~] (14)(a); and

1371 [~~(10)~~] (15) issue event permits in accordance with [~~Chapter 9, Event Permit Act; and~~]
1372 Chapter 9, Event Permit Act.

1373 [~~(11) shall perform any other duty required by the commission or by law.]~~

1374 Section 8. Section **32B-2-304** is amended to read:

1375 **32B-2-304. Liquor price -- Remittance of markup -- School lunch program --**
1376 **Remittance of markup.**

1377 (1) For purposes of this section:

1378 (a) (i) "Landed case cost" means the sum of:

1379 (A) the cost of the product; [~~and~~]

1380 (B) inbound shipping costs [~~incurred by the department.]~~ the department incurs; and

1381 (C) case handling costs the department incurs.

1382 (ii) "Landed case cost" does not include the outbound shipping cost from a warehouse
1383 of the department to a state store.

1384 (b) "Proof gallon" means the same as that term is defined in 26 U.S.C. Sec. 5002.

1385 (2) Except as provided in Subsections (3) and (4):

1386 (a) spirituous liquor sold by the department within the state shall be marked up in an
1387 amount not less than [~~88%~~] 88.5% above the landed case cost to the department;

1388 (b) wine sold by the department within the state shall be marked up in an amount not
1389 less than [~~88%~~] 88.5% above the landed case cost to the department;

1390 (c) heavy beer sold by the department within the state shall be marked up in an amount
1391 not less than [~~66.5%~~] 67% above the landed case cost to the department; and

1392 (d) a flavored malt beverage sold by the department within the state shall be marked up
1393 in an amount not less than [~~88%~~] 88.5% above the landed case cost to the department.

1394 (3) (a) Liquor sold by the department to a military installation in Utah shall be marked
1395 up in an amount not less than 17% above the landed case cost to the department.

1396 (b) Except for spirituous liquor sold by the department to a military installation in
1397 Utah, spirituous liquor that is sold by the department within the state shall be marked up 49%
1398 above the landed case cost to the department if:

1399 (i) the spirituous liquor is manufactured by a manufacturer producing less than 30,000
1400 proof gallons of spirituous liquor in a calendar year; and

1401 (ii) the manufacturer applies to the department for a reduced markup.

1402 (c) Except for wine sold by the department to a military installation in Utah, wine that
1403 is sold by the department within the state shall be marked up 49% above the landed case cost to
1404 the department if:

1405 (i) (A) except as provided in Subsection (3)(c)(i)(B), the wine is manufactured by a
1406 manufacturer producing less than 20,000 gallons of wine in a calendar year; or

1407 (B) for hard cider, the hard cider is manufactured by a manufacturer producing less
1408 than 620,000 gallons of hard cider in a calendar year; and

1409 (ii) the manufacturer applies to the department for a reduced markup.

1410 (d) Except for heavy beer sold by the department to a military installation in Utah,
1411 heavy beer that is sold by the department within the state shall be marked up 32% above the
1412 landed case cost to the department if:

1413 (i) a small brewer manufactures the heavy beer; and

1414 (ii) the small brewer applies to the department for a reduced markup.

1415 (e) The department shall:

1416 (i) for purposes of Subsections (3)(b) and (c), calculate the production amount of a
1417 manufacturer:

1418 (A) by, if the manufacturer is part of a controlled group of manufacturers, including the
1419 combined volume totals of spirituous liquor, wine, or cider, as applicable, for all manufacturers
1420 that constitute the controlled group of manufacturers; and

1421 (B) without considering the manufacturer's production of any other type of alcoholic
1422 product; and

1423 (ii) verify that a manufacturer meets a production amount described in Subsection
1424 (3)(b) or (c) and the production amount of a small brewer ~~[pursuant to]~~ under a federal or other
1425 verifiable production report.

1426 (f) A manufacturer seeking to obtain a reduced markup under Subsection (3)(b), (c), or
1427 (d), shall provide to the department any documentation or information the department
1428 determines necessary to determine if the manufacturer is part of a controlled group of
1429 manufacturers.

1430 (g) The department may, at any time, revoke a reduced markup granted to a
1431 manufacturer under Subsection (3)(b), (c), or (d), if the department determines the
1432 manufacturer no longer qualifies for the reduced markup.

1433 (4) Wine the department purchases on behalf of a subscriber through the wine
1434 subscription program established in Section [32B-2-702](#) shall be marked up not less than 88%
1435 above the cost of the subscription for the interval in which the wine is purchased.

1436 (5) (a) Spirituous liquor, wine, heavy beer, or flavored malt beverage sold by a package
1437 agency located at a manufacturing facility owned or operated by a person licensed under
1438 Chapter 11, Manufacturing and Related Licenses Act, shall be marked up in an amount not less
1439 than 28% above:

1440 (i) the landed case cost to the department; or

1441 (ii) if the department does not receive or store the spirituous liquor, wine, heavy beer,
1442 or flavored malt beverage, the sum of:

1443 (A) the cost of the spirituous liquor, wine, heavy beer, or flavored malt beverage;

1444 (B) the inbound shipping costs the department would have incurred had the department
1445 received or stored the spirituous liquor, wine, heavy beer, or flavored malt beverage, as
1446 determined by the department; and

1447 (C) the case handling costs the department would have incurred had the department
1448 received or stored the spirituous liquor, wine, heavy beer, or flavored malt beverage, as
1449 determined by the department.

1450 (b) A package agency described in Subsection (5)(a) shall remit the markup amount
1451 described in Subsection (5)(a) to the department upon request.

1452 [~~5~~] (6) The department shall deposit 10% of the total gross revenue from sales of
1453 liquor with the state treasurer to be credited to the Uniform School Fund and used to support

1454 the school meals program administered by the State Board of Education under Section
1455 [53E-3-510](#).

1456 ~~[(6)]~~ (7) This section does not prohibit the department from selling discontinued items
1457 at a discount.

1458 Section 9. Section **32B-2-305** is amended to read:

1459 **32B-2-305. Alcoholic Beverage Control Act Enforcement Fund.**

1460 (1) As used in this section:

1461 (a) "Alcohol-related law enforcement officer" means the same as that term is defined in
1462 Section [32B-1-201](#).

1463 (b) "Drug-related law enforcement officer" means a law enforcement officer employed
1464 by the Department of Public Safety who has enforcement of drug-related offenses as a primary
1465 responsibility.

1466 (c) "Enforcement ratio" means the same as that term is defined in Section [32B-1-201](#).

1467 (d) "Fund" means the Alcoholic Beverage Control Act Enforcement Fund created in
1468 this section.

1469 (e) "SBI drug-related law enforcement officer" means a law enforcement officer
1470 employed by the State Bureau of Investigation within the Department of Public Safety who has
1471 investigation of drug-related offenses as a primary responsibility.

1472 (f) "Social worker" means an individual licensed under Title 58, Chapter 60, Part 2,
1473 Social Worker Licensing Act, and employed by the Department of Public Safety who has
1474 provision of caseworker services to individuals under 21 years old as a primary responsibility.

1475 (2) There is created an expendable special revenue fund known as the "Alcoholic
1476 Beverage Control Act Enforcement Fund."

1477 (3) (a) The fund consists of:

1478 (i) deposits made under Subsection (4); ~~[and]~~

1479 (ii) deposits made under Section [59-15-109](#); and

1480 ~~[(ii)]~~ (iii) interest earned on the fund.

1481 (b) (i) The fund shall earn interest.

1482 (ii) Interest on the fund shall be deposited into the fund.

1483 (4) After the deposit made under Section [32B-2-304](#) for the school lunch program, the
1484 department shall deposit 1.695% of the total gross revenue from the sale of liquor with the state

1485 treasurer to be credited to the fund ~~[to be]~~.

1486 (5) The deposits made under Subsection (4) and Section 59-15-109 shall be:

1487 (a) used by the Department of Public Safety as provided in Subsection ~~[(5)]~~ (6); and

1488 (b) reallocated to the General Fund as described in Subsection ~~[(6)]~~ (7).

1489 ~~[(5)]~~ (6) (a) The Department of Public Safety shall expend money from the fund to:

1490 (i) supplement appropriations by the Legislature so that the Department of Public
1491 Safety maintains a sufficient number of alcohol-related law enforcement officers such that each

1492 year the enforcement ratio as of July 1 is equal to or less than the number specified in Section

1493 32B-1-201; and

1494 (ii) maintain at least:

1495 (A) 10 drug-related law enforcement officers;

1496 (B) eight SBI drug-related law enforcement officers; ~~[and]~~

1497 (C) two social workers~~[-]~~; and

1498 (D) three additional alcohol-related law enforcement officers who are dedicated to

1499 compliance.

1500 (b) Four of the alcohol-related law enforcement officers described in Subsection

1501 ~~[(5)(a)(i)]~~ (6)(a)(i) shall have as a primary focus the enforcement of this title in relationship to
1502 restaurants.

1503 ~~[(6)]~~ (7) For fiscal year 2023, the Division of Finance shall deposit into the General
1504 Fund \$3 million of unspent money in the fund.

1505 Section 10. Section **32B-2-503** is amended to read:

1506 **32B-2-503. Operational requirements for a state store.**

1507 (1) (a) A state store shall display in a prominent place in the store a sign in large letters
1508 that consists of text in the following order:

1509 (i) a header that reads: "WARNING";

1510 (ii) a warning statement that reads: "Drinking alcoholic beverages during pregnancy
1511 can cause birth defects and permanent brain damage for the child.";

1512 (iii) a statement in smaller font that reads: "Call the Utah Department of Health at
1513 [insert most current toll-free number] with questions or for more information.";

1514 (iv) a header that reads: "WARNING"; and

1515 (v) a warning statement that reads: "Driving under the influence of alcohol or drugs is a

1516 serious crime that is prosecuted aggressively in Utah."

1517 (b) (i) The text described in Subsections (1)(a)(i) through (iii) shall be in a different
1518 font style than the text described in Subsections (1)(a)(iv) and (v).

1519 (ii) The warning statements in the sign described in Subsection (1)(a) shall be in the
1520 same font size.

1521 (c) The Department of Health shall work with the commission and department to
1522 facilitate consistency in the format of a sign required under this section.

1523 (2) A state store may not sell, offer for sale, or furnish liquor except at a price fixed by
1524 the commission.

1525 (3) A state store may not sell, offer for sale, or furnish liquor to:

1526 (a) a minor;

1527 (b) a person actually, apparently, or obviously intoxicated;

1528 (c) a known interdicted person; or

1529 (d) a known habitual drunkard.

1530 (4) (a) A state store employee may not:

1531 (i) consume an alcoholic product on the premises of a state store; or

1532 (ii) allow any person to consume an alcoholic product on the premises of a state store.

1533 (b) A violation of this Subsection (4) is a class B misdemeanor.

1534 (5) (a) Sale or delivery of liquor may not be made on or from the premises of a state
1535 store, and a state store may not be kept open for the sale of liquor:

1536 (i) on Sunday; or

1537 (ii) on a state or federal legal holiday.

1538 (b) Sale or delivery of liquor may be made on or from the premises of a state store, and
1539 a state store may be open for the sale of liquor, only on a day and during hours that the
1540 commission directs by rule or order.

1541 (6) (a) A minor may not be admitted into, or be on the premises of, a state store unless
1542 accompanied by a person who is:

1543 (i) 21 years of age or older; and

1544 (ii) the minor's parent, legal guardian, or spouse.

1545 (b) A state store employee that has reason to believe that a person who is on the
1546 premises of a state store is under the age of 21 and is not accompanied by a person described in

1547 Subsection (6)(a) may:

1548 (i) ask the suspected minor for proof of age;

1549 (ii) ask the person who accompanies the suspected minor for proof of age; and

1550 (iii) ask the suspected minor or the person who accompanies the suspected minor for
1551 proof of parental, guardianship, or spousal relationship.

1552 (c) A state store employee shall refuse to sell liquor to the suspected minor and to the
1553 person who accompanies the suspected minor into the state store if the suspected minor or
1554 person fails to provide information specified in Subsection (6)(b).

1555 (d) A state store employee shall require a suspected minor and the person who
1556 accompanies the suspected minor into the state store to immediately leave the premises of the
1557 state store if the suspected minor or person fails to provide information specified in Subsection
1558 (6)(b).

1559 (7) (a) A state store may not sell, offer for sale, or furnish liquor except in a sealed
1560 container.

1561 (b) A person may not open a sealed container on the premises of a state store.

1562 (8) On or after October 1, 2011, a state store may not sell, offer for sale, or furnish
1563 heavy beer in a sealed container that exceeds two liters.

1564 (9) A state store may not sell, offer for sale, or furnish liquor that is intended to be
1565 frozen and consumed in manner other than as a beverage, including liquor in the form of a
1566 freeze pop, popsicle, ice cream, or sorbet.

1567 Section 11. Section **32B-3-203** is amended to read:

1568 **32B-3-203. Initiating a disciplinary proceeding.**

1569 Subject to Section **32B-3-202**:

1570 (1) The department [~~may~~] shall initiate a disciplinary proceeding described in

1571 Subsection (2) if the department receives:

1572 (a) a report from an investigator alleging that a person subject to administrative action
1573 violated this title or the rules of the commission;

1574 (b) a final adjudication of criminal liability against a person subject to administrative
1575 action on the basis of an alleged violation of this title; or

1576 (c) a final adjudication of civil liability in accordance with Chapter 15, Alcoholic
1577 Product Liability Act, against a person subject to administrative action on the basis of an

1578 alleged violation of this title.

1579 (2) If the condition of Subsection (1) is met[;] the department shall:

1580 (a) ~~[the department may]~~ initiate a disciplinary proceeding to determine:

1581 ~~[(a)]~~ (i) whether a person subject to administrative action violated this title or rules of
1582 the commission; and

1583 ~~[(b)]~~ (ii) if a violation is found, the appropriate sanction to be imposed[-]; and

1584 (b) refer the matter to the State Bureau of Investigation, created in Section [53-10-301](#),
1585 for additional proceedings.

1586 (3) (a) Unless waived by the respondent, a disciplinary proceeding shall be held:

1587 (i) if required by law;

1588 (ii) before revoking or suspending a license, permit, or certificate of approval issued
1589 under this title; or

1590 (iii) before imposing a fine against a person subject to administrative action.

1591 (b) Inexcusable failure of a respondent to appear at a scheduled disciplinary proceeding
1592 hearing after receiving proper notice is an admission of the charged violation.

1593 (c) The validity of a disciplinary proceeding is not affected by the failure of a person to
1594 attend or remain in attendance.

1595 Section 12. Section **32B-4-401** is amended to read:

1596 **32B-4-401. Unlawful sale or furnishing.**

1597 (1) It is unlawful for a retail licensee, a permittee, or staff of a retail licensee or
1598 permittee to keep for sale, or to directly or indirectly, sell, offer for sale, or furnish to another,
1599 an alcoholic product, except as otherwise provided by this title.

1600 (2) It is unlawful for a person in the business of selling liquor, a manufacturer, a
1601 supplier, an importer of liquor, or staff of the person, manufacturer, supplier, or importer to
1602 sell, ship, transport, or cause to be sold, shipped, or transported liquor from an out-of-state
1603 location directly or indirectly into this state except to the extent authorized by this title to:

1604 (a) the department;

1605 (b) a military installation;

1606 (c) a holder of a special use permit, to the extent authorized in the special use permit;

1607 or

1608 (d) a liquor warehouse licensee licensed to distribute and transport liquor to:

1609 (i) the department; or

1610 (ii) an out-of-state wholesaler or retailer.

1611 (3) (a) It is unlawful for a person in the business of selling beer, a manufacturer, a
1612 supplier, an importer of beer, or staff of the person, manufacturer, or importer to sell, ship,
1613 transport, or cause to be sold, shipped, or transported beer from an out-of-state location directly
1614 or indirectly into this state except to the extent authorized by this title to:

1615 (i) a beer wholesaler licensee;

1616 (ii) a military installation; or

1617 (iii) a holder of a special use permit, to the extent authorized in the special use permit.

1618 (b) Subsection (3)(a) does not preclude a small brewer that holds a certificate of
1619 approval from selling, shipping, or transporting beer to the extent authorized by Subsection
1620 [32B-11-503](#)(5) directly to:

1621 (i) a beer retailer; or

1622 (ii) an event permittee.

1623 (4) (a) It is unlawful for a manufacturer, supplier, or importer of liquor in this state, or
1624 staff of the manufacturer, supplier, or importer to sell, ship, transport, or cause to be sold,
1625 shipped, or transported liquor directly or indirectly to a person in this state except to the extent
1626 authorized by this title to:

1627 (i) the department;

1628 (ii) a military installation;

1629 (iii) a holder of a special use permit, to the extent authorized in the special use permit;

1630 or

1631 (iv) a liquor warehouser licensee who is licensed to distribute and transport liquor to:

1632 (A) the department; or

1633 (B) an out-of-state wholesaler or retailer.

1634 (b) Subsection (4)(a) does not preclude a winery manufacturing licensee located in this
1635 state from selling wine to a person on its winery premises:

1636 (i) to the extent authorized by Subsection [32B-11-303](#)(4); or

1637 (ii) under a package agency issued by the commission on the winery premises.

1638 (c) Subsection (4)(a) does not preclude a distillery manufacturing licensee located in
1639 this state from selling liquor on its distillery premises:

1640 (i) to the extent authorized in Subsection 32B-11-403(5); or
1641 (ii) under a package agency issued by the commission on the distillery premises.
1642 (d) Subsection (4)(a) does not preclude a brewery manufacturing licensee located in
1643 this state from selling heavy beer or flavored malt beverages on its brewery premises:
1644 (i) to the extent authorized under Subsection 32B-11-503(4); or
1645 (ii) under a package agency issued by the commission on its brewery premises.
1646 (5) (a) It is unlawful for a manufacturer, supplier, or importer of beer in this state, or
1647 staff of the manufacturer, supplier, or importer to sell, ship, transport, or cause to be sold,
1648 shipped, or transported beer directly or indirectly to a person in this state except to the extent
1649 authorized by this title to:
1650 (i) a beer wholesaler licensee;
1651 (ii) a military installation; or
1652 (iii) a holder of a special use permit, to the extent authorized in the special use permit.
1653 (b) Subsection (5)(a) does not preclude:
1654 (i) a small brewer who is a brewery manufacturing licensee located in this state from
1655 selling, shipping, and transporting beer to the extent authorized by Subsection 32B-11-503(5)
1656 directly to one of the following in this state:
1657 (A) a beer retailer; or
1658 (B) an event permittee; or
1659 (ii) a brewery manufacturing licensee from selling beer to a person on its
1660 manufacturing premises under Subsection 32B-11-503(4)(c).
1661 (6) It is unlawful for a person other than a person described in Subsection (2) or (3) to
1662 sell, ship, transport, or cause to be sold, shipped, or transported an alcoholic product from an
1663 out-of-state location directly or indirectly into this state, except as otherwise provided by this
1664 title.
1665 (7) It is unlawful for a person in this state other than a person described in Subsection
1666 (4) or (5) to sell, ship, transport, or cause to be sold, shipped, or transported an alcoholic
1667 product directly or indirectly to another person in this state, except as otherwise provided by
1668 this title.
1669 (8) It is unlawful for a person in the business of selling liquor, a manufacturer, a
1670 supplier, or an importer of liquor in this state, or staff of the person, manufacturer, supplier, or

1671 importer to keep for sale, or to directly or indirectly, sell, offer for sale, or furnish to another,
 1672 liquor that contains more than 80% alcohol by volume.

1673 ~~[(8)]~~ (9) (a) A violation of Subsection (1) is a class B misdemeanor, except when
 1674 otherwise provided by this title.

1675 (b) A violation of Subsection (2), (3), (4), or (5) is a third degree felony.

1676 (c) A violation of Subsection ~~[(6) or (7)]~~ (6), (7), or (8) is a class B misdemeanor.

1677 Section 13. Section **32B-4-422** is amended to read:

1678 **32B-4-422. Unlawful dispensing.**

1679 (1) A retail licensee licensed under this title to sell, offer for sale, or furnish spirituous
 1680 liquor for consumption on the licensed premises, or staff of the retail licensee may not:

1681 (a) sell, offer for sale, or furnish a primary spirituous liquor to a person on the licensed
 1682 premises except in a quantity that does not exceed 1.5 ounces per beverage dispensed through a
 1683 calibrated metered dispensing system approved by the department;

1684 (b) sell, offer for sale, or furnish more than a total of 2.5 ounces of spirituous liquor per
 1685 beverage;

1686 (c) allow a person on the licensed premises to have more than a total of 2.5 ounces of
 1687 spirituous liquor at a time; or

1688 (d) (i) except as provided in Subsection (1)(d)(ii), allow a person to have more than
 1689 two spirituous liquor beverages at a time; or

1690 (ii) allow a person on the premises of the following to have more than one spirituous
 1691 liquor beverage at a time:

1692 (A) a full-service restaurant licensee;

1693 (B) a person operating under a full-service restaurant sublicense;

1694 (C) an on-premise banquet licensee;

1695 (D) a person operating under an on-premise banquet sublicense; ~~[or]~~

1696 (E) a single event permittee~~[-];~~ or

1697 (F) a hospitality amenity licensee.

1698 (2) A violation of this section is a class C misdemeanor.

1699 Section 14. Section **32B-4-424** is amended to read:

1700 **32B-4-424. Powdered or vaporized alcohol.**

1701 (1) As used in this section~~[-, "powdered alcohol"]~~:

1702 (a) "Powdered alcohol" means a product that is in a powdered or crystalline form and
1703 contains any amount of alcohol.

1704 (b) "Vaporized alcohol" means a product created by mixing alcohol with pure oxygen
1705 or another gas to produce a vaporized product for the purpose of consumption through
1706 inhalation.

1707 (2) It is unlawful for a person to use, offer for use, purchase, offer to purchase, sell,
1708 offer to sell, furnish, or possess [~~powdered alcohol~~] for human consumption powdered alcohol
1709 or vaporized alcohol.

1710 (3) It is unlawful for a holder of a retail license to use powdered alcohol or vaporized
1711 alcohol as an alcoholic product.

1712 (4) This section does not apply to the use of powdered alcohol or vaporized alcohol for
1713 a commercial use specifically approved by state law or bona fide research purposes by a:

1714 (a) health care practitioner that operates primarily for the purpose of conducting
1715 scientific research;

1716 (b) department, commission, board, council, agency, institution, division, office,
1717 committee, authority, laboratory, library, unit, bureau, panel, or other administrative unit of the
1718 state, including a state institution of higher education listed in Section [53B-2-101](#);

1719 (c) private college or university research facility; or

1720 (d) pharmaceutical or biotechnology company.

1721 Section 15. Section **32B-4-501** is amended to read:

1722 **32B-4-501. Operating without a license or permit.**

1723 (1) A person may not operate the following businesses without first obtaining a license
1724 under this title if the business allows a person to purchase or consume an alcoholic product on
1725 the premises of the business:

1726 (a) a restaurant;

1727 (b) an airport lounge;

1728 (c) a business operated in the same manner as a bar establishment licensee;

1729 (d) a resort;

1730 (e) a business operated to sell, offer for sale, or furnish beer for on-premise
1731 consumption;

1732 (f) a business operated as an on-premise banquet licensee;

1733 (g) a hotel; [~~or~~]

1734 (h) an arena; or

1735 [~~(h)~~] (i) a business similar to one listed in Subsections (1)(a) through [~~(g)~~] (h).

1736 (2) A person conducting an event that is open to the general public may not directly or
1737 indirectly sell, offer for sale, or furnish an alcoholic product to a person attending the event
1738 without first obtaining an event permit under this title.

1739 (3) A person conducting a private event may not directly or indirectly sell or offer for
1740 sale an alcoholic product to a person attending the private event without first obtaining an
1741 event permit under this title.

1742 (4) A person may not operate the following businesses in this state without first
1743 obtaining a license under this title:

1744 (a) a winery manufacturer;

1745 (b) a distillery manufacturer;

1746 (c) a brewery manufacturer;

1747 (d) a local industry representative of:

1748 (i) a manufacturer of an alcoholic product;

1749 (ii) a supplier of an alcoholic product; or

1750 (iii) an importer of an alcoholic product;

1751 (e) a liquor warehouse; or

1752 (f) a beer wholesaler.

1753 (5) A person may not operate a public conveyance in this state without first obtaining a
1754 public service permit under this title if that public conveyance allows a person to purchase or
1755 consume an alcoholic product:

1756 (a) on the public conveyance; or

1757 (b) on the premises of a hospitality room located within a depot, terminal, or similar
1758 facility at which a service is provided to a patron of the public conveyance.

1759 Section 16. Section **32B-5-201** is amended to read:

1760 **32B-5-201. Application requirements for retail license.**

1761 (1) (a) Before a person may store, sell, offer for sale, furnish, or permit consumption of
1762 an alcoholic product on licensed premises as a retail licensee, the person shall first obtain a
1763 retail license issued by the commission, notwithstanding whether the person holds a local

1764 license or a permit issued by a local authority.

1765 (b) Violation of this Subsection (1) is a class B misdemeanor.

1766 (2) To obtain a retail license under this title, a person shall submit to the department:

1767 (a) a written application in a form prescribed by the department;

1768 (b) a nonrefundable application fee in the amount specified in the relevant chapter or

1769 part for the type of retail license for which the person is applying;

1770 (c) an initial license fee:

1771 (i) in the amount specified in the relevant chapter or part for the type of retail license

1772 for which the person is applying; and

1773 (ii) that is refundable if a retail license is not issued;

1774 (d) written consent of the local authority, including, if applicable, consent for each

1775 proposed sublicense;

1776 (e) a copy of:

1777 (i) every license the local authority requires, including the person's current business

1778 license; and

1779 (ii) if the person is applying for a principal license, the current business license for each

1780 proposed sublicense, except if the local authority determines that the business license for a

1781 proposed sublicense is included in the person's current business license;

1782 (f) evidence of the proposed retail licensee's proximity to any community location, with

1783 proximity requirements being governed by Section [32B-1-202](#);

1784 (g) a bond as specified by Section [32B-5-204](#);

1785 (h) a floor plan, and boundary map where applicable, of the premises of the retail

1786 license and each, if any, accompanying sublicense, including any:

1787 (i) consumption area; and

1788 (ii) area where the person proposes to store, sell, offer for sale, or furnish an alcoholic

1789 beverage;

1790 (i) evidence that the retail licensee carries public liability insurance in an amount and

1791 form satisfactory to the department;

1792 (j) evidence that the retail licensee carries dramshop insurance coverage of at least:

1793 (i) \$1,000,000 per occurrence and \$2,000,000 in the aggregate;

1794 (ii) if the retail licensee is a hotel licensee or a resort licensee, \$1,000,000 per

1795 occurrence and \$2,000,000 in the aggregate to cover both the principal license and all
1796 accompanying sublicenses; or

1797 (iii) if the retail licensee is an arena licensee, \$10,000,000 per occurrence and
1798 \$20,000,000 in the aggregate to cover both the arena license and all accompanying
1799 sublicenses[-];

1800 (k) a signed consent form stating that the retail licensee will permit any authorized
1801 representative of the commission, department, or any law enforcement officer to have
1802 unrestricted right to enter:

1803 (i) the premises of the retail licensee; and

1804 (ii) if applicable, the premises of each of the retail licensee's accompanying
1805 sublicenses;

1806 (l) if the person is an entity, proper verification evidencing that a person who signs the
1807 application is authorized to sign on behalf of the entity;

1808 (m) a responsible alcohol service plan;

1809 (n) evidence that each individual the person has hired to work as a retail manager, as
1810 defined in Section [32B-1-701](#), has completed the alcohol training and education seminar as
1811 required under Chapter 1, Part 7, Alcohol Training and Education Act; and

1812 (o) any other information the commission or department may require.

1813 (3) The commission may not issue a retail license to a person who:

1814 (a) is disqualified under Section [32B-1-304](#); or

1815 (b) is not lawfully present in the United States.

1816 (4) Unless otherwise provided in the relevant chapter or part for the type of retail
1817 license for which the person is applying, the commission may not issue a retail license to a
1818 person if the proposed licensed premises does not meet the proximity requirements of Section
1819 [32B-1-202](#).

1820 (5) The commission may not deny an application for a retail license or an application
1821 for a conditional retail license under Section [32B-5-205](#), if:

1822 (a) the applicant satisfies the requirements of this chapter; and

1823 (b) granting the retail license or the conditional retail license would not cause the
1824 commission to exceeded the maximum number of licenses of that retail license type that the
1825 commission is authorized to issue under this chapter.

1826 Section 17. Section **32B-5-304** is amended to read:

1827 **32B-5-304. Portions in which alcoholic product may be sold.**

1828 (1) (a) A retail licensee may sell, offer for sale, or furnish spirituous liquor that is a
1829 primary spirituous liquor only in a quantity that does not exceed 1.5 ounces per beverage
1830 dispensed through a calibrated metered dispensing system approved by the department in
1831 accordance with commission rules adopted under this title.

1832 (b) A retail license is not required to dispense spirituous liquor through a calibrated
1833 metered dispensing system if the spirituous liquor is:

1834 (i) a secondary flavoring ingredient;

1835 (ii) used as a flavoring on a dessert; [~~or~~]

1836 (iii) used to set aflame a food dish, drink, or dessert[-]; or

1837 (iv) in a beverage that:

1838 (A) is served to a patron in the original, sealed container;

1839 (B) is not more than 16 fluid ounces;

1840 (C) contains no more than 10% alcohol by volume or 8% by weight; and

1841 (D) is in a container that has the alcohol by volume percentage on the front label and in
1842 a font that measures at least three millimeters high.

1843 (c) A retail licensee that dispenses spirituous liquor that is a secondary flavoring
1844 ingredient shall:

1845 (i) designate a location where the retail licensee stores secondary flavoring ingredients
1846 on the floor plan the retail licensee submits to the department; and

1847 (ii) clearly and conspicuously label each secondary flavoring ingredient's container
1848 "flavorings".

1849 (d) (i) A patron may have no more than 2.5 ounces of spirituous liquor at a time.

1850 (ii) Subsection (1)(d)(i) does not apply to a beverage described in Subsection (1)(b)(iv).

1851 (2) (a) (i) A retail licensee may sell, offer for sale, or furnish wine by the glass or in an
1852 individual portion that does not exceed 5 ounces per glass or individual portion.

1853 (ii) A retail licensee may sell, offer for sale, or furnish an individual portion of wine to
1854 a patron in more than one glass if the total amount of wine does not exceed 5 ounces.

1855 (b) (i) A retail licensee may sell, offer for sale, or furnish wine in a container not
1856 exceeding 1.5 liters at a price fixed by the commission to a table of four or more persons.

1857 (ii) A retail licensee may sell, offer for sale, or furnish wine in a container not to
1858 exceed 750 milliliters at a price fixed by the commission to a table of less than four persons.

1859 (c) Notwithstanding Subsections (2)(a) and (b), a retail licensee may sell, offer for sale,
1860 or furnish hard cider that contains no more than 5% of alcohol by volume in a sealed container
1861 not to exceed 16 ounces.

1862 (3) A retail licensee may sell, offer for sale, or furnish heavy beer in an original
1863 container at a price fixed by the commission, except that the original container may not exceed
1864 one liter.

1865 (4) A retail licensee may sell, offer for sale, or furnish a flavored malt beverage in an
1866 original container at a price fixed by the commission, except that the original container may not
1867 exceed one liter.

1868 (5) (a) (i) Subject to Subsection (5)(a)(ii), a retail licensee may sell, offer for sale, or
1869 furnish beer for on-premise consumption:

1870 (A) in an open original container; and

1871 (B) in a container on draft.

1872 (ii) A retail licensee may not sell, offer for sale, or furnish beer under Subsection
1873 (5)(a)(i):

1874 (A) in a size of container that exceeds two liters; or

1875 (B) to an individual patron in a size of container that exceeds one liter.

1876 (b) A retail licensee may sell, offer for sale, or furnish beer for off-premise
1877 consumption:

1878 (i) in a sealed container; and

1879 (ii) in a size of container that does not exceed two liters.

1880 (c) A retail licensee may sell, offer for sale, or furnish a flight of beer to an individual
1881 patron if the total amount of beer does not exceed 16 ounces.

1882 Section 18. Section **32B-6-203** is amended to read:

1883 **32B-6-203. Commission's power to issue full-service restaurant license.**

1884 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of
1885 an alcoholic product on its premises as a full-service restaurant, the person shall first obtain a
1886 full-service restaurant license from the commission in accordance with this part.

1887 (2) The commission may issue a full-service restaurant license to establish full-service

1888 restaurant licensed premises at places and in numbers the commission considers proper for the
1889 storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on premises
1890 operated as a full-service restaurant.

1891 (3) Subject to Section 32B-1-201:

1892 (a) the commission may not issue a total number of full-service restaurant licenses that
1893 at any time exceeds the sum of:

1894 (i) 30; and

1895 (ii) the number determined by dividing the population of the state by [~~4,467~~];

1896 (A) before July 1, 2024, 4,467;

1897 (B) in fiscal year 2025, 4,281;

1898 (C) in fiscal year 2026, 4,095;

1899 (D) in fiscal year 2027, 3,909;

1900 (E) in fiscal year 2028, 3,723;

1901 (F) in fiscal year 2029, 3,537;

1902 (G) in fiscal year 2030, 3,351; and

1903 (H) in fiscal year 2031, and in each fiscal year thereafter, 3,167;

1904 (b) the commission may issue a seasonal full-service restaurant license in accordance
1905 with Section 32B-5-206; and

1906 (c) (i) if the location, design, and construction of a hotel may require more than one
1907 full-service restaurant sales location within the hotel to serve the public convenience, the
1908 commission may authorize the sale, offer for sale, or furnishing of an alcoholic product at as
1909 many as three full-service restaurant locations within the hotel under one full-service restaurant
1910 license if:

1911 (A) the hotel has a minimum of 150 guest rooms; and

1912 (B) the locations under the full-service restaurant license are:

1913 (I) within the same hotel; and

1914 (II) on premises that are managed or operated, and owned or leased, by the full-service
1915 restaurant licensee; and

1916 (ii) except for a hotel, a facility shall have a separate full-service restaurant license for
1917 each full-service restaurant where an alcoholic product is sold, offered for sale, or furnished.

1918 (4) Except as otherwise provided in Section 32B-1-202, the commission may not issue

1919 a full-service restaurant license for premises that do not meet the proximity requirements of
1920 Subsection 32B-1-202(2).

1921 (5) To be licensed as a full-service restaurant, a person shall maintain at least 70% of
1922 the restaurant's gross revenues from the sale of food, which does not include:

1923 (a) mix for an alcoholic product; or

1924 (b) a service charge.

1925 Section 19. Section 32B-6-204 is amended to read:

1926 **32B-6-204. Specific licensing requirements for full-service restaurant license.**

1927 (1) To obtain a full-service restaurant license a person shall comply with Chapter 5,
1928 Part 2, Retail Licensing Process.

1929 (2) (a) A full-service restaurant license expires on October 31 of each year.

1930 (b) To renew a person's full-service restaurant license, a person shall comply with the
1931 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1932 September 30.

1933 (3) (a) The nonrefundable application fee for a full-service restaurant license is \$330.

1934 (b) (i) The initial license fee for a full-service restaurant license is \$2,200.

1935 (ii) The department shall prorate the \$2,200 initial license fee based on the number of
1936 months out of a year the full-service restaurant licensee is licensed before the day on which the
1937 full-service restaurant license expires.

1938 (c) The renewal fee for a full-service restaurant license is \$1,650.

1939 (4) The bond amount required for a full-service restaurant license is the penal sum of
1940 \$10,000.

1941 Section 20. Section 32B-6-206 is amended to read:

1942 **32B-6-206. Master full-service restaurant license.**

1943 (1) (a) The commission may issue a master full-service restaurant license that
1944 authorizes a person to store, sell, offer for sale, furnish, or allow the consumption of an
1945 alcoholic product on premises at multiple locations as full-service restaurants if the person
1946 applying for the master full-service restaurant license:

1947 (i) owns each of the full-service restaurants;

1948 (ii) except for the fee requirements, establishes to the satisfaction of the commission
1949 that each location of a full-service restaurant under the master full-service restaurant license

1950 separately meets the requirements of this part; and

1951 (iii) the master full-service restaurant license includes at least five full-service
1952 restaurant locations.

1953 (b) The person seeking a master full-service restaurant license shall designate which
1954 full-service restaurant locations the person seeks to have under the master full-service
1955 restaurant license.

1956 (c) A full-service restaurant location under a master full-service restaurant license is
1957 considered separately licensed for purposes of this title, except as provided in this section.

1958 (2) A master full-service restaurant license and each location designated under
1959 Subsection (1) are considered a single full-service restaurant license for purposes of Subsection
1960 32B-6-203(3)(a).

1961 (3) (a) A master full-service restaurant license expires on October 31 of each year.

1962 (b) To renew a person's master full-service restaurant license, a person shall comply
1963 with the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1964 September 30.

1965 (4) (a) The nonrefundable application fee for a master full-service restaurant license is
1966 \$330.

1967 (b) (i) The initial license fee for a master full-service restaurant license is \$5,000 plus a
1968 separate initial license fee for each newly licensed full-service restaurant [~~license~~] location
1969 under the master full-service restaurant license determined in accordance with Subsection
1970 32B-6-204(3)(b).

1971 (ii) The department [~~may~~] shall prorate the \$5,000 initial license fee based on the
1972 number of months out of a year the master full-service restaurant licensee is licensed before the
1973 day on which the master full-service restaurant license expires.

1974 (c) To renew a master full-service restaurant license the master full-service restaurant
1975 licensee shall pay a separate renewal fee for each full-service [~~license~~] restaurant location under
1976 the master full-service restaurant license [~~determined~~] in accordance with Subsection
1977 32B-6-204(3)(c).

1978 (5) A new location may be added to a master full-service restaurant license after the
1979 master full-service restaurant license is issued if:

1980 (a) the master full-service restaurant licensee pays a nonrefundable application fee of

1981 \$330; and

1982 (b) including payment of the initial license fee, the location separately meets the
1983 requirements of this part.

1984 (6) (a) A master full-service restaurant licensee shall notify the department of a change
1985 in the persons managing a location covered by a master full-service restaurant license:

1986 (i) immediately, if the management personnel is not management personnel at a
1987 location covered by the master full-service restaurant licensee at the time of the change; or

1988 (ii) within 30 days of the change, if the master full-service restaurant licensee is
1989 transferring management personnel from one location to another location covered by the master
1990 full-service restaurant licensee.

1991 (b) A location covered by a master full-service restaurant license shall keep the
1992 location's own records on the location's premises so that the department may audit the records.

1993 (c) A master full-service restaurant licensee may not transfer alcoholic products
1994 between different locations covered by the master full-service restaurant license.

1995 (7) If there is a violation of this title at a location covered by a master full-service
1996 restaurant license, the violation may result in disciplinary action in accordance with Chapter 3,
1997 Disciplinary Actions and Enforcement Act, against:

1998 (a) the single location under a master full-service restaurant license;

1999 (b) individual staff of the location under the master full-service restaurant license; or

2000 (c) a combination of persons or locations described in Subsections (7)(a) and (b).

2001 (8) The commission may make rules, in accordance with Title 63G, Chapter 3, Utah
2002 Administrative Rulemaking Act, to establish how a person may apply for a master full-service
2003 restaurant license under this section.

2004 Section 21. Section **32B-6-302** is amended to read:

2005 **32B-6-302. Definitions.**

2006 As used in this part:

2007 (1) (a) "Dining area" means an area in the licensed premises of a limited-service
2008 restaurant licensee that is primarily used for the service and consumption of food by one or
2009 more patrons.

2010 (b) "Dining area" does not include a dispensing area.

2011 (2) (a) "Dispensing area" means an area in the licensed premises of a limited-service

2012 restaurant licensee where a dispensing structure is located and that:

2013 (i) is physically separated from the dining area and any waiting area by a structure or
2014 other barrier that prevents a patron seated in the dining area or a waiting area from viewing the
2015 dispensing of alcoholic product;

2016 (ii) except as provided in Subsection (2)(b), measures at least 10 feet from the dining
2017 area and any waiting area to the nearest edge of the dispensing structure; or

2018 (iii) is physically separated from the dining area and any waiting area by a permanent
2019 physical structure that complies with the provisions of Title 15A, State Construction and Fire
2020 Codes Act, and, to the extent allowed under Title 15A, State Construction and Fire Codes Act,
2021 measures:

2022 (A) at least 42 inches high; and

2023 (B) at least 60 inches from the inside edge of the barrier to the nearest edge of the
2024 dispensing structure.

2025 (b) "Dispensing area" does not include any area described in Subsection (2)(a)(ii) that
2026 is less than 10 feet from an area where alcoholic product is dispensed, but from which a patron
2027 seated at a table or counter cannot view the dispensing of alcoholic product.

2028 (3) "Small limited-service restaurant licensee" means a limited-service restaurant
2029 licensee [~~that has a grandfathered bar structure~~] whose dispensing area includes more than 45%
2030 of the available seating for patrons on the licensed premises, excluding outdoor seating:

2031 (a) when measured in accordance with Subsection (2)(a)(ii); and

2032 (b) based on the licensee's floor plan on file with the department on July 1, 2017.

2033 (4) "Waiting area" includes a lobby.

2034 Section 22. Section **32B-6-304** is amended to read:

2035 **32B-6-304. Specific licensing requirements for limited-service restaurant license.**

2036 (1) To obtain a limited-service restaurant license a person shall comply with Chapter 5,
2037 Part 2, Retail Licensing Process.

2038 (2) (a) A limited-service restaurant license expires on October 31 of each year.

2039 (b) To renew a person's limited-service restaurant license, a person shall comply with
2040 the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
2041 September 30.

2042 (3) (a) The nonrefundable application fee for a limited-service restaurant license is

2043 \$330.

2044 (b) (i) The initial license fee for a limited-service restaurant license is \$1,275.

2045 (ii) The department shall prorate the \$1,275 initial license fee based on the number of
2046 months out of a year the limited-service restaurant licensee is licensed before the day on which
2047 the limited-service restaurant license expires.

2048 (c) The renewal fee for a limited-service restaurant license is \$750.

2049 (4) The bond amount required for a limited-service restaurant license is the penal sum
2050 of \$5,000.

2051 Section 23. Section **32B-6-306** is amended to read:

2052 **32B-6-306. Master limited-service restaurant license.**

2053 (1) (a) The commission may issue a master limited-service restaurant license that
2054 authorizes a person to store, sell, offer for sale, furnish, or allow the consumption of an
2055 alcoholic product on premises at multiple locations as limited-service restaurants if the person
2056 applying for the master limited-service restaurant license:

2057 (i) owns each of the limited-service restaurants;

2058 (ii) except for the fee requirements, establishes to the satisfaction of the commission
2059 that each location of a limited-service restaurant under the master limited-service restaurant
2060 license separately meets the requirements of this part; and

2061 (iii) the master limited-service restaurant includes at least five limited-service
2062 restaurant locations.

2063 (b) The person seeking a master limited-service restaurant license shall designate
2064 which limited-service restaurant locations the person seeks to have under the master
2065 limited-service restaurant license.

2066 (c) A limited-service restaurant location under a master limited-service restaurant
2067 license is considered separately licensed for purposes of this title, except as provided in this
2068 section.

2069 (2) A master limited-service restaurant license and each location under Subsection (1)
2070 are considered a single limited-service restaurant license for purposes of Subsection

2071 **32B-6-303(3)(a).**

2072 (3) (a) A master limited-service restaurant license expires on October 31 of each year.

2073 (b) To renew a person's master limited-service restaurant license, a person shall comply

2074 with the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
2075 September 30.

2076 (4) (a) The nonrefundable application fee for a master limited-service restaurant license
2077 is \$330.

2078 (b) (i) The initial license fee for a master limited-service restaurant license is \$5,000
2079 plus a separate initial license fee for each newly licensed limited-service restaurant license
2080 under the master limited-service restaurant license determined in accordance with Subsection
2081 [32B-6-304\(3\)\(b\)](#).

2082 (ii) The department shall prorate the \$5,000 initial license fee based on the number of
2083 months out of a year the master limited-service restaurant licensee is licensed before the day on
2084 which the master limited-service restaurant license expires.

2085 (c) The renewal fee for a master limited-service restaurant license is \$500 plus a
2086 separate renewal fee for each limited-service license under the master limited-service restaurant
2087 license determined in accordance with Subsection [32B-6-304\(3\)\(c\)](#).

2088 (5) A new location may be added to a master limited-service restaurant license after the
2089 master limited-service restaurant license is issued if:

2090 (a) the master limited-service restaurant licensee pays a nonrefundable application fee
2091 of \$330; and

2092 (b) including payment of the initial license fee, the location separately meets the
2093 requirements of this part.

2094 (6) (a) A master limited-service restaurant licensee shall notify the department of a
2095 change in the persons managing a location covered by a master limited-service restaurant
2096 license:

2097 (i) immediately, if the management personnel is not management personnel at a
2098 location covered by the master limited-service restaurant licensee at the time of the change; or

2099 (ii) within 30 days of the change, if the master limited-service restaurant licensee is
2100 transferring management personnel from one location to another location covered by the master
2101 limited-service restaurant licensee.

2102 (b) A location covered by a master limited-service restaurant license shall keep its own
2103 records on its premises so that the department may audit the records.

2104 (c) A master limited-service restaurant licensee may not transfer alcoholic products

2105 between different locations covered by the master limited-service restaurant license.

2106 (7) (a) If there is a violation of this title at a location covered by a master
2107 limited-service restaurant license, the violation may result in disciplinary action in accordance
2108 with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2109 (i) the single location under a master limited-service restaurant license;

2110 (ii) individual staff of the location under the master limited-service restaurant license;

2111 or

2112 (iii) a combination of persons or locations described in Subsections (7)(a)(i) and (ii).

2113 (b) In addition to disciplinary action under Subsection (7)(a), disciplinary action in
2114 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, may be taken against a
2115 master limited-service restaurant licensee or individual staff of the master limited-service
2116 restaurant licensee if during a period beginning on November 1 and ending October 31:

2117 (i) at least 25% of the locations covered by the master limited-service restaurant license
2118 have been found by the commission to have committed a serious or grave violation of this title,
2119 as defined by rule made by the commission; or

2120 (ii) at least 50% of the locations covered by the master limited-service restaurant
2121 license have been found by the commission to have violated this title.

2122 (8) The commission may make rules, in accordance with Title 63G, Chapter 3, Utah
2123 Administrative Rulemaking Act, to establish how a person may apply for a master
2124 limited-service restaurant license under this section.

2125 Section 24. Section **32B-6-403** is amended to read:

2126 **32B-6-403. Commission's power to issue bar establishment license.**

2127 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of
2128 an alcoholic product on the person's premises as a bar establishment licensee, the person shall
2129 first obtain a bar establishment license from the commission in accordance with this part.

2130 (2) The commission may issue a bar establishment license to establish bar
2131 establishment licensed premises at places and in numbers the commission considers proper for
2132 the storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on
2133 premises operated by a bar establishment licensee.

2134 (3) Subject to Section [32B-1-201](#):

2135 (a) the commission may not issue a total number of bar establishment licenses that at

2136 any time exceeds the sum of:

2137 (i) 15; and

2138 (ii) the number determined by dividing the population of the state by [~~10,200~~];

2139 (A) before fiscal July 1, 2024, 10,200;

2140 (B) in fiscal year 2025, 9,778;

2141 (C) in fiscal year 2026, 9,356;

2142 (D) in fiscal year 2027, 8,934;

2143 (E) in fiscal year 2028, 8,512;

2144 (F) in fiscal year 2029, 8,090;

2145 (G) in fiscal year 2030, 7,668; and

2146 (H) in fiscal year 2031, and in each fiscal year thereafter, 7,246;

2147 (b) the commission may issue a seasonal bar establishment license in accordance with

2148 Section [32B-5-206](#) to a bar licensee;

2149 (c) the commission may authorize as many as three bar establishment license locations

2150 within a hotel under one bar establishment license if:

2151 (i) the location, design, and construction of the hotel requires more than one bar license

2152 location within the hotel to serve the public convenience;

2153 (ii) the hotel has a minimum of 150 guest rooms;

2154 (iii) all locations under the bar establishment license are:

2155 (A) within the same hotel; and

2156 (B) on premises that are managed or operated, and owned or leased, by the bar

2157 establishment licensee;

2158 (d) the commission may authorize up to five dispensing [~~structures~~] locations under

2159 one equity license if the locations under the equity license:

2160 (i) are connected by a private roadway to which the equity licensee, each member of

2161 the equity licensee, and each guest has a legal right of access; and

2162 (ii) are located on premises managed or operated, and owned or leased, by the equity

2163 licensee;

2164 (e) except for a facility operating in accordance with Subsection (3)(d) or a hotel, a

2165 facility shall have a separate bar establishment license for each bar establishment license

2166 location where an alcoholic product is sold, offered for sale, or furnished;

2167 (f) when a business establishment undergoes a change of ownership, the commission
2168 may issue a bar establishment license to the new owner of the business establishment
2169 notwithstanding that there is no bar establishment license available under Subsection (3)(a) if:

2170 (i) the primary business activity at the business establishment before and after the
2171 change of ownership is not the sale, offer for sale, or furnishing of an alcoholic product;

2172 (ii) before the change of ownership there are two or more licensed premises on the
2173 business establishment that operate under a retail license, with at least one of the retail licenses
2174 being a bar establishment license;

2175 (iii) subject to Subsection (3)(g) the licensed premises of the bar establishment license
2176 issued under this Subsection (3)(f) is at the same location where the bar establishment license
2177 licensed premises was located before the change of ownership; and

2178 (iv) the person who is the new owner of the business establishment qualifies for the bar
2179 establishment license, except for there being no bar establishment license available under
2180 Subsection (3)(a); and

2181 (g) if a bar establishment licensee of a bar establishment license issued under
2182 Subsection (3)(f) requests a change of location, the bar establishment licensee may retain the
2183 bar establishment license after the change of location only if on the day on which the bar
2184 establishment licensee seeks a change of location a bar establishment license is available under
2185 Subsection (3)(a).

2186 Section 25. Section **32B-6-405** is amended to read:

2187 **32B-6-405. Specific licensing requirements for bar establishment license.**

2188 (1) To obtain a bar establishment license, in addition to complying with Chapter 5, Part
2189 2, Retail Licensing Process, a person shall submit with the written application:

2190 (a) (i) a statement as to whether the person is seeking to qualify as:

2191 (A) an equity licensee;

2192 (B) a fraternal licensee;

2193 (C) a dining club licensee; or

2194 (D) a bar licensee; and

2195 (ii) evidence that the person meets the requirements for the type of bar establishment
2196 license for which the person is applying;

2197 (b) evidence that the person operates a premises where a variety of food is prepared

2198 and served in connection with dining accommodations; and

2199 (c) if the person is applying for an equity license or fraternal license, a copy of the
2200 entity's bylaws or house rules, and an amendment to those records.

2201 (2) The commission may refuse to issue a bar establishment license to a person for an
2202 equity license or fraternal license if the commission determines that a provision of the person's
2203 bylaws or house rules, or amendments to those records is not:

2204 (a) reasonable; and

2205 (b) consistent with:

2206 (i) the declared nature and purpose of the bar establishment licensee; and

2207 (ii) the purposes of this part.

2208 (3) (a) A bar establishment license expires on June 30 of each year.

2209 (b) To renew a bar establishment license, a person shall comply with the requirements
2210 of Chapter 5, Part 2, Retail Licensing Process, by no later than May 31.

2211 (4) (a) The nonrefundable application fee for a bar establishment license is \$300.

2212 (b) (i) The initial license fee for a bar establishment license is \$2,750.

2213 (ii) The department shall prorate the \$2,750 initial license fee based on the number of
2214 months out of a year the bar establishment licensee is licensed before the day on which the bar
2215 establishment license expires.

2216 (c) The renewal fee for a bar establishment license is \$2,000.

2217 (5) The bond amount required for a bar establishment license is the penal sum of
2218 \$10,000.

2219 Section 26. Section **32B-6-407** is amended to read:

2220 **32B-6-407. Specific operational requirements for equity license or fraternal**
2221 **license.**

2222 (1) As used in this section, "equity or fraternal licensee" means an equity licensee or
2223 fraternal licensee.

2224 (2) (a) An equity or fraternal licensee shall have a governing body that:

2225 (i) consists of three or more members of the equity or fraternal licensee; and

2226 (ii) holds regular meetings to:

2227 (A) review membership applications; and

2228 (B) conduct other business as required by the bylaws or house rules of the equity or

2229 fraternal licensee.

2230 (b) (i) An equity or fraternal licensee shall maintain a minute book that is posted
2231 currently by the equity or fraternal licensee.

2232 (ii) The minute book required by this Subsection (2) shall contain the minutes of a
2233 regular or special meeting of the governing body.

2234 (3) An equity or fraternal licensee may admit an individual as a member only on
2235 written application signed by the person, subject to:

2236 (a) the person paying an application fee; and

2237 (b) investigation, vote, and approval of a quorum of the governing body.

2238 (4) An equity or fraternal licensee shall:

2239 (a) record an admission of a member in the official minutes of a regular meeting of the
2240 governing body; and

2241 (b) whether approved or disapproved, file an application as a part of the official records
2242 of the equity or fraternal licensee.

2243 (5) The spouse of a member of an equity or fraternal licensee has the rights and
2244 privileges of the member:

2245 (a) to the extent permitted by the bylaws or house rules of the equity or fraternal
2246 licensee; and

2247 (b) except to the extent restricted by this title.

2248 (6) A minor child of a member of an equity or fraternal licensee has the rights and
2249 privileges of the member:

2250 (a) to the extent permitted by the bylaws or house rules of the equity or fraternal
2251 licensee; and

2252 (b) except to the extent restricted by this title.

2253 (7) An equity or fraternal licensee shall maintain:

2254 (a) a current and complete membership record showing:

2255 (i) the date of application of a proposed member;

2256 (ii) a member's address;

2257 (iii) the date the governing body approved a member's admission;

2258 (iv) the date initiation fees and dues are assessed and paid; and

2259 (v) the serial number of the membership card issued to a member;

- 2260 (b) a membership list; and
- 2261 (c) a current record indicating when a member is removed as a member or resigns.
- 2262 (8) (a) An equity or fraternal licensee shall have bylaws or house rules that include
- 2263 provisions respecting the following:
- 2264 (i) standards of eligibility for members;
- 2265 (ii) limitation of members, consistent with the nature and purpose of the equity or
- 2266 fraternal licensee;
- 2267 (iii) the period for which dues are paid, and the date upon which the period expires;
- 2268 (iv) provisions for removing a member from the equity or fraternal licensee's
- 2269 membership for the nonpayment of dues or other cause;
- 2270 (v) provisions for guests; and
- 2271 (vi) application fees and membership dues.
- 2272 (b) An equity or fraternal licensee shall maintain a current copy of the equity or
- 2273 fraternal licensee's current bylaws and current house rules.
- 2274 (c) An equity or fraternal licensee shall maintain its bylaws or house rules, and any
- 2275 amendments to those records, on file with the department at all times.
- 2276 (9) An equity or fraternal licensee may, in its discretion, allow an individual to be
- 2277 admitted to or use the licensed premises as a guest subject to the following conditions:
- 2278 (a) the individual is allowed to use the equity or fraternal licensee premises only to the
- 2279 extent permitted by the equity or fraternal licensee's bylaws or house rules;
- 2280 (b) the individual shall be previously authorized by a member of the equity or fraternal
- 2281 licensee who agrees to host the individual as a guest;
- 2282 (c) the individual has only those privileges derived from the individual's host for the
- 2283 duration of the individual's visit to the equity or fraternal licensee premises; and
- 2284 (d) an equity or fraternal licensee or staff of the equity or fraternal licensee may not
- 2285 enter into an agreement or arrangement with a member of the equity or fraternal licensee to
- 2286 indiscriminately host a member of the general public into the equity or fraternal licensee
- 2287 premises as a guest.
- 2288 (10) Notwithstanding Subsection (9), an individual may be allowed as a guest in an
- 2289 equity or fraternal licensed premises without a host if:
- 2290 (a) (i) the equity or fraternal licensee is an equity licensee; and

2291 (ii) the individual is a member of an equity licensee that has reciprocal guest privileges
2292 with the equity licensee for which the individual is a guest;

2293 (b) (i) the equity or fraternal licensee is a fraternal licensee; and

2294 (ii) the individual is a member of the same fraternal organization as the fraternal
2295 licensee for which the individual is a guest; or

2296 (c) (i) the equity or fraternal licensee is a fraternal licensee that holds the fraternal
2297 license on July 1, 2013;

2298 (ii) the equity or fraternal licensee's bylaws permit guests in the equity or fraternal
2299 licensed premises without a host except that a minor may not be admitted as a guest without a
2300 host; and

2301 (iii) the equity or fraternal licensee maintains 60% of its total business from the sale of
2302 food, not including mix for alcoholic products, or service charges.

2303 (11) Unless the patron is a member or guest, an equity or fraternal licensee may not:

2304 (a) sell, offer for sale, or furnish an alcoholic product to the patron; or

2305 (b) allow the patron to be admitted to or use the licensed premises.

2306 (12) A minor may not be a member, officer, director, or trustee of an equity or fraternal
2307 licensee.

2308 (13) An equity licensee that owns or operates a golf course may dispense or serve an
2309 alcoholic beverage from a mobile dispensing unit while the mobile dispensing unit is located in
2310 one or more designated areas.

2311 Section 27. Section **32B-6-504** is amended to read:

2312 **32B-6-504. Specific licensing requirements for airport lounge license.**

2313 (1) To obtain an airport lounge license, in addition to complying with Chapter 5, Part
2314 2, Retail Licensing Process, a person shall submit with the written application:

2315 (a) both the written consent of the local authority and the written consent of the airport
2316 authority; and

2317 (b) a copy of the sign proposed to be used by the airport lounge licensee on its licensed
2318 premises to inform the public that alcoholic products are sold and consumed on the licensed
2319 premises.

2320 (2) (a) An airport lounge license expires on October 31 of each year.

2321 (b) To renew a person's airport lounge license, a person shall comply with the renewal

2322 requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.

2323 (3) (a) The nonrefundable application fee for an airport lounge license is \$300.

2324 (b) (i) The initial license fee for an airport lounge license is \$8,000.

2325 (ii) The department shall prorate the \$8,000 initial license fee based on the number of
2326 months out of a year the airport lounge licensee is licensed before the day on which the airport
2327 lounge license expires.

2328 (c) The renewal fee for an airport lounge license is \$6,000.

2329 (4) The bond amount required for an airport lounge license is the penal sum of
2330 \$10,000.

2331 (5) An airport lounge license is not subject to the proximity requirements of Section
2332 [32B-1-202](#).

2333 Section 28. Section **32B-6-604** is amended to read:

2334 **32B-6-604. Specific licensing requirements for an on-premise banquet license.**

2335 (1) To obtain an on-premise banquet license a person shall comply with Chapter 5, Part
2336 2, Retail Licensing Process.

2337 (2) (a) An on-premise banquet license expires on October 31 of each year.

2338 (b) To renew a person's on-premise banquet license, a person shall comply with the
2339 requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.

2340 (3) (a) The nonrefundable application fee for an on-premise banquet license is \$300.

2341 (b) (i) The initial license fee for an on-premise banquet license is \$750.

2342 (ii) The department shall prorate the \$750 initial license fee based on the number of
2343 months out of a year the on-premise banquet licensee is licensed before the day on which the
2344 on-premise banquet license expires.

2345 (c) The renewal fee for an on-premise banquet license is \$750.

2346 (4) The bond amount required for an on-premise banquet license is the penal sum of
2347 \$10,000.

2348 (5) Notwithstanding the other provisions of this part, if an applicant is a state agency or
2349 political subdivision of the state it is not required to:

2350 (a) pay an application fee, initial license fee, or renewal fee;

2351 (b) obtain the written consent of the local authority;

2352 (c) submit a copy of the applicant's current business license; or

2353 (d) post a bond as specified by Section 32B-5-204.

2354 (6) Notwithstanding Subsection 32B-5-303(3), the department may approve an
2355 additional location in or on the licensed premises of an on-premise banquet licensee from
2356 which the on-premise banquet licensee may store, sell, offer for sale, furnish, or allow the
2357 consumption of an alcoholic product that is not included in its original application only:

2358 (a) upon proper application by an on-premise banquet licensee; and

2359 (b) in accordance with guidelines approved by the commission.

2360 Section 29. Section 32B-6-605 is amended to read:

2361 **32B-6-605. Specific operational requirements for on-premise banquet license.**

2362 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
2363 Requirements, an on-premise banquet licensee and staff of the on-premise banquet licensee
2364 shall comply with this section.

2365 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
2366 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2367 (i) an on-premise banquet licensee;

2368 (ii) individual staff of an on-premise banquet licensee; or

2369 (iii) both an on-premise banquet licensee and staff of the on-premise banquet licensee.

2370 (2) An on-premise banquet licensee shall comply with Subsections 32B-5-301(4) and
2371 (5) for the entire premises of the hotel, resort facility, sports center, convention center,
2372 performing arts facility, arena, or restaurant venue that is the basis for the on-premise banquet
2373 license.

2374 (3) (a) For the purpose described in Subsection (3)(b), an on-premise banquet licensee
2375 shall provide the department with advance notice of a scheduled banquet in accordance with
2376 rules made by the commission.

2377 (b) Any of the following may conduct a random inspection of a banquet:

2378 (i) an authorized representative of the commission or the department; or

2379 (ii) a law enforcement officer.

2380 (4) (a) An on-premise banquet licensee is not subject to Subsection 32B-5-302(1), but
2381 shall make and maintain the records described in Subsection 32B-5-302(2) and the records the
2382 commission or department requires.

2383 (b) Section 32B-1-205 applies to a record required to be made or maintained in

2384 accordance with this Subsection (4).

2385 (5) (a) Except as otherwise provided in this title, an on-premise banquet licensee may
2386 sell, offer for sale, or furnish an alcoholic product at a banquet only for consumption at the
2387 location of the banquet.

2388 (b) [~~Except as provided in Subsection 32B-5-307(4),~~] Notwithstanding Section
2389 32B-5-307 and except as otherwise provided in this title:

2390 (i) [~~a host of a banquet, a patron, or~~] a person at a banquet other than the on-premise
2391 banquet licensee or staff of the on-premise banquet licensee, may not remove an alcoholic
2392 product from the premises of the banquet[-]; and

2393 [~~(c) Notwithstanding Subsections 32B-5-307(3) and (5) and except as provided in~~
2394 ~~Subsection 32B-5-307(4),~~]

2395 (ii) a patron at a banquet may not bring an alcoholic product into or onto[-~~or remove~~
2396 ~~an alcoholic product from,~~] the premises of [~~a~~] the banquet.

2397 (6) (a) An on-premise banquet licensee may not leave an unsold alcoholic product at
2398 the banquet following the conclusion of the banquet.

2399 (b) At the conclusion of a banquet, an on-premise banquet licensee shall:

2400 (i) destroy an opened and unused alcoholic product that is not saleable, under
2401 conditions established by the department; and

2402 (ii) return to the on-premise banquet licensee's approved locked storage area any:

2403 (A) opened and unused alcoholic product that is saleable; and

2404 (B) unopened container of an alcoholic product.

2405 (c) Except as provided in Subsection (6)(b) with regard to an open or sealed container
2406 of an alcoholic product not sold or consumed at a banquet, an on-premise banquet licensee:

2407 (i) shall store the alcoholic product in the on-premise banquet licensee's approved
2408 locked storage area; and

2409 (ii) may use the alcoholic product at more than one banquet.

2410 (7) Notwithstanding Section 32B-5-308, an on-premise banquet licensee may not
2411 employ a minor to sell, furnish, or dispense an alcoholic product in connection with the
2412 on-premise banquet licensee's banquet and room service activities.

2413 (8) An on-premise banquet licensee:

2414 (a) may provide room service in portions described in Section 32B-5-304;

2415 (b) may not sell, offer for sale, or furnish an alcoholic product at a banquet or in
2416 connection with room service any day during a period that:

2417 (i) begins at 1 a.m.; and

2418 (ii) ends at 9:59 a.m.; and

2419 (c) notwithstanding Section 32B-5-305, may provide as room service one alcoholic
2420 product free of charge per guest reservation, per guest room, if the alcoholic product:

2421 (i) is not a spirituous liquor; and

2422 (ii) is in an unopened container not to exceed 750 milliliters.

2423 (9) (a) Subject to the other provisions of this Subsection (9), a patron may not have
2424 more than two alcoholic products of any kind at a time before the patron.

2425 (b) A patron may not have more than one spirituous liquor drink at a time before the
2426 patron.

2427 (c) An individual portion of wine is considered to be one alcoholic product under
2428 Subsection (9)(a).

2429 (10) (a) An on-premise banquet licensee shall supervise and direct a person involved in
2430 the sale, offer for sale, or furnishing of an alcoholic product.

2431 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product
2432 shall complete an alcohol training and education seminar.

2433 (11) A staff person of an on-premise banquet licensee shall remain at the banquet at all
2434 times when an alcoholic product is sold, offered for sale, furnished, or consumed at the
2435 banquet.

2436 (12) (a) Room service of an alcoholic product to a guest room or privately owned
2437 dwelling unit of a hotel or resort facility shall be provided in person by staff of an on-premise
2438 banquet licensee only to an adult guest in the guest room or privately owned dwelling unit.

2439 (b) An alcoholic product may not be left outside a guest room or privately owned
2440 dwelling unit for retrieval by a guest or resident.

2441 (13) An on-premise banquet licensee may not maintain a minibar.

2442 Section 30. Section 32B-6-702 is amended to read:

2443 **32B-6-702. Definitions.**

2444 As used in this part:

2445 (1) "Commission-approved activity" means a leisure activity that:

- 2446 (a) the commission approves by rule made in accordance with Title 63G, Chapter 3,
- 2447 Utah Administrative Rulemaking Act; and
- 2448 (b) does not involve the use of a dangerous weapon.
- 2449 (2) (a) "Recreational amenity" means:
- 2450 (i) a billiard parlor;
- 2451 (ii) a pool parlor;
- 2452 (iii) a bowling facility;
- 2453 (iv) a golf course;
- 2454 (v) miniature golf;
- 2455 (vi) a golf driving range;
- 2456 (vii) a tennis club;
- 2457 (viii) a sports facility that hosts professional sporting events and has a seating capacity
- 2458 equal to or greater than [~~6,500~~] 3,000;
- 2459 (ix) a concert venue that has a seating capacity equal to or greater than [~~6,500~~] 3,000;
- 2460 (x) one of the following if owned by a government agency:
- 2461 (A) a convention center;
- 2462 (B) a fair facility;
- 2463 (C) an equestrian park;
- 2464 (D) a theater; or
- 2465 (E) a concert venue;
- 2466 (xi) an amusement park:
- 2467 (A) with one or more permanent amusement rides; and
- 2468 (B) located on at least 50 acres;
- 2469 (xii) a ski resort;
- 2470 (xiii) a venue for live entertainment if the venue:
- 2471 (A) is not regularly open for more than five hours on any day;
- 2472 (B) is operated so that food is available whenever beer is sold, offered for sale, or
- 2473 furnished at the venue; and
- 2474 (C) is operated so that no more than 15% of its total annual receipts are from the sale
- 2475 of beer;
- 2476 (xiv) concessions operated within the boundary of a park administered by the:

2477 (A) Division of State Parks; or
2478 (B) National Parks Service;
2479 (xv) a facility or venue that is a recreational amenity for a person licensed under this
2480 part before May 12, 2020;

2481 (xvi) a venue for karaoke; or
2482 (xvii) an enterprise developed around a commission-approved activity.

2483 (b) "Recreational amenity" does not include an item described in Subsection (2)(a), if
2484 the item is tangential to an enterprise or activity that is not included in Subsection (2)(a).

2485 Section 31. Section **32B-6-705** is amended to read:

2486 **32B-6-705. Specific licensing requirements for on-premise beer retailer license.**

2487 (1) To obtain an on-premise beer retailer license a person shall comply with Chapter 5,
2488 Part 2, Retail Licensing Process, except that an on-premise beer retailer is required to carry
2489 dramshop insurance coverage in accordance with Section **32B-5-201** only if the on-premise
2490 beer retailer sells more than \$5,000 of beer annually.

2491 (2) (a) An on-premise beer retailer license expires on the last day of February each
2492 year.

2493 (b) To renew a person's on-premise beer retailer license, a person shall comply with the
2494 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than January
2495 31.

2496 (3) (a) The nonrefundable application fee for an on-premise beer retailer license is
2497 \$300.

2498 (b) (i) (A) The initial license fee for an on-premise beer retailer license that is not a
2499 tavern is \$300.

2500 (B) The department shall prorate the \$300 initial license fee based on the number of
2501 months out of a year the on-premise beer retailer licensee is licensed before the day on which
2502 the on-premise beer retailer license expires.

2503 (ii) (A) The initial license fee for an on-premise beer retailer license that is a tavern is
2504 \$1,500.

2505 (B) The department shall prorate the \$1,500 initial license fee based on the number of
2506 months out of a year the on-premise beer retailer license is licensed before the day on which the
2507 on-premise beer retailer license expires.

2508 (c) (i) The renewal fee for an on-premise beer retailer license that is not a tavern is
2509 \$350.

2510 (ii) The renewal fee for an on-premise beer retailer license that is a tavern is \$1,250.

2511 (4) The bond amount required for an on-premise beer retailer license is the penal sum
2512 of \$5,000.

2513 (5) Notwithstanding the other provisions of this part, if an applicant is a state agency or
2514 political subdivision of the state it is not required to:

2515 (a) pay an application fee, initial license fee, or renewal fee;

2516 (b) obtain the written consent of the local authority;

2517 (c) submit a copy of the applicant's current business license; or

2518 (d) post a bond as specified by Section 32B-5-204.

2519 Section 32. Section 32B-6-706 is amended to read:

2520 **32B-6-706. Specific operational requirements for on-premise beer retailer license.**

2521 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
2522 Requirements, an on-premise beer retailer and staff of the on-premise beer retailer shall comply
2523 with this section.

2524 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
2525 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2526 (i) an on-premise beer retailer;

2527 (ii) individual staff of an on-premise beer retailer; or

2528 (iii) both an on-premise beer retailer and staff of the on-premise beer retailer.

2529 (2) (a) An on-premise beer retailer is not subject to Subsection 32B-5-302(1), but shall
2530 make and maintain the records described in Subsection 32B-5-302(2) and the records the
2531 department requires.

2532 (b) Section 32B-1-205 applies to a record required to be made or maintained in
2533 accordance with this Subsection (2).

2534 (3) Notwithstanding Section 32B-5-303, an on-premise beer retailer may not store or
2535 sell liquor on its licensed premises.

2536 (4) (a) An on-premise beer retailer may not sell, offer for sale, or furnish beer at the
2537 on-premise beer retailer's licensed premises during a period that:

2538 (i) begins at 1 a.m.; and

2539 (ii) ends at 9:59 a.m.

2540 (b) (i) Notwithstanding Subsection (4)(a), a tavern shall remain open for one hour after
2541 the tavern ceases the sale and furnishing of beer during which time a patron of the tavern may
2542 finish consuming a single serving of beer not exceeding 26 ounces.

2543 (ii) A tavern is not required to remain open:

2544 (A) after all patrons have vacated the premises; or

2545 (B) during an emergency.

2546 (5) Notwithstanding Section 32B-5-308, a minor may not be on the premises of a
2547 tavern.

2548 (6) (a) (i) An on-premise beer retailer may not purchase, acquire, possess for the
2549 purpose of resale, or sell beer except beer that the on-premise beer retailer lawfully purchases
2550 from:

2551 (A) a beer wholesaler licensee; or

2552 (B) a small brewer that manufactures the beer.

2553 (ii) Violation of Subsection (6)(a)(i) is a class A misdemeanor.

2554 (b) (i) If an on-premise beer retailer purchases beer under this Subsection (6) from a
2555 beer wholesaler licensee, the on-premise beer retailer shall purchase beer only from a beer
2556 wholesaler licensee who is designated by the manufacturer to sell beer in the geographical area
2557 in which the on-premise beer retailer is located, unless an alternate wholesaler is authorized by
2558 the department to sell to the on-premise beer retailer as provided in Section 32B-13-301.

2559 (ii) Violation of Subsection (6)(b)(i) is a class B misdemeanor.

2560 (7) A tavern shall comply with Section 32B-1-407.

2561 (8) An on-premise beer retailer that is not a tavern and owns or operates a recreational
2562 amenity that is a golf course, may dispense or serve beer from a mobile dispensing unit while
2563 the mobile dispensing unit is located in one or more designated areas.

2564 Section 33. Section 32B-6-804 is amended to read:

2565 **32B-6-804. Specific licensing requirements for reception center license.**

2566 (1) To obtain a reception center license a person shall comply with Chapter 5, Part 2,
2567 Retail Licensing Process.

2568 (2) (a) A reception center license expires on October 31 of each year.

2569 (b) To renew a person's reception center license, a person shall comply with the

2570 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
2571 September 30.

2572 (3) (a) The nonrefundable application fee for a reception center license is \$300.

2573 (b) (i) The initial license fee for a reception center license is \$750.

2574 (ii) The department shall prorate the \$750 initial license fee based on the number of
2575 months out of a year the reception center licensee is licensed before the day on which the
2576 reception center license expires.

2577 (c) The renewal fee for a reception center license is \$750.

2578 (4) The bond amount required for a reception center license is the penal sum of
2579 \$10,000.

2580 Section 34. Section **32B-6-902** is amended to read:

2581 **32B-6-902. Definitions.**

2582 (1) As used in this part:

2583 (a) (i) "Dining area" means an area in the licensed premises of a beer-only restaurant
2584 licensee that is primarily used for the service and consumption of food by one or more patrons.

2585 (ii) "Dining area" does not include a dispensing area.

2586 (b) (i) "Dispensing area" means an area in the licensed premises of a beer-only
2587 restaurant licensee where a dispensing structure is located and that:

2588 (A) is physically separated from the dining area and any waiting area by a structure or
2589 other barrier that prevents a patron seated in the dining area or a waiting area from viewing the
2590 dispensing of beer;

2591 (B) except as provided in Subsection (1)(b)(ii), measures at least 10 feet from the
2592 dining area and any waiting area to the nearest edge of the dispensing structure; or

2593 (C) is physically separated from the dining area and any waiting area by a permanent
2594 physical structure that complies with the provisions of Title 15A, State Construction and Fire
2595 Codes Act, and, to the extent allowed under Title 15A, State Construction and Fire Codes Act,
2596 measures at least 42 inches high, and at least 60 inches from the inside edge of the barrier to
2597 the nearest edge of the dispensing structure.

2598 (ii) "Dispensing area" does not include any area described in Subsection (1)(b)(i)(B)
2599 that is less than 10 feet from an area where beer is dispensed, but from which a patron seated at
2600 a table or counter cannot view the dispensing of beer.

2601 (c) "Small beer-only restaurant licensee" means a beer-only restaurant licensee [~~that~~
2602 ~~has a grandfathered bar structure~~] whose dispensing area includes more than 45% of the
2603 available seating for patrons on the licensed premises, excluding outdoor seating:

- 2604 (i) when measured in accordance with Subsection (1)(b)(i)(B); and
2605 (ii) based on the licensee's floor plan on file with the department on July 1, 2017.
2606 (d) "Waiting area" includes a lobby.

2607 Section 35. Section **32B-6-904** is amended to read:

2608 **32B-6-904. Specific licensing requirements for beer-only restaurant license.**

2609 (1) To obtain a beer-only restaurant license a person shall comply with Chapter 5, Part
2610 2, Retail Licensing Process.

2611 (2) (a) A beer-only restaurant license expires the last day of February of each year.

2612 (b) To renew a person's beer-only restaurant license, a person shall comply with the
2613 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than January
2614 31.

2615 (3) (a) The nonrefundable application fee for a beer-only restaurant license is \$330.

2616 (b) (i) The initial license fee for a beer-only restaurant license is \$825.

2617 (ii) The department shall prorate the \$825 initial license fee based on the number of
2618 months out of a year the beer-only restaurant licensee is licensed before the day on which the
2619 beer-only license expires.

2620 (c) The renewal fee for a beer-only restaurant license is \$605.

2621 (4) The bond amount required for a beer-only restaurant license is the penal sum of
2622 \$5,000.

2623 Section 36. Section **32B-6-1004** is amended to read:

2624 **32B-6-1004. Specific licensing requirements for a hospitality amenity license.**

2625 (1) To obtain a hospitality amenity license a person shall comply with Chapter 5, Part
2626 2, Retail Licensing Process.

2627 (2) (a) A hospitality amenity license expires on October 31 of each year.

2628 (b) To renew a person's hospitality amenity license, a person shall comply with the
2629 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
2630 September 30.

2631 (3) (a) The nonrefundable application fee for a hospitality amenity license is \$330.

2632 (b) (i) The initial license fee for a hospitality amenity license is \$2,000.
2633 (ii) The department shall prorate the \$2,000 initial license fee based on the number of
2634 months out of a year the hospitality amenity licensee is licensed before the day on which the
2635 hospitality amenity license expires.

2636 (c) The renewal fee for a hospitality amenity license is \$1,000.

2637 (4) The bond amount required for a hospitality amenity license is the penal sum of
2638 \$10,000.

2639 (5) Notwithstanding Subsection 32B-5-303(3), the commission may approve an
2640 additional location in or on the licensed premises of a hospitality amenity licensee from which
2641 the hospitality amenity licensee may store, sell, offer for sale, furnish, or allow the
2642 consumption of an alcoholic product that is not included in the person's original application
2643 only:

2644 (a) upon proper application by a hospitality amenity licensee; and

2645 (b) in accordance with guidelines the commission approves.

2646 Section 37. Section 32B-7-202 is amended to read:

2647 **32B-7-202. General operational requirements for off-premise beer retailer.**

2648 (1) (a) An off-premise beer retailer or staff of the off-premise beer retailer shall comply
2649 with the provisions of this title and any applicable rules made by the commission.

2650 (b) Failure to comply with this section may result in a suspension or revocation of a
2651 local license and, on or after July 1, 2018, disciplinary action in accordance with Chapter 3,
2652 Disciplinary Actions and Enforcement Act.

2653 (2) (a) (i) An off-premise beer retailer may not purchase, acquire, possess for the
2654 purpose of resale, or sell beer, except beer that the off-premise beer retailer lawfully purchases
2655 from:

2656 (A) a beer wholesaler licensee; or

2657 (B) a small brewer that manufactures the beer.

2658 (ii) A violation of Subsection (2)(a) is a class A misdemeanor.

2659 (b) (i) If an off-premise beer retailer purchases beer under this Subsection (2) from a
2660 beer wholesaler licensee, the off-premise beer retailer shall purchase beer only from a beer
2661 wholesaler licensee who is designated by the manufacturer to sell beer in the geographical area
2662 in which the off-premise beer retailer is located, unless an alternate wholesaler is authorized by

- 2663 the department to sell to the off-premise beer retailer as provided in Section 32B-13-301.
- 2664 (ii) A violation of Subsection (2)(b) is a class B misdemeanor.
- 2665 (3) An off-premise beer retailer may not possess, sell, offer for sale, or furnish beer in a
2666 container larger than two liters.
- 2667 (4) (a) Staff of an off-premise beer retailer, while on duty, may not:
- 2668 (i) consume an alcoholic product; or
- 2669 (ii) be intoxicated.
- 2670 (b) A minor may not sell beer on the licensed premises of an off-premise beer retailer
2671 unless:
- 2672 (i) the sale is done under the supervision of a person 21 years old or older who is on the
2673 licensed premises; and
- 2674 (ii) the minor is at least 16 years old.
- 2675 (5) An off-premise beer retailer may not sell, offer for sale, or furnish an alcoholic
2676 product to:
- 2677 (a) a minor;
- 2678 (b) a person actually, apparently, or obviously intoxicated;
- 2679 (c) a known interdicted person; or
- 2680 (d) a known habitual drunkard.
- 2681 (6) (a) Subject to the other provisions of this Subsection (6), an off-premise beer
2682 retailer shall:
- 2683 (i) display all beer accessible by and visible to a patron in no more than two locations
2684 on the retail sales floor, each of which is:
- 2685 (A) a display cabinet, cooler, aisle, floor display, or room where beer is the only
2686 beverage displayed; and
- 2687 (B) not adjacent to a display of nonalcoholic beverages, unless the location is a cooler
2688 with a door from which the nonalcoholic beverages are not accessible, or the beer is separated
2689 from the display of nonalcoholic beverages by a display of one or more nonbeverage products
2690 or another physical divider; and
- 2691 (ii) display a sign in the area described in Subsection (6)(a)(i) that:
- 2692 (A) is prominent;
- 2693 (B) is easily readable by a consumer;

2694 (C) meets the requirements for format established by the commission by rule; and
2695 (D) reads in print that is no smaller than .5 inches, bold type, "These beverages contain
2696 alcohol. Please read the label carefully."

2697 (b) Notwithstanding Subsection (6)(a), a nonalcoholic beer may be displayed with beer
2698 if the nonalcoholic beer is labeled, packaged, or advertised as a nonalcoholic beer.

2699 (c) The requirements of this Subsection (6) apply to beer notwithstanding that it is
2700 labeled, packaged, or advertised as:

- 2701 (i) a malt cooler; or
- 2702 (ii) a beverage that may provide energy.

2703 (d) A violation of this Subsection (6) is an infraction.

2704 (e) (i) Except as provided in Subsection (6)(e)(ii), the provisions of Subsection (6)(a)(i)
2705 apply on and after May 9, 2017.

2706 (ii) For a beer retailer that operates two or more off-premise beer retailers, the
2707 provisions of Subsection (6)(a)(i) apply on and after August 1, 2017.

2708 (7) (a) Staff of an off-premise beer retailer who directly supervises the sale of beer or
2709 who sells beer to a patron for consumption off the premises of the off-premise beer retailer
2710 shall wear a unique identification badge:

- 2711 (i) on the front of the staff's clothing;
- 2712 (ii) visible above the waist;
- 2713 (iii) bearing the staff's:

2714 (A) first or last name;

2715 (B) initials; or

2716 (C) unique identification in letters or numbers; and

2717 (iv) with the number or letters on the unique identification badge being sufficiently
2718 large to be clearly visible and identifiable while engaging in or directly supervising the retail
2719 sale of beer.

2720 (b) An off-premise beer retailer shall make and maintain a record of each current staff's
2721 unique identification badge assigned by the off-premise beer retailer that includes the staff's:

2722 (i) full name;

2723 (ii) address; and

2724 (iii) (A) driver license number; or

2725 (B) similar identification number.

2726 (c) An off-premise beer retailer shall make available a record required to be made or
2727 maintained under this Subsection (7) for immediate inspection by:

2728 (i) a peace officer;

2729 (ii) a representative of the local authority that issues the off-premise beer retailer
2730 license; or

2731 (iii) for an off-premise beer retailer state license, a representative of the commission or
2732 department.

2733 (d) A local authority may impose a fine of up to \$250 against an off-premise beer
2734 retailer that does not comply or require its staff to comply with this Subsection (7).

2735 (8) (a) An off-premise beer retailer may sell, offer for sale, or furnish beer through a
2736 drive through window.

2737 (b) Subsection (8)(a) does not modify the display limitations and requirements
2738 described in Subsection (6).

2739 (9) An off-premise beer retailer may not on the licensed premises:

2740 (a) engage in or permit any form of:

2741 (i) gambling, as defined in Section 76-10-1101; or

2742 (ii) fringe gambling, as defined in Section 76-10-1101;

2743 (b) have any fringe gaming device, video gaming device, or gambling device or record
2744 as defined in Section 76-10-1101; or

2745 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires
2746 the risking of something of value for a return or for an outcome when the return or outcome is
2747 based upon an element of chance, excluding the playing of an amusement device that confers
2748 only an immediate and unrecorded right of replay not exchangeable for value.

2749 (10) An off-premise beer retailer may not knowingly allow a person on the licensed
2750 premises to, in violation of Title 58, Chapter 37, Utah Controlled Substances Act, or Chapter
2751 37a, Utah Drug Paraphernalia Act:

2752 (a) sell, distribute, possess, or use a controlled substance, as defined in Section
2753 58-37-2; or

2754 (b) use, deliver, or possess, with the intent to deliver, drug paraphernalia, as defined in
2755 Section 58-37a-3.

2756 (11) An off-premise beer retailer may not sell, offer for sale, or furnish a beer that is
2757 intended to be frozen and consumed in a manner other than as a beverage, including beer in the
2758 form of a freeze pop, popsicle, ice cream, or sorbet.

2759 Section 38. Section **32B-8b-102** is amended to read:

2760 **32B-8b-102. Definitions.**

2761 As used in this chapter:

2762 (1) "Boundary of a hotel" means the physical boundary of one or more contiguous
2763 parcels of real property owned or managed by the same person and on which a hotel is located.

2764 (2) "Designated conveyance area" means route within a hotel:

2765 (a) that connects one or more of the following:

2766 (i) the premises of a sublicensed bar;

2767 (ii) the premises of a sublicensed hospitality amenity area;

2768 (iii) a sublicensed banquet premises; or

2769 (iv) a guest's room;

2770 (b) does not begin, end, or pass through a pool area or other recreation area, a
2771 designated business center, or a sublicensed premises not described in Subsection (2)(a).

2772 [~~2~~] (3) "Hotel" means one or more buildings that:

2773 (a) comprise a hotel, as defined by the commission;

2774 (b) are owned or managed by the same person or by a person who has a majority
2775 interest in or can direct or exercise control over the management or policy of the person who
2776 owns or manages any other building under the hotel license within the boundary of the hotel;

2777 (c) primarily operate to provide lodging accommodations;

2778 (d) have on-premise banquet space and provide on-premise banquet service within the
2779 boundary of the hotel meeting the requirements of this title;

2780 (e) have a restaurant or bar establishment within the boundary of the hotel meeting the
2781 requirements of this title; and

2782 (f) have at least 40 rooms as temporary sleeping accommodations for compensation.

2783 Section 39. Section **32B-8b-201** is amended to read:

2784 **32B-8b-201. Commission's power to issue a hotel license.**

2785 (1) Before a person as a hotel under a single license may store, sell, offer for sale,
2786 furnish, or allow the consumption of an alcoholic product on sublicense premises, the person

2787 shall first obtain a hotel license from the commission in accordance with this part.

2788 (2) (a) The commission may issue to a person a hotel license to allow the storage, sale,
2789 offer for sale, furnishing, and consumption of an alcoholic product in connection with a hotel
2790 designated in the hotel license if the person operates at least three sublicenses under the hotel
2791 license:

2792 (i) one of which is an on-premise banquet license; and

2793 (ii) one of which is:

2794 (A) a full-service restaurant sublicense;

2795 (B) a limited-service restaurant sublicense;

2796 (C) a beer-only restaurant sublicense; or

2797 (D) a bar establishment sublicense.

2798 (b) A hotel license shall:

2799 (i) consist of:

2800 (A) a general hotel license; and

2801 (B) three or more sublicenses meeting the requirements of Subsection (2)(a); and

2802 (ii) designate the boundary of the hotel [~~and~~], sublicenses[~~;~~], and each designated
2803 conveyance area.

2804 (c) This chapter does not prohibit an alcoholic product on the boundary of the hotel to
2805 the extent otherwise permitted by this title.

2806 (3) The commission may not issue a total number of hotel licenses that at any time
2807 totals more than 80.

2808 Section 40. Section **32B-8b-202** is amended to read:

2809 **32B-8b-202. Specific licensing requirements for hotel license.**

2810 (1) To obtain a hotel license, in addition to complying with Chapter 5, Part 2, Retail
2811 Licensing Process, a person shall submit with the person's written application:

2812 (a) evidence:

2813 (i) of proximity of each building under the hotel license to any community location;

2814 (ii) that each proposed sublicensed premises is entirely within the boundary of the
2815 hotel; and

2816 (iii) that each building designated in the application as a building under the hotel
2817 license qualifies to be under the hotel license; [~~and~~]

- 2818 (b) a description and boundary map of the hotel[-];
- 2819 (c) a description, floor plan, and boundary map of each proposed designated
- 2820 conveyance area; and
- 2821 (d) a signed consent form stating that the hotel licensee will permit any authorized
- 2822 representative of the commission or department, or any law enforcement officer, to have an
- 2823 unrestricted right to enter any proposed designated conveyance area.
- 2824 (2) (a) A hotel license expires on October 31 of each year.
- 2825 (b) To renew a person's hotel license, the person shall comply with the requirements of
- 2826 Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.
- 2827 (3) (a) The nonrefundable application fee for a hotel license is \$500.
- 2828 (b) The initial license fee for a hotel license is calculated as follows:
- 2829 (i) if three sublicenses are being applied for under the hotel license, \$5,000; or
- 2830 (ii) if more than three sublicenses are being applied for under the hotel license, the sum
- 2831 of:
- 2832 (A) \$5,000; and
- 2833 (B) \$2,000 for each sublicense in excess of three sublicenses for which the person is
- 2834 applying.
- 2835 (c) The renewal fee for a hotel license is \$1,000 for each sublicense under the hotel
- 2836 license.
- 2837 (4) (a) The bond amount required for a hotel license is the penal sum of \$10,000,
- 2838 covering each sublicense and each conveyance area under the hotel license.
- 2839 (b) A hotel licensee is not required to have a separate bond for each sublicense~~[-except~~
- 2840 ~~that the aggregate of the bonds posted by the hotel licensee shall cover each sublicense under~~
- 2841 ~~the hotel license]~~ or each designated conveyance area.
- 2842 (5) The commission may not issue a hotel license that includes a building under the
- 2843 hotel license that does not meet the proximity requirements of Section 32B-1-202.
- 2844 (6) In accordance with Subsection 32B-8d-103(4), a hotel licensee may request to add a
- 2845 sublicense after the commission issues the hotel licensee's hotel license.
- 2846 (7) (a) A hotel licensee may request to add a designated conveyance area after the
- 2847 commission issues the hotel licensee's hotel license.
- 2848 (b) If a hotel licensee seeks to add a designated conveyance area under Subsection

2849 (7)(a), the hotel licensee shall submit to the department:

2850 (i) the information and evidence described in Subsections (1)(a)(iii), (1)(c), and (1)(d);

2851 and

2852 (ii) if the hotel licensee is an entity, proper verification evidencing that the person who

2853 signs the submission is authorized to sign on behalf of the entity.

2854 Section 41. Section **32B-8b-301** is amended to read:

2855 **32B-8b-301. Specific operational requirements for hotel license.**

2856 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational

2857 Requirements, a hotel licensee, staff of the hotel licensee, and a sublicensee or person

2858 otherwise operating under a sublicense shall comply with this section.

2859 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action

2860 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2861 (i) the hotel licensee;

2862 (ii) individual staff of the hotel licensee;

2863 (iii) a sublicensee or person otherwise operating under a sublicense of the hotel

2864 licensee;

2865 (iv) individual staff of a sublicensee or person otherwise operating under a sublicense

2866 of the hotel licensee; or

2867 (v) any combination of the persons listed in this Subsection (1)(b).

2868 (2) (a) A hotel licensee may not sell, offer for sale, or furnish an alcoholic product

2869 except:

2870 (i) on sublicensed premises;

2871 (ii) ~~pursuant to~~ under a permit issued under this title;

2872 (iii) under a package agency agreement with the department, subject to Chapter 2, Part

2873 6, Package Agency; or

2874 (iv) through room service.

2875 (b) A hotel licensee who sells, offers for sale, or furnishes an alcoholic product as

2876 provided in Subsection (2)(a) shall sell, offer for sale, or furnish the alcoholic product:

2877 (i) if on sublicensed premises, in accordance with the operational requirements

2878 described in Section [32B-8d-104](#);

2879 (ii) if under a permit issued under this title, in accordance with the operational

2880 requirements under the provisions applicable to the permit;

2881 (iii) if as a package agency, in accordance with the contract with the department and
2882 Chapter 2, Part 6, Package Agency; and

2883 (iv) if through room service, in accordance with Subsection ~~[(4)]~~ (5).

2884 (c) Notwithstanding the other provisions of this Subsection (2) and except as provided
2885 in Section 32B-8d-104, a hotel licensee may not permit a patron to carry an alcoholic product
2886 off the premises of a sublicense in violation of Section 32B-5-307 ~~[or]~~, off an area designated
2887 under a permit, or off a designated conveyance area.

2888 (3) A hotel licensee shall supervise and direct a person involved in the sale, offer for
2889 sale, or furnishing of an alcoholic product under a hotel license.

2890 (4) (a) A hotel licensee shall:

2891 (i) in accordance with commission rule, establish and maintain signage that clearly
2892 identifies each designated conveyance area and conspicuously states that a patron may not take
2893 an alcoholic beverage beyond the designated conveyance area except as otherwise provided in
2894 this chapter;

2895 (ii) ensure that an alcoholic beverage is not left unattended in a designated conveyance
2896 area; and

2897 (iii) ensure that each patron complies with the requirements of Subsection
2898 32B-8b-104(5)(b)(ii).

2899 (b) In accordance with Subsection (2), a hotel licensee may not sell, offer for sale, or
2900 furnish an alcoholic product in a designated conveyance area.

2901 ~~[(4)]~~ (5) (a) ~~[Room]~~ Staff of the hotel licensee shall provide room service of an
2902 alcoholic product to a lodging accommodation of a hotel licensee [shall be provided] in person
2903 [by staff of the hotel licensee] only to an adult occupant in the lodging accommodation.

2904 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval
2905 by an occupant.

2906 ~~[(5)]~~ (6) A hotel licensee shall operate in a manner so that at least 70% of the annual
2907 aggregate of the gross receipts related to the sale of food or beverages for the hotel license and
2908 each of the hotel license's sublicenses is from the sale of food, not including:

2909 (a) mix for an alcoholic product; and

2910 (b) a charge in connection with the service of an alcoholic product.

2911 Section 42. Section **32B-8d-104** is amended to read:

2912 **32B-8d-104. General operational requirements for a sublicense.**

2913 (1) Except as provided in Subsections (2) through ~~[(3)]~~ (5), a person operating under a
2914 sublicense is subject to the operational requirements under the provisions applicable to the
2915 sublicense.

2916 (2) Notwithstanding a requirement in the provisions applicable to the sublicense, a
2917 person operating under the sublicense is not subject to a requirement that a certain percentage
2918 of the gross receipts for the sublicense be from the sale of food, except to the extent that the
2919 gross receipts for the sublicense are included in calculating the percentages under Subsections
2920 [32B-8-401](#)(3), ~~[[32B-8b-301](#)(5)]~~ [32B-8b-301](#)(6), and [32B-8c-301](#)(3).

2921 (3) Notwithstanding ~~[Section [32B-5-307](#);~~] Sections [32B-5-307](#) and [32B-6-605](#), ~~[(a)]~~ a
2922 patron may transport beer between the sublicensed premises of an arena licensee's
2923 accompanying sublicenses, if the patron transports the beer from and to an area of each
2924 sublicensed premises:

2925 ~~[(i)]~~ (a) that is adjacent to the other; and

2926 ~~[(ii)]~~ (b) where the consumption of beer is permitted~~[-and]~~.

2927 ~~[(b)]~~ (4) Notwithstanding Section [32B-5-307](#), staff of a sublicensee or person
2928 otherwise operating under a sublicense of a hotel licensee or a resort licensee may transport an
2929 alcoholic beverage from and to sublicensed premises of the hotel license or resort license, if:

2930 ~~[(i)]~~ (a) the sublicensee is:

2931 ~~[(A)]~~ (i) a full-service restaurant sublicensee;

2932 ~~[(B)]~~ (ii) a limited-service restaurant sublicensee;

2933 ~~[(C)]~~ (iii) a bar establishment sublicensee;

2934 ~~[(D)]~~ (iv) a beer-only restaurant sublicensee; or

2935 ~~[(E)]~~ (v) an on-premise beer retailer sublicensee;

2936 ~~[(ii)]~~ (b) the individual staff carries the alcoholic beverage:

2937 ~~[(A)]~~ (i) from the sublicensed premises of a sublicensee described in Subsection

2938 ~~[(3)(b)(i)]~~ (4)(a);

2939 ~~[(B)]~~ (ii) briefly through an unlicensed area or briefly through sublicensed premises on
2940 which the type of alcoholic beverage that the individual staff carries is permitted; and

2941 ~~[(C)]~~ (iii) to the sublicensed premises of a sublicensee described in Subsection

2942 ~~[(3)(b)(i)]~~ (4)(a); and
2943 ~~[(iii)]~~ (c) the individual staff at all times stays within:
2944 ~~[(A)]~~ (i) the boundary of the hotel; or
2945 ~~[(B)]~~ (ii) the boundary of the resort building.
2946 ~~[(4)]~~ (5) (a) Notwithstanding Section [32B-5-307](#), [32B-6-605](#), or [32B-6-1005](#), a patron
2947 may transport an alcoholic beverage between any of the following locations, if the patron
2948 lawfully obtained the alcoholic beverage on the premises of a sublicensee described in
2949 Subsections (5)(a)(i) through (iv) and complies with Subsection (5)(b):
2950 (i) a bar establishment sublicensee's sublicensed premises;
2951 (ii) a hospitality amenity sublicensee's sublicensed premises;
2952 (iii) an on-premise banquet sublicensee's sublicensed premises; and
2953 (iv) a guest room.
2954 (b) A patron may transport an alcoholic beverage in accordance with Subsection (5)(a)
2955 only if:
2956 (i) the patron travels exclusively within a designated conveyance area; and
2957 (ii) the alcoholic beverage:
2958 (A) is not in the alcoholic beverage's original container; and
2959 (B) is in an opaque or solid color container that is readily identifiable as intended for
2960 use in a designated conveyance area.
2961 (6) Except as provided in Section [32B-8-502](#), for purposes of interpreting an
2962 operational requirement imposed by the provisions applicable to a sublicense:
2963 (a) a requirement imposed on a sublicensee or person operating under a sublicense
2964 applies to the principal licensee; and
2965 (b) a requirement imposed on staff of a sublicensee or person operating under a
2966 sublicense applies to staff of the principal licensee.
2967 Section 43. Section **32B-10-202** is amended to read:
2968 **32B-10-202. Application for special use permit -- Qualifications.**
2969 (1) To obtain a special use permit, a person shall submit to the department:
2970 (a) a written application in a form prescribed by the department;
2971 (b) a nonrefundable application fee, if required by the relevant part of this chapter
2972 applicable to the type of special use permit for which the person applies;

- 2973 (c) an initial permit fee:
- 2974 (i) if required by the relevant part of this chapter applicable to the type of special use
- 2975 permit for which the person applies; and
- 2976 (ii) that is refundable if a special use permit is not issued;
- 2977 (d) a one-time special use permit fee if required by a section of this chapter:
- 2978 (i) applicable to the type of special use permit for which the person applies; and
- 2979 (ii) that is refundable if a special use permit is not issued;
- 2980 (e) a statement of the purpose for which the person applies for the special use permit;
- 2981 (f) a description of the types of alcoholic product the person intends to use under
- 2982 authority of the special use permit;
- 2983 (g) written consent of the local authority;
- 2984 (h) if required, a bond as provided in Section [32B-10-205](#);
- 2985 (i) a floor plan of the immediate area within the premises in which the person proposes
- 2986 that an alcoholic product will be used, mixed, stored, sold, or consumed if required by the
- 2987 relevant part of this chapter applicable to the type of special use permit for which the person
- 2988 applies;
- 2989 (j) a signed consent form stating that the special use permittee will permit any
- 2990 authorized representative of the commission, department, or any other law enforcement officer
- 2991 to have unrestricted right to enter the special use permittee's premises;
- 2992 (k) if the person is an entity, proper verification evidencing that a person who signs the
- 2993 application is authorized to sign on behalf of the entity; and
- 2994 (l) any other information the commission or department may require.
- 2995 (2) (a) The commission may issue a special use permit only to a person who qualifies
- 2996 as follows:
- 2997 (i) the commission may issue a religious wine use permit to a religious organization;
- 2998 (ii) the commission may issue an industrial or manufacturing use permit to a person
- 2999 engaged in an industrial or manufacturing pursuit;
- 3000 (iii) the commission may issue a scientific or educational use permit to a person
- 3001 engaged in a scientific or educational pursuit; and
- 3002 (iv) the commission may issue a public service permit to:
- 3003 (A) an operator of an airline, railroad, or other public conveyance[-]; or

3004 (B) an entity with authorization from an international airport to establish and operate a
3005 hospitality room at the international airport.

3006 (b) The commission may not issue a special use permit to a person who is disqualified
3007 under Section [32B-1-304](#).

3008 (c) If a person to whom a special use permit is issued no longer possesses the
3009 qualifications required by this title for obtaining that special use permit, the commission may
3010 suspend or revoke that special use permit.

3011 Section 44. Section **32B-10-303** is amended to read:

3012 **32B-10-303. Specific application and renewal requirements for public service**
3013 **permit.**

3014 (1) To obtain a public service permit, in addition to complying with Section
3015 [32B-10-202](#), a person shall submit to the department:

3016 (a) a statement of the total of regularly numbered flights, trains, buses, boats, or other
3017 types of public conveyance for which the person plans to use the special use permit;

3018 (b) a floor plan of any room or facility in which the person plans to establish a
3019 hospitality room; and

3020 (c) evidence of proximity of a proposed hospitality room to:

3021 (i) the arrival and departure area used by a person traveling on the person's airline,
3022 railroad, bus, boat, or other public conveyance[-]; or

3023 (ii) if the applicant is a person described in Subsection [32B-10-202\(2\)\(a\)\(iv\)\(B\)](#), the
3024 arrival and departure area of another person's airline.

3025 (2) (a) The nonrefundable application fee for a public service permit is \$75.

3026 (b) The initial permit fee for a public service permit is \$250.

3027 (c) The bond amount required for a public service permittee is the penal sum of \$1,000.

3028 (3) (a) To renew a public service permit, a person shall comply with Section
3029 [32B-10-203](#).

3030 (b) The renewal fee for a public service permit is \$30 for each regularly numbered
3031 passenger airplane flight, passenger train, bus, boat, or any other regularly scheduled public
3032 conveyance upon which an alcoholic product is sold, offered for sale, or furnished.

3033 Section 45. Section **32B-10-304** is amended to read:

3034 **32B-10-304. Specific operational requirements for a public service permit.**

3035 (1) (a) In addition to complying with Section [32B-10-206](#), a public service permittee
 3036 and staff of the public service permittee shall comply with this section.

3037 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
 3038 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

3039 (i) a public service permittee;

3040 (ii) individual staff of a public service permittee; or

3041 (iii) both a public service permittee and staff of the public service permittee.

3042 (2) (a) A public service permittee described in Subsection [32B-10-202\(2\)\(a\)\(iv\)\(A\)](#)

3043 whose public conveyances operate on an interstate basis may do the following:

3044 (i) purchase an alcoholic product outside of the state;

3045 (ii) bring an alcoholic product purchased outside of the state into the state; and

3046 (iii) sell, offer for sale, and furnish an alcoholic product purchased outside of the state
 3047 to a passenger traveling on the public service permittee's public conveyance for consumption
 3048 while en route on the public conveyance.

3049 (b) A public service permittee described in Subsection [32B-10-202\(2\)\(a\)\(iv\)\(A\)](#) whose
 3050 public conveyance operates solely within the state~~[, to]~~:

3051 (i) may sell, offer for sale, or furnish an alcoholic product to a passenger traveling on
 3052 the public service permittee's public conveyance for consumption while en route on the public
 3053 conveyance~~[, shall purchase:]~~; and

3054 (ii) shall purchase:

3055 ~~[(i)]~~ (A) liquor from a state store or package agency; and

3056 ~~[(ii)]~~ (B) beer from a beer wholesaler licensee.

3057 (c) A public service permittee described in Subsection [32B-10-202\(2\)\(a\)\(iv\)\(B\)](#):

3058 (i) may sell, offer for sale, or furnish an alcoholic product to a patron at the public
 3059 service permittee's hospitality room; and

3060 (ii) shall purchase:

3061 (A) liquor from a state store or package agency; and

3062 (B) beer from a beer wholesaler licensee.

3063 (3) (a) A public service permittee may establish a hospitality room, if:

3064 (i) (A) the room is located within a depot, terminal, or similar facility adjacent to and
 3065 servicing the public service permittee's airline, railroad, bus, boat, or other public conveyance;

3066 or

3067 (B) the room is located within a terminal at an international airport and servicing
3068 another public service permittee's airline;

3069 (ii) the room is completely enclosed and the interior is not visible to the public;

3070 (iii) the sale, offer for sale, or furnishing of an alcoholic product is made only to a
3071 person:

3072 (A) then in transit using the public service permittee's airline, railroad, bus line, or
3073 other public conveyance or, for a public service permittee described in Subsection (2), another
3074 public service permittee's airline; and

3075 (B) holding a valid boarding pass or similar travel document issued by [~~the~~] a public
3076 service permittee; and

3077 (iv) (A) liquor is purchased from:

3078 (I) a state store; or

3079 (II) a package agency; and

3080 (B) beer is purchased from a beer wholesaler licensee.

3081 (b) (i) A public service permittee operating a hospitality room shall display in a
3082 prominent place in the hospitality room, a sign in large letters that consists of text in the
3083 following order:

3084 (A) a header that reads: "WARNING";

3085 (B) a warning statement that reads: "Drinking alcoholic beverages during pregnancy
3086 can cause birth defects and permanent brain damage for the child.";

3087 (C) a statement in smaller font that reads: "Call the Utah Department of Health at
3088 [insert most current toll-free number] with questions or for more information.";

3089 (D) a header that reads: "WARNING"; and

3090 (E) a warning statement that reads: "Driving under the influence of alcohol or drugs is
3091 a serious crime that is prosecuted aggressively in Utah."

3092 (ii) (A) The text described in Subsections (3)(b)(i)(A) through (C) shall be in a
3093 different font style than the text described in Subsections (3)(b)(i)(D) and (E).

3094 (B) The warning statements in the sign described in Subsection (3)(b)(i) shall be in the
3095 same font size.

3096 (iii) The Department of Health shall work with the commission and department to

3097 facilitate consistency in the format of a sign required under this section.

3098 (c) A hospitality room shall be operated in accordance with this chapter and rules
3099 adopted by the commission.

3100 Section 46. Section **32B-15-201** is amended to read:

3101 **32B-15-201. Liability for injuries and damage resulting from distribution of**
3102 **alcoholic products -- Prima facie evidence.**

3103 (1) (a) Except as provided in Subsections **32B-15-202**(2) and (3), a person described in
3104 Subsection (1)(b) is liable for:

3105 (i) any and all injury and damage, except punitive damages to:

3106 (A) a third person; or

3107 (B) the heir, as defined in Section **78B-3-105**, of the third person; or

3108 (ii) the death of a third person.

3109 (b) A person is liable under Subsection (1)(a) if:

3110 (i) the person directly gives, sells, or otherwise provides an alcoholic product:

3111 (A) to a person described in Subsection (1)(b)(ii); and

3112 (B) as part of the commercial sale, storage, service, manufacture, distribution, or
3113 consumption of an alcoholic product;

3114 (ii) those actions cause the intoxication of:

3115 (A) an individual under 21 years old;

3116 (B) an individual who is apparently under the influence of an alcoholic product or
3117 drug;

3118 (C) an individual whom the person furnishing the alcoholic product knew or should
3119 have known from the circumstances was under the influence of an alcoholic product or drug; or

3120 (D) an individual who is a known interdicted person; and

3121 (iii) the injury or death described in Subsection (1)(a) results from the intoxication of
3122 the individual who is provided the alcoholic product.

3123 (c) It is prima facie evidence that a person is liable under Subsection (1)(a) for an
3124 injury or death that results from the intoxication of an individual described in Subsection
3125 (1)(b)(ii)(B) or (C) if:

3126 (i) the person directly gives, sells, or otherwise provides the individual the last
3127 alcoholic product the individual consumes before the injury or death described in Subsection

- 3128 (1)(b)(iii);
3129 (ii) the individual consumes the alcoholic product at the location where the person
3130 directly gives, sells, or otherwise provides the individual the alcoholic product;
3131 (iii) the injury or death occurs within 30 minutes after the time at which the individual
3132 leaves, and within a 10 mile radius of, the location where the person gives, sells, or otherwise
3133 provides the individual the alcoholic product; and
3134 (iv) the individual is charged with [~~a criminal violation of Section 41-6a-502 for~~
3135 ~~driving under the influence of an alcoholic product in relation to the injury or death~~] an offense
3136 described in Subsection 41-6a-501(2)(a).

3137 (2) (a) A person 21 years old or older who is described in Subsection (2)(b) is liable
3138 for:

- 3139 (i) any and all injury and damage, except punitive damages to:
3140 (A) a third person; or
3141 (B) the heir, as defined in Section 78B-3-105, of the third person; or
3142 (ii) the death of the third person.
3143 (b) A person is liable under Subsection (2)(a) if:
3144 (i) the person directly gives or otherwise provides an alcoholic product to an individual
3145 who the person knows or should have known is under 21 years old;
3146 (ii) those actions caused the intoxication of the individual provided the alcoholic
3147 product;
3148 (iii) the injury or death described in Subsection (2)(a) results from the intoxication of
3149 the individual who is provided the alcoholic product; and
3150 (iv) the person is not liable under Subsection (1), because the person did not directly
3151 give or provide the alcoholic product as part of the commercial sale, storage, service,
3152 manufacture, distribution, or consumption of an alcoholic product.

3153 (3) This section does not apply to a business licensed in accordance with Chapter 7,
3154 Off-Premise Beer Retailer Act, to sell beer at retail only for off-premise consumption.

3155 Section 47. Section 41-6a-531 is enacted to read:

3156 **41-6a-531. Access to DUI investigative reports.**

3157 (1) As used in this section:

3158 (a) "Agent" means a person's attorney that has been formally engaged.

3159 (b) "DUI investigative report" means all materials that a peace officer gathers as part of
3160 investigating an offense described in Subsection 41-6a-501 including:

3161 (i) the identity of witnesses and, if known, contact information;

3162 (ii) witness statements;

3163 (iii) photographs and videotapes;

3164 (iv) diagrams;

3165 (v) field notes;

3166 (vi) test results; and

3167 (vii) any Targeted Responsibility for Alcohol Connected Emergencies investigation
3168 report.

3169 (2) (a) Upon request, a law enforcement agency shall disclose an unredacted DUI
3170 investigative report to:

3171 (i) a person who suffers loss or injury related to the person's actions that gave rise to
3172 the investigation; or

3173 (ii) an agent, parent, or legal guardian of the person described in Subsection (2)(a)(i).

3174 (b) A law enforcement agency responding to a request under Subsection (2)(a) may:

3175 (i) withhold a portion of the DUI investigative report if disclosure would materially
3176 prejudice an ongoing criminal investigation or criminal prosecution;

3177 (ii) redact or withhold any privileged information;

3178 (iii) redact an individual's phone number or address, if disclosure of the individual's
3179 phone number or address may endanger an individual's physical safety; or

3180 (iv) provide the DUI investigative report subject to an agreement that limits the
3181 recipient's use of the DUI investigative report to use solely for the purpose of pursuing a civil
3182 claim related to the incident.

3183 (3) A law enforcement agency may charge a reasonable fee to cover the cost incurred
3184 by disclosing a DUI investigative report in accordance with this section.

3185 Section 48. Section **53-28-101** is enacted to read:

3186 **CHAPTER 28. PLACE OF LAST DRINK PROGRAM**

3187 **53-28-101. Definitions.**

3188 (1) "Alcohol-related law enforcement officer" means the same as that term is defined in
3189 Section 32B-1-201.

3190 (2) "Alcohol-related traffic stop" means a traffic stop that results in an individual being
3191 arrested for an offense described in Subsection 41-6a-501(2)(a) related to alcohol.

3192 (3) "Alcoholic beverage" means the same as that term is defined in Section 32B-1-102.

3193 (4) "Place of last drink" means the location where an individual obtains and consumes
3194 the last alcoholic beverage before the individual is the subject of an alcohol-related traffic stop.

3195 (5) "Retail licensee" means the same as that term is defined in Section 32B-1-102.

3196 Section 49. Section **53-28-102** is enacted to read:

3197 **53-28-102. Place of last drink reporting requirements.**

3198 (1) The department shall establish a program in accordance with this chapter to:

3199 (a) identify when an individual's place of last drink is a retail licensee; and

3200 (b) efficiently share information with alcohol-related law enforcement officers about
3201 each retail licensee that is an individual's place of last drink for the purpose of allowing the
3202 alcohol-related law enforcement officers to investigate a possible violation of Section
3203 32B-5-306.

3204 (2) In developing the program described in this section, the department shall coordinate
3205 with and take input from the Department of Alcoholic Beverage Services created in Section
3206 32B-2-203.

3207 (3) Before November 1, 2025, the department shall provide a written report to the
3208 Criminal Justice and Law Enforcement Interim Committee that describes how the department
3209 implemented the program, the extent to which the program accomplishes the objectives
3210 described in Subsection (1), and any planned or recommended changes.

3211 Section 50. Section **59-15-101** is amended to read:

3212 **59-15-101. Tax basis -- Rate.**

3213 (1) (a) A tax is imposed at the rate specified in Subsection (1)(b) on all beer, as defined
3214 in Section 32B-1-102, that is imported or manufactured for sale, use, or distribution in this
3215 state.

3216 ~~[(b) The tax described in Subsection (1)(a) shall be imposed at a rate of:]~~

3217 ~~[(i) \$11 per 31-gallon barrel for beer imported or manufactured:]~~

3218 ~~[(A) before July 1, 2003; and]~~

3219 ~~[(B) for sale, use, or distribution in this state; and]~~

3220 ~~[(ii) \$13.10 per 31-gallon barrel for beer imported or manufactured:]~~

- 3221 ~~[(A) on or after July 1, 2003; and]~~
- 3222 ~~[(B) for sale, use, or distribution in this state.]~~
- 3223 (b) The rate of the tax imposed under this Subsection (1) is:
- 3224 (i) \$13.10 per 31-gallon barrel for beer imported or manufactured before July 1, 2024;
- 3225 (ii) \$13.35 per 31-gallon barrel for beer imported or manufactured on or after July 1,
- 3226 2024, and before July 1, 2025;
- 3227 (iii) \$13.60 per 31-gallon barrel for beer imported or manufactured on or after July 1,
- 3228 2025, and before July 1, 2026;
- 3229 (iv) \$13.85 per 31-gallon barrel for beer imported or manufactured on or after July 1,
- 3230 2026, and before July 1, 2027; and
- 3231 (v) \$14.10 per 31-gallon barrel for beer imported or manufactured on or after July 1,
- 3232 2027.
- 3233 (c) The tax imposed under this Subsection (1):
- 3234 (i) shall be imposed at a proportionate rate for:
- 3235 (A) any quantity of beer other than a 31-gallon barrel; or
- 3236 (B) the fractional parts of a 31-gallon barrel; and
- 3237 (ii) may not be imposed more than once on the same beer.
- 3238 (2) A tax may not be imposed on beer:
- 3239 (a) sold to the United States and its agencies; or
- 3240 (b) (i) manufactured or imported for sale, use, or distribution outside the state; and
- 3241 (ii) exported from the state.
- 3242 Section 51. Section **59-15-109** is amended to read:
- 3243 **59-15-109. Tax money to be paid to state treasurer.**
- 3244 (1) Except as provided in Subsection (2), taxes collected under this chapter shall be
- 3245 paid by the commission to the state treasurer daily for deposit as follows:
- 3246 (a) the greater of the following shall be deposited into the Alcoholic Beverage
- 3247 Enforcement and Treatment Restricted Account created in Section [32B-2-403](#):
- 3248 (i) an amount calculated by:
- 3249 (A) determining an amount equal to 50% of the revenue collected for the fiscal year
- 3250 two years preceding the fiscal year for which the deposit is made; and
- 3251 (B) subtracting \$30,000 from the amount determined under Subsection (1)(a)(i)(A); or

3252 (ii) \$4,350,000; and
 3253 (b) the revenue collected in excess of the amount deposited in accordance with
 3254 Subsection (1)(a) shall be deposited into the General Fund.

3255 (2) The state treasurer shall annually deposit into the Alcoholic Beverage Enforcement
 3256 and Treatment Restricted Account created in Section 32B-2-403 an amount equal to the
 3257 amount of revenue generated in the current fiscal year by the portion of the tax imposed under
 3258 Section 59-15-101 that exceeds:

3259 (a) \$12.80 per 31-gallon barrel for beer imported or manufactured:

- 3260 (i) on or after July 1, 2003; and
- 3261 (ii) for sale, use, or distribution in this state; and

3262 (b) a proportionate rate to the rate described in Subsection (2)(a) for:

- 3263 (i) any quantity of beer other than a 31-gallon barrel; or
- 3264 (ii) the fractional parts of a 31-gallon barrel.

3265 (3) Beginning fiscal year 2024-25, the state treasurer shall annually deposit into the
 3266 Alcoholic Beverage Control Act Enforcement Fund created in Section 32B-2-305 an amount
 3267 equal to the amount of revenue generated in the current fiscal year by the portion of the tax
 3268 imposed under Section 59-15-101 that exceeds:

3269 (a) \$13.10 per 31-gallon barrel; and

3270 (b) a proportionate rate to the rate described in Subsection (3)(a).

3271 [~~(3)~~] (4) (a) The commission shall notify the entities described in Subsection [~~(3)(b)~~]

3272 (4)(b) not later than the September 1 preceding the fiscal year of the deposit of:

- 3273 (i) the amount of the proceeds of the beer excise tax collected in accordance with this
 3274 section for the fiscal year two years preceding the fiscal year of deposit; and
- 3275 (ii) an amount equal to 50% of the amount listed in Subsection [~~(3)(a)(i)~~] (4)(b)(i).

3276 (b) The notification required by Subsection [~~(3)(a)~~] (4)(a) shall be sent to:

- 3277 (i) the Governor's Office of Planning and Budget; and
- 3278 (ii) the Legislative Fiscal Analyst.

3279 Section 52. Section 63I-2-232 is amended to read:

3280 **63I-2-232. Repeal dates: Title 32B.**

3281 (1) Subsection 32B-1-603.5(7), regarding the Department of Alcoholic Beverage
 3282 Services' review of beer that is sold or distributed in the state, is repealed December 31, 2024.

3283 (2) Subsection [32B-2-205](#)(4), which creates a workgroup to make recommendations
3284 regarding training and cash transaction receipts, is repealed January 1, 2025.

3285 Section 53. **Repealer.**

3286 This bill repeals:

3287 Section [32B-2-201.5](#), **Commission subcommittee -- Chair's oversight**
3288 **responsibilities.**

3289 Section [32B-2-210](#), **Alcoholic Beverage Services Advisory Board.**

3290 Section 54. **Effective date.**

3291 This bill takes effect on May 1, 2024.