

Representative Jefferson S. Burton proposes the following substitute bill:

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:

- ▶ 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;
- ▶ authorizes the department to establish a round up program, under which a state store customer could elect to round up the customer's purchase to the nearest dollar to help fund substance use disorder treatment services;
- ▶ increases the state markup on spirituous liquor, wine, and flavored malt beverages;
- ▶ clarifies the markup on spirituous liquor, wine, heavy beer, and flavored malt beverages sold by a package agency located at a manufacturing facility;
- ▶ increases the tax on beer and uses the additional revenue to fund three new alcohol-related law enforcement officers who are dedicated to compliance;
- ▶ prohibits a state store or off-premise beer retailer from selling liquor or beer that is intended to be frozen and consumed in a manner other than as a beverage;
- ▶ requires the department to initiate disciplinary proceedings under certain



- 26 circumstances;
- 27 ▶ prohibits a person from selling in the state:
- 28 • liquor that contains more than 80% alcohol by volume; or
- 29 • vaporized alcohol;
- 30 ▶ requires the commission to issue any available retail license, including through a
- 31 conditional retail license, if an applicant satisfies the requirements for the retail
- 32 license;
- 33 ▶ allows a retail licensee to sell, offer for sale, or furnish spirituous liquor in a
- 34 pre-mixed beverage, if the beverage is in the original, sealed container and satisfies
- 35 other requirements, including requirements related to volume, alcohol content, and
- 36 labeling;
- 37 ▶ increases the number of full-service restaurant and bar establishment licenses the
- 38 commission is authorized to issue;
- 39 ▶ requires the department to prorate the initial licensing fee for retail licenses;
- 40 ▶ decreases the required capacity of a sports facility or concert venue to qualify as a
- 41 recreational amenity for purposes of an on-premise beer retailer license;
- 42 ▶ provides that a patron in a hotel with a hotel license or resort license may carry an
- 43 alcoholic beverage between specified locations within the hotel, provided the patron
- 44 travels within a designated conveyance area and the alcoholic beverage is in an
- 45 approved container;
- 46 ▶ allows an entity that is not an airline to obtain a public service permit for the
- 47 purpose of operating a hospitality room at an international airport;
- 48 ▶ modifies the required showing for prima facie evidence of dram shop liability;
- 49 ▶ allows an individual to obtain a DUI investigative report if the individual suffered
- 50 loss or injury as a result of the defendant's actions;
- 51 ▶ establishes a place of last drink program, operated by the Department of Public
- 52 Safety;
- 53 ▶ clarifies that the beer tax applies to beer and heavy beer;
- 54 ▶ repeals the Alcoholic Beverage Services Advisory Board; and
- 55 ▶ makes technical and conforming changes.

56 **Money Appropriated in this Bill:**

57 None

58 **Other Special Clauses:**

59 None

60 **Utah Code Sections Affected:**

61 AMENDS:

62 **32B-1-304**, as last amended by Laws of Utah 2023, Chapter 371

63 **32B-2-205**, as last amended by Laws of Utah 2022, Chapter 447

64 **32B-2-304**, as last amended by Laws of Utah 2022, Chapter 447

65 **32B-2-305**, as last amended by Laws of Utah 2023, Chapter 396

66 **32B-2-503**, as last amended by Laws of Utah 2011, Chapters 307, 334

67 **32B-3-203**, as last amended by Laws of Utah 2012, Chapter 369

68 **32B-4-401**, as last amended by Laws of Utah 2016, Chapter 266

69 **32B-4-422**, as last amended by Laws of Utah 2020, Chapter 219

70 **32B-4-424**, as enacted by Laws of Utah 2015, Chapter 54

71 **32B-4-501**, as last amended by Laws of Utah 2017, Chapter 455

72 **32B-5-201**, as last amended by Laws of Utah 2022, Chapter 447

73 **32B-5-304**, as last amended by Laws of Utah 2023, Chapter 371

74 **32B-6-203**, as last amended by Laws of Utah 2023, Chapter 371

75 **32B-6-204**, as last amended by Laws of Utah 2017, Chapter 455

76 **32B-6-206**, as last amended by Laws of Utah 2023, Chapter 371

77 **32B-6-302**, as last amended by Laws of Utah 2018, Chapters 249, 313

78 **32B-6-304**, as last amended by Laws of Utah 2016, Chapter 82

79 **32B-6-306**, as enacted by Laws of Utah 2013, Chapter 349

80 **32B-6-403**, as last amended by Laws of Utah 2023, Chapter 371

81 **32B-6-405**, as last amended by Laws of Utah 2017, Chapter 455

82 **32B-6-406**, as last amended by Laws of Utah 2023, Chapters 371, 400

83 **32B-6-504**, as last amended by Laws of Utah 2011, Chapter 334

84 **32B-6-604**, as last amended by Laws of Utah 2011, Chapter 334

85 **32B-6-605**, as last amended by Laws of Utah 2023, Chapters 371, 400

86 **32B-6-702**, as last amended by Laws of Utah 2021, Chapter 280

87 **32B-6-705**, as last amended by Laws of Utah 2011, Second Special Session, Chapter 2

- 88 **32B-6-804**, as enacted by Laws of Utah 2011, Chapter 334
- 89 **32B-6-902**, as last amended by Laws of Utah 2019, Chapter 403
- 90 **32B-6-904**, as last amended by Laws of Utah 2012, Fourth Special Session, Chapter 1
- 91 **32B-6-1004**, as last amended by Laws of Utah 2021, Chapter 291
- 92 **32B-7-202**, as last amended by Laws of Utah 2022, Chapter 447
- 93 **32B-8-102**, as last amended by Laws of Utah 2020, Chapter 219
- 94 **32B-8-201**, as last amended by Laws of Utah 2022, Chapter 447
- 95 **32B-8-202**, as last amended by Laws of Utah 2020, Chapter 219
- 96 **32B-8-401**, as last amended by Laws of Utah 2023, Chapter 371
- 97 **32B-8b-102**, as last amended by Laws of Utah 2023, Chapter 371
- 98 **32B-8b-201**, as last amended by Laws of Utah 2020, Chapter 219
- 99 **32B-8b-202**, as last amended by Laws of Utah 2020, Chapter 219
- 100 **32B-8b-301**, as last amended by Laws of Utah 2023, Chapter 371
- 101 **32B-8d-104**, as last amended by Laws of Utah 2022, Chapter 447
- 102 **32B-10-202**, as enacted by Laws of Utah 2010, Chapter 276
- 103 **32B-10-303**, as last amended by Laws of Utah 2020, Sixth Special Session, Chapter 6
- 104 **32B-10-304**, as last amended by Laws of Utah 2020, Sixth Special Session, Chapter 6
- 105 **32B-15-201**, as last amended by Laws of Utah 2023, Chapter 400
- 106 **59-15-101**, as last amended by Laws of Utah 2019, Chapter 336
- 107 **59-15-109**, as last amended by Laws of Utah 2023, Chapter 396
- 108 **63I-2-232**, as last amended by Laws of Utah 2023, Chapter 371

109 ENACTS:

- 110 **32B-2-213**, Utah Code Annotated 1953
- 111 **41-6a-531**, Utah Code Annotated 1953
- 112 **53-28-101**, Utah Code Annotated 1953
- 113 **53-28-102**, Utah Code Annotated 1953

114 REPEALS:

- 115 **32B-2-210**, as last amended by Laws of Utah 2022, Chapter 447



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

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

119 **32B-1-304. Qualifications for a package agency, license, or permit -- Minors.**

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

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

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

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

129 (B) a crime involving moral turpitude; or

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

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

136 (i) a partner;

137 (ii) a managing agent;

138 (iii) a manager;

139 (iv) an officer;

140 (v) a director;

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

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

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

148 (2) Except as described in Section [32B-8-501](#), the commission may immediately
149 suspend or revoke a package agency, license, or permit, and terminate a package agency

150 agreement, if a person described in Subsection (1):

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

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

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

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

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

161 (3) Except as described in Section [32B-8-501](#), the director may take emergency action
162 by immediately suspending the operation of the package agency, licensee, or permittee for the
163 period during which a criminal matter is being adjudicated if a person described in Subsection
164 (1):

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

232 Section 2. Section 32B-2-205 is amended to read:

233 **32B-2-205. Director of alcoholic beverage services.**

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

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

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

242 (iii) By no later than 30 calendar days from the day on which the governor receives the

243 three nominations submitted by the commission, the governor may:

244 (A) appoint the director; or

245 (B) reject the three nominations.

246 (iv) If the governor rejects the nominations or fails to take action within the 30-day
247 period, the commission shall nominate three different individuals from which the governor may
248 appoint the director or reject the nominations until such time as the governor appoints the
249 director.

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

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

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

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

261 (d) The director may be terminated by:

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

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

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

265 (f) The director shall:

266 (i) be qualified in administration;

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

268 and

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

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

272 (3) The director shall:

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

- 274 (b) carry out the policies of the department;
- 275 (c) fully inform the commission of the operations and administrative activities of the
276 department; and
- 277 (d) assist the commission in the proper discharge of the commission's duties.
- 278 (4) (a) The director shall form a workgoup that includes representatives from the
279 following:
- 280 (i) the department;
 - 281 (ii) the Division of Integrated Healthcare created in Section [26B-1-202](#);
 - 282 (iii) the Department of Public Safety created in Section [53-10-103](#);
 - 283 (iv) the retail alcohol industry;
 - 284 (v) the bar or restaurant industry;
 - 285 (vi) organizations related to alcohol and drug abuse prevention, alcohol or drug related
286 enforcement, or alcohol or drug related education; and
 - 287 (vii) any other organization or industry the director determines beneficial.
- 288 (b) (i) The workgroup shall study and make recommendations to improve the efficacy
289 of the alcohol training and education described in Section [26B-5-205](#), including
290 recommendations related to the curriculum, development, provider, and delivery.
- 291 (ii) The workgoup shall ensure that the workgroup's recommendations include a focus
292 on improving training with respect to laws governing the responsible sale and service of
293 alcohol.
- 294 (c) No later than September 1, 2024, the workgroup shall provide written
295 recommendations as provided in this Subsection (4) to the Business and Labor Interim
296 Committee.

297 Section 3. Section **32B-2-213** is enacted to read:

298 **32B-2-213. Round up program.**

299 (1) The department may establish a round up program under which an individual who
300 makes a purchase at a state store may elect to round the purchase price up to the nearest dollar.

301 (2) The department shall deposit money the department collects under Subsection (1)
302 into the Pamela Atkinson Homeless Trust Fund created in Section [35A-16-301](#) to be used for
303 substance use disorder treatment services.

304 Section 4. Section **32B-2-304** is amended to read:

305 **32B-2-304. Liquor price -- Remittance of markup -- School lunch program --**
306 **Remittance of markup.**

307 (1) For purposes of this section:

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

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

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

311 (C) case handling costs the department incurs.

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

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

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

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

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

320 (c) heavy beer sold by the department within the state shall be marked up in an amount
321 not less than 66.5% above the landed case cost to the department; and

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

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

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

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

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

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

335 (i) (A) except as provided in Subsection (3)(c)(i)(B), the wine is manufactured by a

336 manufacturer producing less than 20,000 gallons of wine in a calendar year; or

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

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

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

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

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

345 (e) The department shall:

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

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

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

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

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

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

363 (4) Wine the department purchases on behalf of a subscriber through the wine
364 subscription program established in Section [32B-2-702](#) shall be marked up not less than [88%]
365 88.5% above the cost of the subscription for the interval in which the wine is purchased.

366 (5) The department shall deposit 10% of the total gross revenue from sales of liquor

367 with the state treasurer to be credited to the Uniform School Fund and used to support the
368 school meals program administered by the State Board of Education under Section [53E-3-510](#).

369 (6) (a) Each month, the department shall collect from each package agency located at a
370 manufacturing facility owned or operated by a person licensed under Chapter 11,
371 Manufacturing and Related Licenses Act, 12.295% of the package agency's reported monthly
372 revenue and deposit the money as follows:

373 (i) 1.695% of the reported monthly revenue into the Alcoholic Beverage Control Act
374 Enforcement Fund;

375 (ii) 10% of the reported monthly revenue into the Uniform School Fund and used to
376 support the school meals program administered by the State Board of Education under Section
377 [53E-3-510](#); and

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

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

382 ~~[(6)]~~ (7) This section does not prohibit the department from selling discontinued items
383 at a discount.

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

387 Section 5. Section **32B-2-305** is amended to read:

388 **32B-2-305. Alcoholic Beverage Control Act Enforcement Fund.**

389 (1) As used in this section:

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

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

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

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

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

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

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

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

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

408 (ii) deposits made under Section 59-15-109; and

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

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

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

412 (4) After the deposit made under Section 32B-2-304 for the school lunch program, the
413 department shall deposit 1.695% of the total gross revenue from the sale of liquor with the state
414 treasurer to be credited to the fund [~~to be~~].

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

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

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

418 [~~(5)~~] (6) (a) The Department of Public Safety shall expend money from the fund to:

419 (i) supplement appropriations by the Legislature so that the Department of Public
420 Safety maintains a sufficient number of alcohol-related law enforcement officers such that each
421 year the enforcement ratio as of July 1 is equal to or less than the number specified in Section
422 32B-1-201; and

423 (ii) maintain at least:

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

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

426 (C) two social workers[-]; and

427 (D) three additional alcohol-related law enforcement officers who are dedicated to
428 compliance or enforcement of this title.

429 (b) Four of the alcohol-related law enforcement officers described in Subsection
430 [~~(5)(a)(i)~~] (6)(a)(i) shall have as a primary focus the enforcement of this title in relationship to
431 restaurants.

432 [~~(6)~~] (7) For fiscal year 2023, the Division of Finance shall deposit into the General
433 Fund \$3 million of unspent money in the fund.

434 Section 6. Section **32B-2-503** is amended to read:

435 **32B-2-503. Operational requirements for a state store.**

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

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

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

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

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

444 (v) a warning statement that reads: "Driving under the influence of alcohol or drugs is a
445 serious crime that is prosecuted aggressively in Utah."

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

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

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

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

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

455 (a) a minor;

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

457 (c) a known interdicted person; or

458 (d) a known habitual drunkard.

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

- 460 (i) consume an alcoholic product on the premises of a state store; or
461 (ii) allow any person to consume an alcoholic product on the premises of a state store.
462 (b) A violation of this Subsection (4) is a class B misdemeanor.
463 (5) (a) Sale or delivery of liquor may not be made on or from the premises of a state
464 store, and a state store may not be kept open for the sale of liquor:
465 (i) on Sunday; or
466 (ii) on a state or federal legal holiday.
467 (b) Sale or delivery of liquor may be made on or from the premises of a state store, and
468 a state store may be open for the sale of liquor, only on a day and during hours that the
469 commission directs by rule or order.
470 (6) (a) A minor may not be admitted into, or be on the premises of, a state store unless
471 accompanied by a person who is:
472 (i) 21 years of age or older; and
473 (ii) the minor's parent, legal guardian, or spouse.
474 (b) A state store employee that has reason to believe that a person who is on the
475 premises of a state store is under the age of 21 and is not accompanied by a person described in
476 Subsection (6)(a) may:
477 (i) ask the suspected minor for proof of age;
478 (ii) ask the person who accompanies the suspected minor for proof of age; and
479 (iii) ask the suspected minor or the person who accompanies the suspected minor for
480 proof of parental, guardianship, or spousal relationship.
481 (c) A state store employee shall refuse to sell liquor to the suspected minor and to the
482 person who accompanies the suspected minor into the state store if the suspected minor or
483 person fails to provide information specified in Subsection (6)(b).
484 (d) A state store employee shall require a suspected minor and the person who
485 accompanies the suspected minor into the state store to immediately leave the premises of the
486 state store if the suspected minor or person fails to provide information specified in Subsection
487 (6)(b).
488 (7) (a) A state store may not sell, offer for sale, or furnish liquor except in a sealed
489 container.
490 (b) A person may not open a sealed container on the premises of a state store.

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

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

496 Section 7. Section **32B-3-203** is amended to read:

497 **32B-3-203. Initiating a disciplinary proceeding.**

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

499 (1) The department [~~may~~] shall initiate a disciplinary proceeding described in
500 Subsection (2) if the department [~~receives~~]:

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

503 (b) [~~a final adjudication of criminal liability~~] receives notice of criminal proceedings
504 against a person subject to administrative action on the basis of an alleged violation of this
505 title; [~~or~~]

506 (c) [~~a final adjudication of civil liability in accordance with~~] receives notice of civil
507 proceedings in accordance with Chapter 15, Alcoholic Product Liability Act, against a person
508 subject to administrative action on the basis of an alleged violation of this title[-]; or

509 (d) otherwise becomes aware that a person subject to administrative action on the basis
510 of an alleged violation of this title may have violated this title or commission rule.

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

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

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

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

516 (b) refer the matter to the State Bureau of Investigation, created in Section [53-10-301](#).

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

518 (i) if required by law;

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

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

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

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

526 Section 8. Section **32B-4-401** is amended to read:

527 **32B-4-401. Unlawful sale or furnishing.**

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

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

- 535 (a) the department;
- 536 (b) a military installation;
- 537 (c) a holder of a special use permit, to the extent authorized in the special use permit;

538 or

539 (d) a liquor warehouser licensee licensed to distribute and transport liquor to:

- 540 (i) the department; or
- 541 (ii) an out-of-state wholesaler or retailer.

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

- 546 (i) a beer wholesaler licensee;
- 547 (ii) a military installation; or
- 548 (iii) a holder of a special use permit, to the extent authorized in the special use permit.

549 (b) Subsection (3)(a) does not preclude a small brewer that holds a certificate of
550 approval from selling, shipping, or transporting beer to the extent authorized by Subsection
551 [32B-11-503\(5\)](#) directly to:

- 552 (i) a beer retailer; or

553 (ii) an event permittee.

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

558 (i) the department;

559 (ii) a military installation;

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

561 or

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

563 (A) the department; or

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

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

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

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

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

571 (i) to the extent authorized in Subsection [32B-11-403\(5\)](#); or

572 (ii) under a package agency issued by the commission on the distillery premises.

573 (d) Subsection (4)(a) does not preclude a brewery manufacturing licensee located in
574 this state from selling heavy beer or flavored malt beverages on its brewery premises:

575 (i) to the extent authorized under Subsection [32B-11-503\(4\)](#); or

576 (ii) under a package agency issued by the commission on its brewery premises.

577 (5) (a) It is unlawful for a manufacturer, supplier, or importer of beer in this state, or
578 staff of the manufacturer, supplier, or importer to sell, ship, transport, or cause to be sold,
579 shipped, or transported beer directly or indirectly to a person in this state except to the extent
580 authorized by this title to:

581 (i) a beer wholesaler licensee;

582 (ii) a military installation; or

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

584 (b) Subsection (5)(a) does not preclude:

585 (i) a small brewer who is a brewery manufacturing licensee located in this state from
586 selling, shipping, and transporting beer to the extent authorized by Subsection 32B-11-503(5)
587 directly to one of the following in this state:

588 (A) a beer retailer; or

589 (B) an event permittee; or

590 (ii) a brewery manufacturing licensee from selling beer to a person on its
591 manufacturing premises under Subsection 32B-11-503(4)(c).

592 (6) It is unlawful for a person other than a person described in Subsection (2) or (3) to
593 sell, ship, transport, or cause to be sold, shipped, or transported an alcoholic product from an
594 out-of-state location directly or indirectly into this state, except as otherwise provided by this
595 title.

596 (7) It is unlawful for a person in this state other than a person described in Subsection
597 (4) or (5) to sell, ship, transport, or cause to be sold, shipped, or transported an alcoholic
598 product directly or indirectly to another person in this state, except as otherwise provided by
599 this title.

600 (8) It is unlawful for a person in the business of selling liquor, a manufacturer, a
601 supplier, or an importer of liquor in this state, or staff of the person, manufacturer, supplier, or
602 importer to keep for sale, or to directly or indirectly, sell, offer for sale, or furnish to another,
603 liquor that contains more than 80% alcohol by volume.

604 [~~8~~] (9) (a) A violation of Subsection (1) is a class B misdemeanor, except when
605 otherwise provided by this title.

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

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

608 Section 9. Section 32B-4-422 is amended to read:

609 **32B-4-422. Unlawful dispensing.**

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

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

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

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

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

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

623 (A) a full-service restaurant licensee;

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

625 (C) an on-premise banquet licensee;

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

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

628 (F) a hospitality amenity licensee.

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

630 Section 10. Section ~~32B-4-424~~ is amended to read:

631 **32B-4-424. Powdered or vaporized alcohol.**

632 (1) As used in this section~~["powdered alcohol"]~~:

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

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

638 (2) It is unlawful for a person to use, offer for use, purchase, offer to purchase, sell,
639 offer to sell, furnish, or possess ~~["powdered alcohol"]~~ for human consumption powdered alcohol
640 or vaporized alcohol.

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

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

645 (a) health care practitioner that operates primarily for the purpose of conducting

646 scientific research;

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

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

651 (d) pharmaceutical or biotechnology company.

652 Section 11. Section 32B-4-501 is amended to read:

653 **32B-4-501. Operating without a license or permit.**

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

657 (a) a restaurant;

658 (b) an airport lounge;

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

660 (d) a resort;

661 (e) a business operated to sell, offer for sale, or furnish beer for on-premise

662 consumption;

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

664 (g) a hotel; [or]

665 (h) an arena; or

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

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

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

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

675 (a) a winery manufacturer;

676 (b) a distillery manufacturer;

- 677 (c) a brewery manufacturer;
- 678 (d) a local industry representative of:
- 679 (i) a manufacturer of an alcoholic product;
- 680 (ii) a supplier of an alcoholic product; or
- 681 (iii) an importer of an alcoholic product;
- 682 (e) a liquor warehouse; or
- 683 (f) a beer wholesaler.

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

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

690 Section 12. Section **32B-5-201** is amended to read:

691 **32B-5-201. Application requirements for retail license.**

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

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

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

- 698 (a) a written application in a form prescribed by the department;
- 699 (b) a nonrefundable application fee in the amount specified in the relevant chapter or
700 part for the type of retail license for which the person is applying;
- 701 (c) an initial license fee:
- 702 (i) in the amount specified in the relevant chapter or part for the type of retail license
703 for which the person is applying; and
- 704 (ii) that is refundable if a retail license is not issued;
- 705 (d) written consent of the local authority, including, if applicable, consent for each
706 proposed sublicense;
- 707 (e) a copy of:

- 708 (i) every license the local authority requires, including the person's current business
709 license; and
- 710 (ii) if the person is applying for a principal license, the current business license for each
711 proposed sublicense, except if the local authority determines that the business license for a
712 proposed sublicense is included in the person's current business license;
- 713 (f) evidence of the proposed retail licensee's proximity to any community location, with
714 proximity requirements being governed by Section [32B-1-202](#);
- 715 (g) a bond as specified by Section [32B-5-204](#);
- 716 (h) a floor plan, and boundary map where applicable, of the premises of the retail
717 license and each, if any, accompanying sublicense, including any:
- 718 (i) consumption area; and
- 719 (ii) area where the person proposes to store, sell, offer for sale, or furnish an alcoholic
720 beverage;
- 721 (i) evidence that the retail licensee carries public liability insurance in an amount and
722 form satisfactory to the department;
- 723 (j) evidence that the retail licensee carries dramshop insurance coverage of at least:
- 724 (i) \$1,000,000 per occurrence and \$2,000,000 in the aggregate;
- 725 (ii) if the retail licensee is a hotel licensee or a resort licensee, \$1,000,000 per
726 occurrence and \$2,000,000 in the aggregate to cover both the principal license and all
727 accompanying sublicenses; or
- 728 (iii) if the retail licensee is an arena licensee, \$10,000,000 per occurrence and
729 \$20,000,000 in the aggregate to cover both the arena license and all accompanying
730 sublicenses[.];
- 731 (k) a signed consent form stating that the retail licensee will permit any authorized
732 representative of the commission, department, or any law enforcement officer to have
733 unrestricted right to enter:
- 734 (i) the premises of the retail licensee; and
- 735 (ii) if applicable, the premises of each of the retail licensee's accompanying
736 sublicenses;
- 737 (l) if the person is an entity, proper verification evidencing that a person who signs the
738 application is authorized to sign on behalf of the entity;

739 (m) a responsible alcohol service plan;
 740 (n) evidence that each individual the person has hired to work as a retail manager, as
 741 defined in Section 32B-1-701, has completed the alcohol training and education seminar as
 742 required under Chapter 1, Part 7, Alcohol Training and Education Act; and

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

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

745 (a) is disqualified under Section 32B-1-304; or

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

747 (4) Unless otherwise provided in the relevant chapter or part for the type of retail
 748 license for which the person is applying, the commission may not issue a retail license to a
 749 person if the proposed licensed premises does not meet the proximity requirements of Section
 750 32B-1-202.

751 (5) The commission may not deny an application for a retail license, an application for
 752 a conditional retail license under Section 32B-5-205, or an application for a sublicense under
 753 Chapter 8d, Sublicense Act, if:

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

755 (b) for a retail license or a conditional retail license, granting the retail license or the
 756 conditional retail license would not cause the commission to exceeded the maximum number
 757 of licenses of that retail license type that the commission is authorized to issue under this
 758 chapter.

759 Section 13. Section 32B-5-304 is amended to read:

760 **32B-5-304. Portions in which alcoholic product may be sold.**

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

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

767 (i) a secondary flavoring ingredient;

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

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

770 (iv) in a beverage that:
771 (A) is served to a patron in the original, sealed container;
772 (B) is not more than 12 ounces;
773 (C) contains no more than 10% alcohol by volume or 8% by weight; and
774 (D) is in a container that has the alcohol by volume percentage on the front label and in
775 a font that measures at least three millimeters high.

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

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

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

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

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

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

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

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

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

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

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

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

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

803 (A) in an open original container; and

804 (B) in a container on draft.

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

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

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

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

811 (i) in a sealed container; and

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

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

815 Section 14. Section **32B-6-203** is amended to read:

816 **32B-6-203. Commission's power to issue full-service restaurant license.**

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

820 (2) The commission may issue a full-service restaurant license to establish full-service
821 restaurant licensed premises at places and in numbers the commission considers proper for the
822 storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on premises
823 operated as a full-service restaurant.

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

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

827 (i) 30; and

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

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

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

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

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

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

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

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

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

837 (b) the commission may issue a seasonal full-service restaurant license in accordance
838 with Section [32B-5-206](#); and

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

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

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

846 (I) within the same hotel; and

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

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

851 (4) Except as otherwise provided in Section [32B-1-202](#), the commission may not issue
852 a full-service restaurant license for premises that do not meet the proximity requirements of
853 Subsection [32B-1-202\(2\)](#).

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

856 (a) mix for an alcoholic product; or

857 (b) a service charge.

858 Section 15. Section [32B-6-204](#) is amended to read:

859 **32B-6-204. Specific licensing requirements for full-service restaurant license.**

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

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

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

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

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

868 (ii) The department shall prorate the \$2,200 initial license fee for the period that begins
869 the day on which the initial license fee is paid and ends the day on which the full-service
870 restaurant license expires.

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

872 (4) The bond amount required for a full-service restaurant license is the penal sum of
873 \$10,000.

874 Section 16. Section **32B-6-206** is amended to read:

875 **32B-6-206. Master full-service restaurant license.**

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

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

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

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

886 (b) The person seeking a master full-service restaurant license shall designate which
887 full-service restaurant locations the person seeks to have under the master full-service
888 restaurant license.

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

891 (2) A master full-service restaurant license and each location designated under
892 Subsection (1) are considered a single full-service restaurant license for purposes of Subsection
893 **32B-6-203(3)(a)**.

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

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

898 (4) (a) The nonrefundable application fee for a master full-service restaurant license is
899 \$330.

900 (b) (i) The initial license fee for a master full-service restaurant license is \$5,000 plus a
901 separate initial license fee for each newly licensed full-service restaurant [~~license~~] location
902 under the master full-service restaurant license determined in accordance with Subsection
903 32B-6-204(3)(b).

904 (ii) The department [~~may~~] shall prorate the \$5,000 initial license fee [~~based on the~~
905 ~~number of months out of a year the master full-service restaurant licensee is licensed before~~]
906 for the period that begins the day on which the initial license fee is paid and ends the day on
907 which the master full-service restaurant license expires.

908 (c) To renew a master full-service restaurant license the master full-service restaurant
909 licensee shall pay a separate renewal fee for each full-service [~~license~~] restaurant location under
910 the master full-service restaurant license [~~determined~~] in accordance with Subsection
911 32B-6-204(3)(c).

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

914 (a) the master full-service restaurant licensee pays a nonrefundable application fee of
915 \$330; and

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

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

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

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

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

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

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

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

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

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

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

938 Section 17. Section **32B-6-302** is amended to read:

939 **32B-6-302. Definitions.**

940 As used in this part:

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

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

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

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

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

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

956 (A) at least 42 inches high; and
957 (B) at least 60 inches from the inside edge of the barrier to the nearest edge of the
958 dispensing structure.

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

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

- 965 (a) when measured in accordance with Subsection (2)(a)(ii); and
- 966 (b) based on the licensee's floor plan on file with the department on July 1, 2017.
- 967 (4) "Waiting area" includes a lobby.

968 Section 18. Section **32B-6-304** is amended to read:

969 **32B-6-304. Specific licensing requirements for limited-service restaurant license.**

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

- 972 (2) (a) A limited-service restaurant license expires on October 31 of each year.
- 973 (b) To renew a person's limited-service restaurant license, a person shall comply with
974 the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
975 September 30.

976 (3) (a) The nonrefundable application fee for a limited-service restaurant license is
977 \$330.

- 978 (b) (i) The initial license fee for a limited-service restaurant license is \$1,275.
- 979 (ii) The department shall prorate the \$1,275 initial license fee for the period that begins
980 the day on which the initial license fee is paid and ends the day on which the limited-service
981 restaurant license expires.

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

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

985 Section 19. Section **32B-6-306** is amended to read:

986 **32B-6-306. Master limited-service restaurant license.**

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

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

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

995 (iii) the master limited-service restaurant includes at least five limited-service
996 restaurant locations.

997 (b) The person seeking a master limited-service restaurant license shall designate
998 which limited-service restaurant locations the person seeks to have under the master
999 limited-service restaurant license.

1000 (c) A limited-service restaurant location under a master limited-service restaurant
1001 license is considered separately licensed for purposes of this title, except as provided in this
1002 section.

1003 (2) A master limited-service restaurant license and each location under Subsection (1)
1004 are considered a single limited-service restaurant license for purposes of Subsection
1005 [32B-6-303\(3\)\(a\)](#).

1006 (3) (a) A master limited-service restaurant license expires on October 31 of each year.

1007 (b) To renew a person's master limited-service restaurant license, a person shall comply
1008 with the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1009 September 30.

1010 (4) (a) The nonrefundable application fee for a master limited-service restaurant license
1011 is \$330.

1012 (b) (i) The initial license fee for a master limited-service restaurant license is \$5,000
1013 plus a separate initial license fee for each newly licensed limited-service restaurant license
1014 under the master limited-service restaurant license determined in accordance with Subsection
1015 [32B-6-304\(3\)\(b\)](#).

1016 (ii) The department shall prorate the \$5,000 initial license fee for the period that begins
1017 the day on which the initial license fee is paid and ends the day on which the master

1018 limited-service restaurant license expires.

1019 (c) The renewal fee for a master limited-service restaurant license is \$500 plus a
1020 separate renewal fee for each limited-service license under the master limited-service restaurant
1021 license determined in accordance with Subsection 32B-6-304(3)(c).

1022 (5) A new location may be added to a master limited-service restaurant license after the
1023 master limited-service restaurant license is issued if:

1024 (a) the master limited-service restaurant licensee pays a nonrefundable application fee
1025 of \$330; and

1026 (b) including payment of the initial license fee, the location separately meets the
1027 requirements of this part.

1028 (6) (a) A master limited-service restaurant licensee shall notify the department of a
1029 change in the persons managing a location covered by a master limited-service restaurant
1030 license:

1031 (i) immediately, if the management personnel is not management personnel at a
1032 location covered by the master limited-service restaurant licensee at the time of the change; or

1033 (ii) within 30 days of the change, if the master limited-service restaurant licensee is
1034 transferring management personnel from one location to another location covered by the master
1035 limited-service restaurant licensee.

1036 (b) A location covered by a master limited-service restaurant license shall keep its own
1037 records on its premises so that the department may audit the records.

1038 (c) A master limited-service restaurant licensee may not transfer alcoholic products
1039 between different locations covered by the master limited-service restaurant license.

1040 (7) (a) If there is a violation of this title at a location covered by a master
1041 limited-service restaurant license, the violation may result in disciplinary action in accordance
1042 with Chapter 3, Disciplinary Actions and Enforcement Act, against:

1043 (i) the single location under a master limited-service restaurant license;

1044 (ii) individual staff of the location under the master limited-service restaurant license;

1045 or

1046 (iii) a combination of persons or locations described in Subsections (7)(a)(i) and (ii).

1047 (b) In addition to disciplinary action under Subsection (7)(a), disciplinary action in
1048 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, may be taken against a

1049 master limited-service restaurant licensee or individual staff of the master limited-service
1050 restaurant licensee if during a period beginning on November 1 and ending October 31:

1051 (i) at least 25% of the locations covered by the master limited-service restaurant license
1052 have been found by the commission to have committed a serious or grave violation of this title,
1053 as defined by rule made by the commission; or

1054 (ii) at least 50% of the locations covered by the master limited-service restaurant
1055 license have been found by the commission to have violated this title.

1056 (8) The commission may make rules, in accordance with Title 63G, Chapter 3, Utah
1057 Administrative Rulemaking Act, to establish how a person may apply for a master
1058 limited-service restaurant license under this section.

1059 Section 20. Section **32B-6-403** is amended to read:

1060 **32B-6-403. Commission's power to issue bar establishment license.**

1061 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of
1062 an alcoholic product on the person's premises as a bar establishment licensee, the person shall
1063 first obtain a bar establishment license from the commission in accordance with this part.

1064 (2) The commission may issue a bar establishment license to establish bar
1065 establishment licensed premises at places and in numbers the commission considers proper for
1066 the storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on
1067 premises operated by a bar establishment licensee.

1068 (3) Subject to Section **32B-1-201**:

1069 (a) the commission may not issue a total number of bar establishment licenses that at
1070 any time exceeds the sum of:

1071 (i) 15; and

1072 (ii) the number determined by dividing the population of the state by [~~10,200~~];

1073 (A) before fiscal July 1, 2024, 10,200;

1074 (B) in fiscal year 2025, 9,778;

1075 (C) in fiscal year 2026, 9,356;

1076 (D) in fiscal year 2027, 8,934;

1077 (E) in fiscal year 2028, 8,512;

1078 (F) in fiscal year 2029, 8,090;

1079 (G) in fiscal year 2030, 7,668; and

1080 (H) in fiscal year 2031, and in each fiscal year thereafter, 7,246;
1081 (b) the commission may issue a seasonal bar establishment license in accordance with
1082 Section [32B-5-206](#) to a bar licensee;
1083 (c) the commission may authorize as many as three bar establishment license locations
1084 within a hotel under one bar establishment license if:
1085 (i) the location, design, and construction of the hotel requires more than one bar license
1086 location within the hotel to serve the public convenience;
1087 (ii) the hotel has a minimum of 150 guest rooms;
1088 (iii) all locations under the bar establishment license are:
1089 (A) within the same hotel; and
1090 (B) on premises that are managed or operated, and owned or leased, by the bar
1091 establishment licensee;
1092 (d) the commission may authorize up to five dispensing [~~structures~~] locations under
1093 one equity license if the locations under the equity license:
1094 (i) are connected by a private roadway to which the equity licensee, each member of
1095 the equity licensee, and each guest has a legal right of access; and
1096 (ii) are located on premises managed or operated, and owned or leased, by the equity
1097 licensee;
1098 (e) except for a facility operating in accordance with Subsection (3)(d) or a hotel, a
1099 facility shall have a separate bar establishment license for each bar establishment license
1100 location where an alcoholic product is sold, offered for sale, or furnished;
1101 (f) when a business establishment undergoes a change of ownership, the commission
1102 may issue a bar establishment license to the new owner of the business establishment
1103 notwithstanding that there is no bar establishment license available under Subsection (3)(a) if:
1104 (i) the primary business activity at the business establishment before and after the
1105 change of ownership is not the sale, offer for sale, or furnishing of an alcoholic product;
1106 (ii) before the change of ownership there are two or more licensed premises on the
1107 business establishment that operate under a retail license, with at least one of the retail licenses
1108 being a bar establishment license;
1109 (iii) subject to Subsection (3)(g) the licensed premises of the bar establishment license
1110 issued under this Subsection (3)(f) is at the same location where the bar establishment license

1111 licensed premises was located before the change of ownership; and

1112 (iv) the person who is the new owner of the business establishment qualifies for the bar
1113 establishment license, except for there being no bar establishment license available under
1114 Subsection (3)(a); and

1115 (g) if a bar establishment licensee of a bar establishment license issued under
1116 Subsection (3)(f) requests a change of location, the bar establishment licensee may retain the
1117 bar establishment license after the change of location only if on the day on which the bar
1118 establishment licensee seeks a change of location a bar establishment license is available under
1119 Subsection (3)(a).

1120 Section 21. Section **32B-6-405** is amended to read:

1121 **32B-6-405. Specific licensing requirements for bar establishment license.**

1122 (1) To obtain a bar establishment license, in addition to complying with Chapter 5, Part
1123 2, Retail Licensing Process, a person shall submit with the written application:

1124 (a) (i) a statement as to whether the person is seeking to qualify as:

1125 (A) an equity licensee;

1126 (B) a fraternal licensee;

1127 (C) a dining club licensee; or

1128 (D) a bar licensee; and

1129 (ii) evidence that the person meets the requirements for the type of bar establishment
1130 license for which the person is applying;

1131 (b) evidence that the person operates a premises where a variety of food is prepared
1132 and served in connection with dining accommodations; and

1133 (c) if the person is applying for an equity license or fraternal license, a copy of the
1134 entity's bylaws or house rules, and an amendment to those records.

1135 (2) The commission may refuse to issue a bar establishment license to a person for an
1136 equity license or fraternal license if the commission determines that a provision of the person's
1137 bylaws or house rules, or amendments to those records is not:

1138 (a) reasonable; and

1139 (b) consistent with:

1140 (i) the declared nature and purpose of the bar establishment licensee; and

1141 (ii) the purposes of this part.

1142 (3) (a) A bar establishment license expires on June 30 of each year.
1143 (b) To renew a bar establishment license, a person shall comply with the requirements
1144 of Chapter 5, Part 2, Retail Licensing Process, by no later than May 31.

1145 (4) (a) The nonrefundable application fee for a bar establishment license is \$300.

1146 (b) (i) The initial license fee for a bar establishment license is \$2,750.

1147 (ii) The department shall prorate the \$2,750 initial license fee based on the number of
1148 months out of a year the bar establishment licensee is licensed before the day on which the bar
1149 establishment license expires.

1150 (c) The renewal fee for a bar establishment license is \$2,000.

1151 (5) The bond amount required for a bar establishment license is the penal sum of
1152 \$10,000.

1153 Section 22. Section **32B-6-406** is amended to read:

1154 **32B-6-406. Specific operational requirements for a bar establishment license.**

1155 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
1156 Requirements, a bar establishment licensee and staff of the bar establishment licensee shall
1157 comply with this section.

1158 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
1159 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

1160 (i) a bar establishment licensee;

1161 (ii) individual staff of a bar establishment licensee; or

1162 (iii) both a bar establishment licensee and staff of the bar establishment licensee.

1163 (2) In addition to complying with Subsection **32B-5-301**(3), a bar licensee shall display
1164 in a conspicuous place at the entrance to the licensed premises a sign that:

1165 (a) measures at least 8-1/2 inches long and 11 inches wide; and

1166 (b) clearly states that the bar licensee is a bar and that no one under 21 years old is
1167 allowed.

1168 (3) (a) In addition to complying with Section **32B-5-302**, a bar establishment licensee
1169 shall maintain for a minimum of three years:

1170 (i) a record required by Subsection **32B-5-302**(1); and

1171 (ii) a record maintained or used by the bar establishment licensee, as the department
1172 requires.

1173 (b) A bar establishment licensee shall maintain for a minimum of seven days a record
1174 of each cash payment for the purchase of an alcoholic beverage that includes the following
1175 information:

1176 (i) the patron's first and last name as shown on the patron's proof of age provided in
1177 accordance with Section [32B-1-407](#) to enter the bar establishment's premises;

1178 (ii) the date and time of the purchase; and

1179 (iii) the quantity and type of each alcoholic beverage included in the purchase.

1180 [~~(b)~~] (c) Section [32B-1-205](#) applies to a record required to be made, maintained, or
1181 used in accordance with this Subsection (3).

1182 [~~(c)~~] (d) The department shall audit the records of a bar establishment licensee at least
1183 once annually.

1184 (4) (a) A bar establishment licensee may not sell, offer for sale, or furnish liquor on the
1185 licensed premises on any day during a period that:

1186 (i) begins at 1 a.m.; and

1187 (ii) ends at 9:59 a.m.

1188 (b) A bar establishment licensee may sell, offer for sale, or furnish beer during the
1189 hours specified in Part 7, On-Premise Beer Retailer License, for an on-premise beer retailer
1190 license.

1191 (c) (i) Notwithstanding Subsections (4)(a) and (b), a bar establishment licensee shall
1192 keep its licensed premises open for one hour after the bar establishment licensee ceases the sale
1193 and furnishing of an alcoholic product during which time a patron of the bar establishment
1194 licensee may finish consuming:

1195 (A) a single drink containing spirituous liquor;

1196 (B) except as provided in Subsection (4)(c)(i)(C), a single serving of wine not
1197 exceeding five ounces;

1198 (C) a single serving not exceeding 16 ounces of hard cider that is furnished in a sealed
1199 container and contains no more than 5% of alcohol by volume;

1200 (D) a single serving of heavy beer;

1201 (E) a single serving not exceeding 26 ounces of beer; or

1202 (F) a single serving of a flavored malt beverage.

1203 (ii) A bar establishment licensee is not required to remain open:

- 1204 (A) after all patrons have vacated the premises; or
1205 (B) during an emergency.
- 1206 (5) (a) A minor:
1207 (i) may not be admitted into, use, or be in the licensed premises of:
1208 (A) a dining club licensee unless accompanied by an individual who is 21 years old or
1209 older; or
1210 (B) a bar licensee, except to the extent provided for under Section 32B-6-406.1;
1211 (ii) may only be admitted into, use, or be in the lounge or bar area of an equity
1212 licensee's or fraternal licensee's licensed premises:
1213 (A) when accompanied by an individual who is 21 years old or older; and
1214 (B) momentarily while en route to another area of the licensee's premises; and
1215 (iii) may not remain or sit in the lounge or bar area of an equity licensee's or fraternal
1216 licensee's licensed premises.
- 1217 (b) Notwithstanding Section 32B-5-308, a bar establishment licensee may not employ a
1218 minor to:
1219 (i) work in a lounge or bar area of an equity licensee, fraternal licensee, or dining club
1220 licensee; or
1221 (ii) handle an alcoholic product.
- 1222 (c) Notwithstanding Section 32B-5-308, a minor may not be employed on the licensed
1223 premises of a bar licensee.
- 1224 (d) Nothing in this part or Section 32B-5-308 precludes a local authority from being
1225 more restrictive of a minor's admittance to, use of, or presence on the licensed premises of a bar
1226 establishment licensee.
- 1227 (6) A bar establishment licensee shall have food available at all times when an
1228 alcoholic product is sold, offered for sale, furnished, or consumed on the licensed premises.
- 1229 (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have
1230 more than two alcoholic products of any kind at a time before the patron.
- 1231 (b) A patron may not have two spirituous liquor drinks before the bar establishment
1232 licensee patron if one of the spirituous liquor drinks consists only of the primary spirituous
1233 liquor for the other spirituous liquor drink.
- 1234 (c) An individual portion of wine is considered to be one alcoholic product under

1235 Subsection (7)(a).

1236 (8) A bar establishment licensee shall have available on the premises for a patron to
1237 review at the time that the patron requests it, a written alcoholic product price list or a menu
1238 containing the price of an alcoholic product sold, offered for sale, or furnished by the bar
1239 establishment licensee including:

1240 (a) a set-up charge;

1241 (b) a service charge; or

1242 (c) a chilling fee.

1243 (9) Subject to Section [32B-5-309](#), a bar establishment licensee may not temporarily
1244 rent or otherwise temporarily lease its premises to a person unless:

1245 (a) the person to whom the bar establishment licensee rents or leases the premises
1246 agrees in writing to comply with this title as if the person is the bar establishment licensee,
1247 except for a requirement related to making or maintaining a record; and

1248 (b) the bar establishment licensee takes reasonable steps to ensure that the person
1249 complies with this section as provided in Subsection (9)(a).

1250 (10) If a bar establishment licensee is an equity licensee or fraternal licensee, the bar
1251 establishment licensee shall comply with Section [32B-6-407](#).

1252 (11) If a bar establishment licensee is a dining club licensee or bar licensee, the bar
1253 establishment licensee shall comply with Section [32B-1-407](#).

1254 (12) (a) A bar establishment licensee shall own or lease premises suitable for the bar
1255 establishment licensee's activities.

1256 (b) A bar establishment licensee may not maintain licensed premises in a manner that
1257 barricades or conceals the bar establishment licensee's operation.

1258 Section 23. Section **32B-6-504** is amended to read:

1259 **32B-6-504. Specific licensing requirements for airport lounge license.**

1260 (1) To obtain an airport lounge license, in addition to complying with Chapter 5, Part
1261 2, Retail Licensing Process, a person shall submit with the written application:

1262 (a) both the written consent of the local authority and the written consent of the airport
1263 authority; and

1264 (b) a copy of the sign proposed to be used by the airport lounge licensee on its licensed
1265 premises to inform the public that alcoholic products are sold and consumed on the licensed

1266 premises.

1267 (2) (a) An airport lounge license expires on October 31 of each year.

1268 (b) To renew a person's airport lounge license, a person shall comply with the renewal
1269 requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.

1270 (3) (a) The nonrefundable application fee for an airport lounge license is \$300.

1271 (b) (i) The initial license fee for an airport lounge license is \$8,000.

1272 (ii) The department shall prorate the \$8,000 initial license fee for the period that begins
1273 the day on which the initial license fee is paid and ends the day on which the airport lounge
1274 license expires.

1275 (c) The renewal fee for an airport lounge license is \$6,000.

1276 (4) The bond amount required for an airport lounge license is the penal sum of
1277 \$10,000.

1278 (5) An airport lounge license is not subject to the proximity requirements of Section
1279 [32B-1-202](#).

1280 Section 24. Section **32B-6-604** is amended to read:

1281 **32B-6-604. Specific licensing requirements for an on-premise banquet license.**

1282 (1) To obtain an on-premise banquet license a person shall comply with Chapter 5, Part
1283 2, Retail Licensing Process.

1284 (2) (a) An on-premise banquet license expires on October 31 of each year.

1285 (b) To renew a person's on-premise banquet license, a person shall comply with the
1286 requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.

1287 (3) (a) The nonrefundable application fee for an on-premise banquet license is \$300.

1288 (b) (i) The initial license fee for an on-premise banquet license is \$750.

1289 (ii) The department shall prorate the \$750 initial license fee for the period that begins
1290 the day on which the initial license fee is paid and ends the day on which the on-premise
1291 banquet license expires.

1292 (c) The renewal fee for an on-premise banquet license is \$750.

1293 (4) The bond amount required for an on-premise banquet license is the penal sum of
1294 \$10,000.

1295 (5) Notwithstanding the other provisions of this part, if an applicant is a state agency or
1296 political subdivision of the state it is not required to:

- 1297 (a) pay an application fee, initial license fee, or renewal fee;
- 1298 (b) obtain the written consent of the local authority;
- 1299 (c) submit a copy of the applicant's current business license; or
- 1300 (d) post a bond as specified by Section 32B-5-204.
- 1301 (6) Notwithstanding Subsection 32B-5-303(3), the department may approve an
- 1302 additional location in or on the licensed premises of an on-premise banquet licensee from
- 1303 which the on-premise banquet licensee may store, sell, offer for sale, furnish, or allow the
- 1304 consumption of an alcoholic product that is not included in its original application only:
- 1305 (a) upon proper application by an on-premise banquet licensee; and
- 1306 (b) in accordance with guidelines approved by the commission.
- 1307 Section 25. Section 32B-6-605 is amended to read:
- 1308 **32B-6-605. Specific operational requirements for on-premise banquet license.**
- 1309 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
- 1310 Requirements, an on-premise banquet licensee and staff of the on-premise banquet licensee
- 1311 shall comply with this section.
- 1312 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
- 1313 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
- 1314 (i) an on-premise banquet licensee;
- 1315 (ii) individual staff of an on-premise banquet licensee; or
- 1316 (iii) both an on-premise banquet licensee and staff of the on-premise banquet licensee.
- 1317 (2) An on-premise banquet licensee shall comply with Subsections 32B-5-301(4) and
- 1318 (5) for the entire premises of the hotel, resort facility, sports center, convention center,
- 1319 performing arts facility, arena, or restaurant venue that is the basis for the on-premise banquet
- 1320 license.
- 1321 (3) (a) For the purpose described in Subsection (3)(b), an on-premise banquet licensee
- 1322 shall provide the department with advance notice of a scheduled banquet in accordance with
- 1323 rules made by the commission.
- 1324 (b) Any of the following may conduct a random inspection of a banquet:
- 1325 (i) an authorized representative of the commission or the department; or
- 1326 (ii) a law enforcement officer.
- 1327 (4) (a) An on-premise banquet licensee is not subject to Subsection 32B-5-302(1), but

1328 shall make and maintain the records described in Subsection 32B-5-302(2) and the records the
1329 commission or department requires.

1330 (b) Section 32B-1-205 applies to a record required to be made or maintained in
1331 accordance with this Subsection (4).

1332 (5) (a) Except as otherwise provided in this title, an on-premise banquet licensee may
1333 sell, offer for sale, or furnish an alcoholic product at a banquet only for consumption at the
1334 location of the banquet.

1335 (b) [~~Except as provided in Subsection 32B-5-307(4),~~] Notwithstanding Section
1336 32B-5-307 and except as otherwise provided in this title:

1337 (i) [~~a host of a banquet, a patron, or~~] a person at a banquet other than the on-premise
1338 banquet licensee or staff of the on-premise banquet licensee, may not remove an alcoholic
1339 product from the premises of the banquet[-]; and

1340 [~~(c) Notwithstanding Subsections 32B-5-307(3) and (5) and except as provided in~~
1341 ~~Subsection 32B-5-307(4),~~]

1342 (ii) a patron at a banquet may not bring an alcoholic product into or onto[, ~~or remove~~
1343 ~~an alcoholic product from,~~] the premises of [~~a~~] the banquet.

1344 (6) (a) An on-premise banquet licensee may not leave an unsold alcoholic product at
1345 the banquet following the conclusion of the banquet.

1346 (b) At the conclusion of a banquet, an on-premise banquet licensee shall:

1347 (i) destroy an opened and unused alcoholic product that is not saleable, under
1348 conditions established by the department; and

1349 (ii) return to the on-premise banquet licensee's approved locked storage area any:

1350 (A) opened and unused alcoholic product that is saleable; and

1351 (B) unopened container of an alcoholic product.

1352 (c) Except as provided in Subsection (6)(b) with regard to an open or sealed container
1353 of an alcoholic product not sold or consumed at a banquet, an on-premise banquet licensee:

1354 (i) shall store the alcoholic product in the on-premise banquet licensee's approved
1355 locked storage area; and

1356 (ii) may use the alcoholic product at more than one banquet.

1357 (7) Notwithstanding Section 32B-5-308, an on-premise banquet licensee may not
1358 employ a minor to sell, furnish, or dispense an alcoholic product in connection with the

- 1359 on-premise banquet licensee's banquet and room service activities.
- 1360 (8) An on-premise banquet licensee:
- 1361 (a) may provide room service in portions described in Section [32B-5-304](#);
- 1362 (b) may not sell, offer for sale, or furnish an alcoholic product at a banquet or in
- 1363 connection with room service any day during a period that:
- 1364 (i) begins at 1 a.m.; and
- 1365 (ii) ends at 9:59 a.m.; and
- 1366 (c) notwithstanding Section [32B-5-305](#), may provide as room service one alcoholic
- 1367 product free of charge per guest reservation, per guest room, if the alcoholic product:
- 1368 (i) is not a spirituous liquor; and
- 1369 (ii) is in an unopened container not to exceed 750 milliliters.
- 1370 (9) (a) Subject to the other provisions of this Subsection (9), a patron may not have
- 1371 more than two alcoholic products of any kind at a time before the patron.
- 1372 (b) A patron may not have more than one spirituous liquor drink at a time before the
- 1373 patron.
- 1374 (c) An individual portion of wine is considered to be one alcoholic product under
- 1375 Subsection (9)(a).
- 1376 (10) (a) An on-premise banquet licensee shall supervise and direct a person involved in
- 1377 the sale, offer for sale, or furnishing of an alcoholic product.
- 1378 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product
- 1379 shall complete an alcohol training and education seminar.
- 1380 (11) A staff person of an on-premise banquet licensee shall remain at the banquet at all
- 1381 times when an alcoholic product is sold, offered for sale, furnished, or consumed at the
- 1382 banquet.
- 1383 (12) (a) Room service of an alcoholic product to a guest room or privately owned
- 1384 dwelling unit of a hotel or resort facility shall be provided in person by staff of an on-premise
- 1385 banquet licensee only to an adult guest in the guest room or privately owned dwelling unit.
- 1386 (b) An alcoholic product may not be left outside a guest room or privately owned
- 1387 dwelling unit for retrieval by a guest or resident.
- 1388 (13) An on-premise banquet licensee may not maintain a minibar.
- 1389 Section 26. Section [32B-6-702](#) is amended to read:

1390 **32B-6-702. Definitions.**

1391 As used in this part:

1392 (1) "Commission-approved activity" means a leisure activity that:

1393 (a) the commission approves by rule made in accordance with Title 63G, Chapter 3,

1394 Utah Administrative Rulemaking Act; and

1395 (b) does not involve the use of a dangerous weapon.

1396 (2) (a) "Recreational amenity" means:

1397 (i) a billiard parlor;

1398 (ii) a pool parlor;

1399 (iii) a bowling facility;

1400 (iv) a golf course;

1401 (v) miniature golf;

1402 (vi) a golf driving range;

1403 (vii) a tennis club;

1404 (viii) a sports facility that hosts professional sporting events and has a seating capacity

1405 equal to or greater than [~~6,500~~] 5,000;

1406 (ix) a concert venue that has a seating capacity equal to or greater than [~~6,500~~] 5,000;

1407 (x) one of the following if owned by a government agency:

1408 (A) a convention center;

1409 (B) a fair facility;

1410 (C) an equestrian park;

1411 (D) a theater; or

1412 (E) a concert venue;

1413 (xi) an amusement park:

1414 (A) with one or more permanent amusement rides; and

1415 (B) located on at least 50 acres;

1416 (xii) a ski resort;

1417 (xiii) a venue for live entertainment if the venue:

1418 (A) is not regularly open for more than five hours on any day;

1419 (B) is operated so that food is available whenever beer is sold, offered for sale, or

1420 furnished at the venue; and

1421 (C) is operated so that no more than 15% of its total annual receipts are from the sale
1422 of beer;

1423 (xiv) concessions operated within the boundary of a park administered by the:

1424 (A) Division of State Parks; or

1425 (B) National Parks Service;

1426 (xv) a facility or venue that is a recreational amenity for a person licensed under this
1427 part before May 12, 2020;

1428 (xvi) a venue for karaoke; or

1429 (xvii) an enterprise developed around a commission-approved activity.

1430 (b) "Recreational amenity" does not include an item described in Subsection (2)(a), if
1431 the item is tangential to an enterprise or activity that is not included in Subsection (2)(a).

1432 Section 27. Section **32B-6-705** is amended to read:

1433 **32B-6-705. Specific licensing requirements for on-premise beer retailer license.**

1434 (1) To obtain an on-premise beer retailer license a person shall comply with Chapter 5,
1435 Part 2, Retail Licensing Process, except that an on-premise beer retailer is required to carry
1436 dramshop insurance coverage in accordance with Section **32B-5-201** only if the on-premise
1437 beer retailer sells more than \$5,000 of beer annually.

1438 (2) (a) An on-premise beer retailer license expires on the last day of February each
1439 year.

1440 (b) To renew a person's on-premise beer retailer license, a person shall comply with the
1441 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than January
1442 31.

1443 (3) (a) The nonrefundable application fee for an on-premise beer retailer license is
1444 \$300.

1445 (b) (i) (A) The initial license fee for an on-premise beer retailer license that is not a
1446 tavern is \$300.

1447 (B) The department shall prorate the \$300 initial license fee for the period that begins
1448 the day on which the initial license fee is paid and ends the day on which the on-premise beer
1449 retailer license expires.

1450 (ii) (A) The initial license fee for an on-premise beer retailer license that is a tavern is
1451 \$1,500.

1452 (B) The department shall prorate the \$1,500 initial license fee for the period that begins
1453 the day on which the initial license fee is paid and ends the day on which the on-premise beer
1454 retailer license expires.

1455 (c) (i) The renewal fee for an on-premise beer retailer license that is not a tavern is
1456 \$350.

1457 (ii) The renewal fee for an on-premise beer retailer license that is a tavern is \$1,250.

1458 (4) The bond amount required for an on-premise beer retailer license is the penal sum
1459 of \$5,000.

1460 (5) Notwithstanding the other provisions of this part, if an applicant is a state agency or
1461 political subdivision of the state it is not required to:

1462 (a) pay an application fee, initial license fee, or renewal fee;

1463 (b) obtain the written consent of the local authority;

1464 (c) submit a copy of the applicant's current business license; or

1465 (d) post a bond as specified by Section [32B-5-204](#).

1466 Section 28. Section **32B-6-804** is amended to read:

1467 **32B-6-804. Specific licensing requirements for reception center license.**

1468 (1) To obtain a reception center license a person shall comply with Chapter 5, Part 2,
1469 Retail Licensing Process.

1470 (2) (a) A reception center license expires on October 31 of each year.

1471 (b) To renew a person's reception center license, a person shall comply with the
1472 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1473 September 30.

1474 (3) (a) The nonrefundable application fee for a reception center license is \$300.

1475 (b) (i) The initial license fee for a reception center license is \$750.

1476 (ii) The department shall prorate the \$750 initial license fee for the period that begins
1477 the day on which the initial license fee is paid and ends the day on which the reception center
1478 license expires.

1479 (c) The renewal fee for a reception center license is \$750.

1480 (4) The bond amount required for a reception center license is the penal sum of
1481 \$10,000.

1482 Section 29. Section **32B-6-902** is amended to read:

1483 **32B-6-902. Definitions.**

1484 (1) As used in this part:

1485 (a) (i) "Dining area" means an area in the licensed premises of a beer-only restaurant
1486 licensee that is primarily used for the service and consumption of food by one or more patrons.

1487 (ii) "Dining area" does not include a dispensing area.

1488 (b) (i) "Dispensing area" means an area in the licensed premises of a beer-only
1489 restaurant licensee where a dispensing structure is located and that:

1490 (A) is physically separated from the dining area and any waiting area by a structure or
1491 other barrier that prevents a patron seated in the dining area or a waiting area from viewing the
1492 dispensing of beer;

1493 (B) except as provided in Subsection (1)(b)(ii), measures at least 10 feet from the
1494 dining area and any waiting area to the nearest edge of the dispensing structure; or

1495 (C) is physically separated from the dining area and any waiting area by a permanent
1496 physical structure that complies with the provisions of Title 15A, State Construction and Fire
1497 Codes Act, and, to the extent allowed under Title 15A, State Construction and Fire Codes Act,
1498 measures at least 42 inches high, and at least 60 inches from the inside edge of the barrier to
1499 the nearest edge of the dispensing structure.

1500 (ii) "Dispensing area" does not include any area described in Subsection (1)(b)(i)(B)
1501 that is less than 10 feet from an area where beer is dispensed, but from which a patron seated at
1502 a table or counter cannot view the dispensing of beer.

1503 (c) "Small beer-only restaurant licensee" means a beer-only restaurant licensee [~~that~~
1504 ~~has a grandfathered bar structure~~] whose dispensing area includes more than 45% of the
1505 available seating for patrons on the licensed premises, excluding outdoor seating:

1506 (i) when measured in accordance with Subsection (1)(b)(i)(B); and

1507 (ii) based on the licensee's floor plan on file with the department on July 1, 2017.

1508 (d) "Waiting area" includes a lobby.

1509 Section 30. Section **32B-6-904** is amended to read:

1510 **32B-6-904. Specific licensing requirements for beer-only restaurant license.**

1511 (1) To obtain a beer-only restaurant license a person shall comply with Chapter 5, Part
1512 2, Retail Licensing Process.

1513 (2) (a) A beer-only restaurant license expires the last day of February of each year.

1514 (b) To renew a person's beer-only restaurant license, a person shall comply with the
1515 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than January
1516 31.

1517 (3) (a) The nonrefundable application fee for a beer-only restaurant license is \$330.

1518 (b) (i) The initial license fee for a beer-only restaurant license is \$825.

1519 (ii) The department shall prorate the \$825 initial license fee for the period that begins
1520 the day on which the initial license fee is paid and ends the day on which the beer-only license
1521 expires.

1522 (c) The renewal fee for a beer-only restaurant license is \$605.

1523 (4) The bond amount required for a beer-only restaurant license is the penal sum of
1524 \$5,000.

1525 Section 31. Section **32B-6-1004** is amended to read:

1526 **32B-6-1004. Specific licensing requirements for a hospitality amenity license.**

1527 (1) To obtain a hospitality amenity license a person shall comply with Chapter 5, Part
1528 2, Retail Licensing Process.

1529 (2) (a) A hospitality amenity license expires on October 31 of each year.

1530 (b) To renew a person's hospitality amenity license, a person shall comply with the
1531 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1532 September 30.

1533 (3) (a) The nonrefundable application fee for a hospitality amenity license is \$330.

1534 (b) (i) The initial license fee for a hospitality amenity license is \$2,000.

1535 (ii) The department shall prorate the \$2,000 initial license fee for the period that begins
1536 the day on which the initial license fee is paid and ends the day on which the hospitality
1537 amenity license expires.

1538 (c) The renewal fee for a hospitality amenity license is \$1,000.

1539 (4) The bond amount required for a hospitality amenity license is the penal sum of
1540 \$10,000.

1541 (5) Notwithstanding Subsection **32B-5-303(3)**, the commission may approve an
1542 additional location in or on the licensed premises of a hospitality amenity licensee from which
1543 the hospitality amenity licensee may store, sell, offer for sale, furnish, or allow the
1544 consumption of an alcoholic product that is not included in the person's original application

1545 only:

1546 (a) upon proper application by a hospitality amenity licensee; and

1547 (b) in accordance with guidelines the commission approves.

1548 Section 32. Section **32B-7-202** is amended to read:

1549 **32B-7-202. General operational requirements for off-premise beer retailer.**

1550 (1) (a) An off-premise beer retailer or staff of the off-premise beer retailer shall comply
1551 with the provisions of this title and any applicable rules made by the commission.

1552 (b) Failure to comply with this section may result in a suspension or revocation of a
1553 local license and, on or after July 1, 2018, disciplinary action in accordance with Chapter 3,
1554 Disciplinary Actions and Enforcement Act.

1555 (2) (a) (i) An off-premise beer retailer may not purchase, acquire, possess for the
1556 purpose of resale, or sell beer, except beer that the off-premise beer retailer lawfully purchases
1557 from:

1558 (A) a beer wholesaler licensee; or

1559 (B) a small brewer that manufactures the beer.

1560 (ii) A violation of Subsection (2)(a) is a class A misdemeanor.

1561 (b) (i) If an off-premise beer retailer purchases beer under this Subsection (2) from a
1562 beer wholesaler licensee, the off-premise beer retailer shall purchase beer only from a beer
1563 wholesaler licensee who is designated by the manufacturer to sell beer in the geographical area
1564 in which the off-premise beer retailer is located, unless an alternate wholesaler is authorized by
1565 the department to sell to the off-premise beer retailer as provided in Section [32B-13-301](#).

1566 (ii) A violation of Subsection (2)(b) is a class B misdemeanor.

1567 (3) An off-premise beer retailer may not possess, sell, offer for sale, or furnish beer in a
1568 container larger than two liters.

1569 (4) (a) Staff of an off-premise beer retailer, while on duty, may not:

1570 (i) consume an alcoholic product; or

1571 (ii) be intoxicated.

1572 (b) A minor may not sell beer on the licensed premises of an off-premise beer retailer

1573 unless:

1574 (i) the sale is done under the supervision of a person 21 years old or older who is on the
1575 licensed premises; and

- 1576 (ii) the minor is at least 16 years old.
- 1577 (5) An off-premise beer retailer may not sell, offer for sale, or furnish an alcoholic
1578 product to:
- 1579 (a) a minor;
- 1580 (b) a person actually, apparently, or obviously intoxicated;
- 1581 (c) a known interdicted person; or
- 1582 (d) a known habitual drunkard.
- 1583 (6) (a) Subject to the other provisions of this Subsection (6), an off-premise beer
1584 retailer shall:
- 1585 (i) display all beer accessible by and visible to a patron in no more than two locations
1586 on the retail sales floor, each of which is:
- 1587 (A) a display cabinet, cooler, aisle, floor display, or room where beer is the only
1588 beverage displayed; and
- 1589 (B) not adjacent to a display of nonalcoholic beverages, unless the location is a cooler
1590 with a door from which the nonalcoholic beverages are not accessible, or the beer is separated
1591 from the display of nonalcoholic beverages by a display of one or more nonbeverage products
1592 or another physical divider; and
- 1593 (ii) display a sign in the area described in Subsection (6)(a)(i) that:
- 1594 (A) is prominent;
- 1595 (B) is easily readable by a consumer;
- 1596 (C) meets the requirements for format established by the commission by rule; and
- 1597 (D) reads in print that is no smaller than .5 inches, bold type, "These beverages contain
1598 alcohol. Please read the label carefully."
- 1599 (b) Notwithstanding Subsection (6)(a), a nonalcoholic beer may be displayed with beer
1600 if the nonalcoholic beer is labeled, packaged, or advertised as a nonalcoholic beer.
- 1601 (c) The requirements of this Subsection (6) apply to beer notwithstanding that it is
1602 labeled, packaged, or advertised as:
- 1603 (i) a malt cooler; or
- 1604 (ii) a beverage that may provide energy.
- 1605 (d) A violation of this Subsection (6) is an infraction.
- 1606 (e) (i) Except as provided in Subsection (6)(e)(ii), the provisions of Subsection (6)(a)(i)

1607 apply on and after May 9, 2017.

1608 (ii) For a beer retailer that operates two or more off-premise beer retailers, the
1609 provisions of Subsection (6)(a)(i) apply on and after August 1, 2017.

1610 (7) (a) Staff of an off-premise beer retailer who directly supervises the sale of beer or
1611 who sells beer to a patron for consumption off the premises of the off-premise beer retailer
1612 shall wear a unique identification badge:

1613 (i) on the front of the staff's clothing;

1614 (ii) visible above the waist;

1615 (iii) bearing the staff's:

1616 (A) first or last name;

1617 (B) initials; or

1618 (C) unique identification in letters or numbers; and

1619 (iv) with the number or letters on the unique identification badge being sufficiently
1620 large to be clearly visible and identifiable while engaging in or directly supervising the retail
1621 sale of beer.

1622 (b) An off-premise beer retailer shall make and maintain a record of each current staff's
1623 unique identification badge assigned by the off-premise beer retailer that includes the staff's:

1624 (i) full name;

1625 (ii) address; and

1626 (iii) (A) driver license number; or

1627 (B) similar identification number.

1628 (c) An off-premise beer retailer shall make available a record required to be made or
1629 maintained under this Subsection (7) for immediate inspection by:

1630 (i) a peace officer;

1631 (ii) a representative of the local authority that issues the off-premise beer retailer
1632 license; or

1633 (iii) for an off-premise beer retailer state license, a representative of the commission or
1634 department.

1635 (d) A local authority may impose a fine of up to \$250 against an off-premise beer
1636 retailer that does not comply or require its staff to comply with this Subsection (7).

1637 (8) (a) An off-premise beer retailer may sell, offer for sale, or furnish beer through a

1638 drive through window.

1639 (b) Subsection (8)(a) does not modify the display limitations and requirements
1640 described in Subsection (6).

1641 (9) An off-premise beer retailer may not on the licensed premises:

1642 (a) engage in or permit any form of:

1643 (i) gambling, as defined in Section 76-10-1101; or

1644 (ii) fringe gambling, as defined in Section 76-10-1101;

1645 (b) have any fringe gaming device, video gaming device, or gambling device or record
1646 as defined in Section 76-10-1101; or

1647 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires
1648 the risking of something of value for a return or for an outcome when the return or outcome is
1649 based upon an element of chance, excluding the playing of an amusement device that confers
1650 only an immediate and unrecorded right of replay not exchangeable for value.

1651 (10) An off-premise beer retailer may not knowingly allow a person on the licensed
1652 premises to, in violation of Title 58, Chapter 37, Utah Controlled Substances Act, or Chapter
1653 37a, Utah Drug Paraphernalia Act:

1654 (a) sell, distribute, possess, or use a controlled substance, as defined in Section
1655 58-37-2; or

1656 (b) use, deliver, or possess, with the intent to deliver, drug paraphernalia, as defined in
1657 Section 58-37a-3.

1658 (11) An off-premise beer retailer may not sell, offer for sale, or furnish a beer that is
1659 intended to be frozen and consumed in a manner other than as a beverage, including beer in the
1660 form of a freeze pop, popsicle, ice cream, or sorbet.

1661 Section 33. Section **32B-8-102** is amended to read:

1662 **32B-8-102. Definitions.**

1663 As used in this chapter:

1664 (1) "Boundary of a resort building" means the physical boundary of the real property
1665 reasonably related to a resort building and any structure or improvement to that land as
1666 determined by the commission.

1667 (2) "Designated conveyance area" means a route within a hotel:

1668 (a) that connects one or more of the following:

- 1669 (i) the premises of a sublicensed bar;
- 1670 (ii) the premises of a sublicensed hospitality amenity area;
- 1671 (iii) a sublicensed banquet premises; or
- 1672 (iv) a guest's room; and
- 1673 (b) that does not begin, end, or pass through a pool area or other recreation area, a
- 1674 designated business center, or a sublicensed premises not described in Subsection (2)(a).

1675 [~~2~~] (3) "Dwelling" means a portion of a resort building:

- 1676 (a) owned by one or more individuals;
- 1677 (b) that is used or designated for use as a residence by one or more persons; and
- 1678 (c) that may be rented, loaned, leased, or hired out for a period of no longer than 30
- 1679 consecutive days by a person who uses it for a residence.

1680 [~~3~~] (4) "Engaged in the management of the resort" may be defined by the commission

1681 by rule.

1682 [~~4~~] (5) "Resident" means an individual who:

- 1683 (a) owns a dwelling located within a resort building; or
- 1684 (b) rents lodging accommodations for 30 consecutive days or less from:
- 1685 (i) an owner of a dwelling described in Subsection [~~4~~](a) (5)(a); or
- 1686 (ii) the resort licensee.

1687 [~~5~~] (6) "Resort" means a location:

- 1688 (a) on which is located one resort building; and
- 1689 (b) that is affiliated with a ski area that physically touches the boundary of the resort
- 1690 building.

1691 [~~6~~] (7) "Resort building" means a building:

- 1692 (a) that is primarily operated to provide dwellings or lodging accommodations;
- 1693 (b) that has at least 150 units that consist of a dwelling or lodging accommodations;
- 1694 (c) that consists of at least 400,000 square feet:
- 1695 (i) including only the building itself; and
- 1696 (ii) not including areas such as above ground surface parking; and
- 1697 (d) of which at least 50% of the units described in Subsection [~~6~~](b) (7)(b) consist of
- 1698 dwellings owned by a person other than the resort licensee.

1699 Section 34. Section **32B-8-201** is amended to read:

1700 **32B-8-201. Commission's power to issue a resort license.**

1701 (1) Before a person as a resort under a single license may store, sell, offer for sale,
1702 furnish, or allow the consumption of an alcoholic product on sublicense premises, the person
1703 shall first obtain a resort license from the commission in accordance with this part.

1704 (2) (a) The commission may issue to a person a resort license to allow the storage, sale,
1705 offer for sale, furnishing, and consumption of an alcoholic product in connection with a resort
1706 designated in the resort license if the person operates at least four sublicenses under the resort
1707 license.

1708 (b) A resort license shall:

1709 (i) consist of:

1710 (A) a general resort license; and

1711 (B) four or more sublicenses; and

1712 (ii) designate the boundary of the resort building, each sublicense, and each designated
1713 conveyance area.

1714 (c) This chapter does not prohibit an alcoholic product in or on the boundary of the
1715 resort building to the extent otherwise permitted by this title.

1716 (3) The commission may not issue a total number of resort licenses that at any time
1717 totals more than eight.

1718 Section 35. Section **32B-8-202** is amended to read:

1719 **32B-8-202. Specific licensing requirements for resort license.**

1720 (1) To obtain a resort license, in addition to complying with Chapter 5, Part 2, Retail
1721 Licensing Process, a person shall submit with the person's written application:

1722 (a) evidence:

1723 (i) of proximity of the resort building to any community location;

1724 (ii) that each proposed sublicensed premises is entirely within the boundaries of the
1725 resort building; and

1726 (iii) that the building designated in the application as the resort building qualifies as a
1727 resort building; [~~and~~]

1728 (b) a description and boundary map of the resort building[-];

1729 (c) a description, floor plan, and boundary map of each proposed designated
1730 conveyance area; and

1731 (d) a signed consent form stating that the resort licensee will permit any authorized
1732 representative of the commission or department, or any law enforcement officer, to have an
1733 unrestricted right to enter any proposed designated conveyance area.

1734 (2) (a) A resort license expires on October 31 of each year.

1735 (b) To renew a person's resort license, the person shall comply with the requirements of
1736 Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.

1737 (3) (a) The nonrefundable application fee for a resort license is \$300.

1738 (b) The initial license fee for a resort license is calculated as follows:

1739 (i) if four sublicenses are being applied for under the resort license, \$10,000; or

1740 (ii) if more than four sublicenses are being applied for under the resort license, the sum

1741 of:

1742 (A) \$10,000; and

1743 (B) \$2,000 for each sublicense in excess of four sublicenses for which the person is
1744 applying.

1745 (c) The renewal fee for a resort license is \$1,000 for each sublicense under the resort
1746 license.

1747 (4) (a) The bond amount required for a resort license is the penal sum of \$25,000~~[-]~~,
1748 covering each sublicense and each designated conveyance area under the resort license.

1749 (b) A resort licensee is not required to have a separate bond for each sublicense~~];~~
1750 ~~except that the aggregate of the bonds posted by the resort licensee shall cover each sublicense~~
1751 ~~under the resort license] or each designated conveyance area.~~

1752 (5) The commission may not issue a resort license for a resort building that does not
1753 meet the proximity requirements of Section 32B-1-202.

1754 (6) In accordance with Subsection 32B-8d-103(4), a resort licensee may request to add
1755 a sublicense after the commission issues the resort licensee's resort license.

1756 (7) (a) A resort licensee may request to add a designated conveyance area after the
1757 commission issues the resort licensee's resort license.

1758 (b) If a resort licensee seeks to add a designated conveyance area under Subsection
1759 (7)(a), the resort licensee shall submit to the department:

1760 (i) the information and evidence described in Subsections (1)(a)(iii), (1)(c), and (1)(d);

1761 and

1762 (ii) if the resort licensee is an entity, proper verification evidencing that the person who
1763 signs the submission is authorized to sign on behalf of the entity.

1764 Section 36. Section **32B-8-401** is amended to read:

1765 **32B-8-401. Specific operational requirements for resort license.**

1766 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
1767 Requirements, a resort licensee, staff of the resort licensee, and a sublicensee or a person
1768 otherwise operating under a sublicense shall comply with this section.

1769 (b) Subject to Section [32B-8-502](#), failure to comply as provided in Subsection (1)(a)
1770 may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and
1771 Enforcement Act, against:

1772 (i) the resort licensee;

1773 (ii) individual staff of the resort licensee;

1774 (iii) a sublicensee or person otherwise operating under a sublicense of the resort
1775 licensee;

1776 (iv) individual staff of a sublicensee or person otherwise operating under a sublicense
1777 of the resort licensee; or

1778 (v) any combination of the persons listed in Subsections (1)(b)(i) through (iv).

1779 (2) (a) A resort licensee may not sell, offer for sale, or furnish an alcoholic product
1780 except:

1781 (i) on sublicensed premises;

1782 (ii) pursuant to a permit issued under this title;

1783 (iii) under a package agency agreement with the department, subject to Chapter 2, Part
1784 6, Package Agency; or

1785 (iv) through room service.

1786 (b) A resort licensee who sells, offers for sale, or furnishes an alcoholic product as
1787 provided in Subsection (2)(a), shall sell, offer for sale, or furnish the alcoholic product:

1788 (i) if on a sublicense premises, in accordance with the operational requirements
1789 described in Section [32B-8d-104](#);

1790 (ii) if under a permit issued under this title, in accordance with the operational
1791 requirements under the provisions applicable to the permit;

1792 (iii) if as a package agency, in accordance with the contract with the department and

1793 Chapter 2, Part 6, Package Agency; and

1794 (iv) if through room service, in accordance with Subsection ~~[(5)]~~ (6).

1795 (3) A resort licensee shall operate in a manner so that at least 70% of the annual
1796 aggregate of the gross receipts related to the sale of food or beverages for the resort license and
1797 each of the resort licensee's sublicenses is from the sale of food, not including:

1798 (a) mix for an alcoholic product; and

1799 (b) a charge in connection with the service of an alcoholic product.

1800 (4) (a) A resort licensee shall supervise and direct a person involved in the sale, offer
1801 for sale, or furnishing of an alcoholic product under a resort license.

1802 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product
1803 under a resort license shall complete the alcohol training and education seminar.

1804 (5) (a) A resort licensee shall:

1805 (i) in accordance with commission rule, establish and maintain signage that clearly
1806 identifies each designated conveyance area and conspicuously states that a patron may not take
1807 an alcoholic beverage beyond the designated conveyance area except as otherwise provided in
1808 this chapter;

1809 (ii) ensure that an alcoholic beverage is not left unattended in a designated conveyance
1810 area; and

1811 (iii) ensure that each patron complies with the requirements of Subsection
1812 [32B-8d-104\(5\)\(b\)\(ii\)](#).

1813 ~~[(5)]~~ (6) (a) ~~[Room]~~ Staff of the resort licensee shall provide room service of an
1814 alcoholic product to a lodging accommodation of a resort licensee ~~[shall be provided]~~ in person
1815 ~~[by staff of the resort licensee]~~ only to an adult occupant in the lodging accommodation.

1816 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval
1817 by an occupant.

1818 Section 37. Section **32B-8b-102** is amended to read:

1819 **32B-8b-102. Definitions.**

1820 As used in this chapter:

1821 (1) "Boundary of a hotel" means the physical boundary of one or more contiguous
1822 parcels of real property owned or managed by the same person and on which a hotel is located.

1823 (2) "Designated conveyance area" means a route within a hotel:

- 1824 (a) that connects one or more of the following:
- 1825 (i) the premises of a sublicensed bar;
- 1826 (ii) the premises of a sublicensed hospitality amenity area;
- 1827 (iii) a sublicensed banquet premises; or
- 1828 (iv) a guest's room; and
- 1829 (b) does not begin, end, or pass through a pool area or other recreation area, a
- 1830 designated business center, or a sublicensed premises not described in Subsection (2)(a).
- 1831 [~~2~~] (3) "Hotel" means one or more buildings that:
- 1832 (a) comprise a hotel, as defined by the commission;
- 1833 (b) are owned or managed by the same person or by a person who has a majority
- 1834 interest in or can direct or exercise control over the management or policy of the person who
- 1835 owns or manages any other building under the hotel license within the boundary of the hotel;
- 1836 (c) primarily operate to provide lodging accommodations;
- 1837 (d) have on-premise banquet space and provide on-premise banquet service within the
- 1838 boundary of the hotel meeting the requirements of this title;
- 1839 (e) have a restaurant or bar establishment within the boundary of the hotel meeting the
- 1840 requirements of this title; and
- 1841 (f) have at least 40 rooms as temporary sleeping accommodations for compensation.
- 1842 Section 38. Section **32B-8b-201** is amended to read:
- 1843 **32B-8b-201. Commission's power to issue a hotel license.**
- 1844 (1) Before a person as a hotel under a single license may store, sell, offer for sale,
- 1845 furnish, or allow the consumption of an alcoholic product on sublicense premises, the person
- 1846 shall first obtain a hotel license from the commission in accordance with this part.
- 1847 (2) (a) The commission may issue to a person a hotel license to allow the storage, sale,
- 1848 offer for sale, furnishing, and consumption of an alcoholic product in connection with a hotel
- 1849 designated in the hotel license if the person operates at least three sublicenses under the hotel
- 1850 license:
- 1851 (i) one of which is an on-premise banquet license; and
- 1852 (ii) one of which is:
- 1853 (A) a full-service restaurant sublicense;
- 1854 (B) a limited-service restaurant sublicense;

- 1855 (C) a beer-only restaurant sublicense; or
1856 (D) a bar establishment sublicense.
1857 (b) A hotel license shall:
1858 (i) consist of:
1859 (A) a general hotel license; and
1860 (B) three or more sublicenses meeting the requirements of Subsection (2)(a); and
1861 (ii) designate the boundary of the hotel [~~and~~], sublicenses[~~;~~], and each designated
1862 conveyance area.
1863 (c) This chapter does not prohibit an alcoholic product on the boundary of the hotel to
1864 the extent otherwise permitted by this title.
1865 (3) The commission may not issue a total number of hotel licenses that at any time
1866 totals more than 80.
1867 Section 39. Section **32B-8b-202** is amended to read:
1868 **32B-8b-202. Specific licensing requirements for hotel license.**
1869 (1) To obtain a hotel license, in addition to complying with Chapter 5, Part 2, Retail
1870 Licensing Process, a person shall submit with the person's written application:
1871 (a) evidence:
1872 (i) of proximity of each building under the hotel license to any community location;
1873 (ii) that each proposed sublicensed premises is entirely within the boundary of the
1874 hotel; and
1875 (iii) that each building designated in the application as a building under the hotel
1876 license qualifies to be under the hotel license; [~~and~~]
1877 (b) a description and boundary map of the hotel[~~;~~];
1878 (c) a description, floor plan, and boundary map of each proposed designated
1879 conveyance area; and
1880 (d) a signed consent form stating that the hotel licensee will permit any authorized
1881 representative of the commission or department, or any law enforcement officer, to have an
1882 unrestricted right to enter any proposed designated conveyance area.
1883 (2) (a) A hotel license expires on October 31 of each year.
1884 (b) To renew a person's hotel license, the person shall comply with the requirements of
1885 Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.

1886 (3) (a) The nonrefundable application fee for a hotel license is \$500.
1887 (b) The initial license fee for a hotel license is calculated as follows:
1888 (i) if three sublicenses are being applied for under the hotel license, \$5,000; or
1889 (ii) if more than three sublicenses are being applied for under the hotel license, the sum
1890 of:
1891 (A) \$5,000; and
1892 (B) \$2,000 for each sublicense in excess of three sublicenses for which the person is
1893 applying.
1894 (c) The renewal fee for a hotel license is \$1,000 for each sublicense under the hotel
1895 license.
1896 (4) (a) The bond amount required for a hotel license is the penal sum of \$10,000,
1897 covering each sublicense and each designated conveyance area under the hotel license.
1898 (b) A hotel licensee is not required to have a separate bond for each sublicense~~], except~~
1899 ~~that the aggregate of the bonds posted by the hotel licensee shall cover each sublicense under~~
1900 ~~the hotel license] or each designated conveyance area.
1901 (5) The commission may not issue a hotel license that includes a building under the
1902 hotel license that does not meet the proximity requirements of Section 32B-1-202.
1903 (6) In accordance with Subsection 32B-8d-103(4), a hotel licensee may request to add a
1904 sublicense after the commission issues the hotel licensee's hotel license.
1905 (7) (a) A hotel licensee may request to add a designated conveyance area after the
1906 commission issues the hotel licensee's hotel license.
1907 (b) If a hotel licensee seeks to add a designated conveyance area under Subsection
1908 (7)(a), the hotel licensee shall submit to the department:
1909 (i) the information and evidence described in Subsections (1)(a)(iii), (1)(c), and (1)(d);
1910 and
1911 (ii) if the hotel licensee is an entity, proper verification evidencing that the person who
1912 signs the submission is authorized to sign on behalf of the entity.
1913 Section 40. Section 32B-8b-301 is amended to read:
1914 **32B-8b-301. Specific operational requirements for hotel license.**
1915 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
1916 Requirements, a hotel licensee, staff of the hotel licensee, and a sublicensee or person~~

1917 otherwise operating under a sublicense shall comply with this section.

1918 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
1919 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

1920 (i) the hotel licensee;

1921 (ii) individual staff of the hotel licensee;

1922 (iii) a sublicensee or person otherwise operating under a sublicense of the hotel
1923 licensee;

1924 (iv) individual staff of a sublicensee or person otherwise operating under a sublicense
1925 of the hotel licensee; or

1926 (v) any combination of the persons listed in this Subsection (1)(b).

1927 (2) (a) A hotel licensee may not sell, offer for sale, or furnish an alcoholic product
1928 except:

1929 (i) on sublicensed premises;

1930 (ii) pursuant to a permit issued under this title;

1931 (iii) under a package agency agreement with the department, subject to Chapter 2, Part
1932 6, Package Agency; or

1933 (iv) through room service.

1934 (b) A hotel licensee who sells, offers for sale, or furnishes an alcoholic product as
1935 provided in Subsection (2)(a) shall sell, offer for sale, or furnish the alcoholic product:

1936 (i) if on sublicensed premises, in accordance with the operational requirements
1937 described in Section [32B-8d-104](#);

1938 (ii) if under a permit issued under this title, in accordance with the operational
1939 requirements under the provisions applicable to the permit;

1940 (iii) if as a package agency, in accordance with the contract with the department and
1941 Chapter 2, Part 6, Package Agency; and

1942 (iv) if through room service, in accordance with Subsection [~~(4)~~] (5).

1943 (c) Notwithstanding the other provisions of this Subsection (2) and except as provided
1944 in Section [32B-8d-104](#), a hotel licensee may not permit a patron to carry an alcoholic product
1945 off the premises of a sublicense in violation of Section [32B-5-307](#) [or], off an area designated
1946 under a permit, or off a designated conveyance area.

1947 (3) A hotel licensee shall supervise and direct a person involved in the sale, offer for

1948 sale, or furnishing of an alcoholic product under a hotel license.

1949 (4) (a) A hotel licensee shall:

1950 (i) in accordance with commission rule, establish and maintain signage that clearly
1951 identifies each designated conveyance area and conspicuously states that a patron may not take
1952 an alcoholic beverage beyond the designated conveyance area except as otherwise provided in
1953 this chapter;

1954 (ii) ensure that an alcoholic beverage is not left unattended in a designated conveyance
1955 area; and

1956 (iii) ensure that each patron complies with the requirements of Subsection
1957 32B-8d-104(5)(b)(ii).

1958 (b) In accordance with Subsection (2), a hotel licensee may not sell, offer for sale, or
1959 furnish an alcoholic product in a designated conveyance area.

1960 ~~[(4)]~~ (5) (a) [Room] Staff of the hotel licensee shall provide room service of an
1961 alcoholic product to a lodging accommodation of a hotel licensee [shall be provided] in person
1962 [by staff of the hotel licensee] only to an adult occupant in the lodging accommodation.

1963 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval
1964 by an occupant.

1965 ~~[(5)]~~ (6) A hotel licensee shall operate in a manner so that at least 70% of the annual
1966 aggregate of the gross receipts related to the sale of food or beverages for the hotel license and
1967 each of the hotel license's sublicenses is from the sale of food, not including:

1968 (a) mix for an alcoholic product; and

1969 (b) a charge in connection with the service of an alcoholic product.

1970 Section 41. Section **32B-8d-104** is amended to read:

1971 **32B-8d-104. General operational requirements for a sublicense.**

1972 (1) Except as provided in Subsections (2) through ~~[(3)]~~ (5), a person operating under a
1973 sublicense is subject to the operational requirements under the provisions applicable to the
1974 sublicense.

1975 (2) Notwithstanding a requirement in the provisions applicable to the sublicense, a
1976 person operating under the sublicense is not subject to a requirement that a certain percentage
1977 of the gross receipts for the sublicense be from the sale of food, except to the extent that the
1978 gross receipts for the sublicense are included in calculating the percentages under Subsections

1979 ~~32B-8-401~~(3), [~~32B-8b-301~~(5)] 32B-8b-301(6), and 32B-8c-301(3).

1980 (3) Notwithstanding [~~Section 32B-5-307~~;(a)] Sections 32B-5-307 and, a patron may
 1981 transport beer between the sublicensed premises of an arena licensee's accompanying
 1982 sublicenses, if the patron transports the beer from and to an area of each sublicensed premises:

1983 [~~(i)~~] (a) that is adjacent to the other; and

1984 [~~(ii)~~] (b) where the consumption of beer is permitted[~~;~~and].

1985 [~~(b)~~] (4) Notwithstanding Section 32B-5-307, staff of a sublicensee or person
 1986 otherwise operating under a sublicense of a hotel licensee or a resort licensee may transport an
 1987 alcoholic beverage from and to sublicensed premises of the hotel license or resort license, if:

1988 [~~(i)~~] (a) the sublicensee is:

1989 [~~(A)~~] (i) a full-service restaurant sublicensee;

1990 [~~(B)~~] (ii) a limited-service restaurant sublicensee;

1991 [~~(C)~~] (iii) a bar establishment sublicensee;

1992 [~~(D)~~] (iv) a beer-only restaurant sublicensee; or

1993 [~~(E)~~] (v) an on-premise beer retailer sublicensee;

1994 [~~(ii)~~] (b) the individual staff carries the alcoholic beverage:

1995 [~~(A)~~] (i) from the sublicensed premises of a sublicensee described in Subsection

1996 [~~(3)(b)(i)~~] (4)(a);

1997 [~~(B)~~] (ii) briefly through an unlicensed area or briefly through sublicensed premises on
 1998 which the type of alcoholic beverage that the individual staff carries is permitted; and

1999 [~~(C)~~] (iii) to the sublicensed premises of a sublicensee described in Subsection

2000 [~~(3)(b)(i)~~] (4)(a); and

2001 [~~(iii)~~] (c) the individual staff at all times stays within:

2002 [~~(A)~~] (i) the boundary of the hotel; or

2003 [~~(B)~~] (ii) the boundary of the resort building.

2004 [~~(4)~~] (5) (a) Notwithstanding Section 32B-5-307, 32B-6-605, or 32B-6-1005, a patron

2005 may transport an alcoholic beverage between any of the following locations, if the patron

2006 lawfully obtained the alcoholic beverage on the premises of a sublicensee described in

2007 Subsections (5)(a)(i) through (iv) and complies with Subsection (5)(b):

2008 (i) a bar establishment sublicensee's sublicensed premises;

2009 (ii) a hospitality amenity sublicensee's sublicensed premises;

2010 (iii) an on-premise banquet sublicensee's sublicensed premises; and
2011 (iv) a guest room.
2012 (b) A patron may transport an alcoholic beverage in accordance with Subsection (5)(a)
2013 only if:
2014 (i) the patron travels exclusively within a designated conveyance area as defined in
2015 Section 32B-8-102 or 32B-8b-102; and
2016 (ii) the alcoholic beverage:
2017 (A) is not in the alcoholic beverage's original container; and
2018 (B) is in an opaque or solid color container that is readily identifiable as intended for
2019 use in a designated conveyance area.
2020 (6) Except as provided in Section 32B-8-502, for purposes of interpreting an
2021 operational requirement imposed by the provisions applicable to a sublicense:
2022 (a) a requirement imposed on a sublicensee or person operating under a sublicense
2023 applies to the principal licensee; and
2024 (b) a requirement imposed on staff of a sublicensee or person operating under a
2025 sublicense applies to staff of the principal licensee.
2026 Section 42. Section **32B-10-202** is amended to read:
2027 **32B-10-202. Application for special use permit -- Qualifications.**
2028 (1) To obtain a special use permit, a person shall submit to the department:
2029 (a) a written application in a form prescribed by the department;
2030 (b) a nonrefundable application fee, if required by the relevant part of this chapter
2031 applicable to the type of special use permit for which the person applies;
2032 (c) an initial permit fee:
2033 (i) if required by the relevant part of this chapter applicable to the type of special use
2034 permit for which the person applies; and
2035 (ii) that is refundable if a special use permit is not issued;
2036 (d) a one-time special use permit fee if required by a section of this chapter:
2037 (i) applicable to the type of special use permit for which the person applies; and
2038 (ii) that is refundable if a special use permit is not issued;
2039 (e) a statement of the purpose for which the person applies for the special use permit;
2040 (f) a description of the types of alcoholic product the person intends to use under

2041 authority of the special use permit;

2042 (g) written consent of the local authority;

2043 (h) if required, a bond as provided in Section 32B-10-205;

2044 (i) a floor plan of the immediate area within the premises in which the person proposes
2045 that an alcoholic product will be used, mixed, stored, sold, or consumed if required by the
2046 relevant part of this chapter applicable to the type of special use permit for which the person
2047 applies;

2048 (j) a signed consent form stating that the special use permittee will permit any
2049 authorized representative of the commission, department, or any other law enforcement officer
2050 to have unrestricted right to enter the special use permittee's premises;

2051 (k) if the person is an entity, proper verification evidencing that a person who signs the
2052 application is authorized to sign on behalf of the entity; and

2053 (l) any other information the commission or department may require.

2054 (2) (a) The commission may issue a special use permit only to a person who qualifies
2055 as follows:

2056 (i) the commission may issue a religious wine use permit to a religious organization;

2057 (ii) the commission may issue an industrial or manufacturing use permit to a person
2058 engaged in an industrial or manufacturing pursuit;

2059 (iii) the commission may issue a scientific or educational use permit to a person
2060 engaged in a scientific or educational pursuit; and

2061 (iv) the commission may issue a public service permit to:

2062 (A) an operator of an airline, railroad, or other public conveyance[-]; or

2063 (B) an entity with authorization from an international airport to establish and operate a
2064 hospitality room at the international airport.

2065 (b) The commission may not issue a special use permit to a person who is disqualified
2066 under Section 32B-1-304.

2067 (c) If a person to whom a special use permit is issued no longer possesses the
2068 qualifications required by this title for obtaining that special use permit, the commission may
2069 suspend or revoke that special use permit.

2070 Section 43. Section 32B-10-303 is amended to read:

2071 **32B-10-303. Specific application and renewal requirements for public service**

2072 **permit.**

2073 (1) To obtain a public service permit, in addition to complying with Section
2074 [32B-10-202](#), a person shall submit to the department:

2075 (a) a statement of the total of regularly numbered flights, trains, buses, boats, or other
2076 types of public conveyance for which the person plans to use the special use permit;

2077 (b) a floor plan of any room or facility in which the person plans to establish a
2078 hospitality room; and

2079 (c) evidence of proximity of a proposed hospitality room to:

2080 (i) the arrival and departure area used by a person traveling on the person's airline,
2081 railroad, bus, boat, or other public conveyance~~[-]~~; or

2082 (ii) if the applicant is a person described in Subsection [32B-10-202\(2\)\(a\)\(iv\)\(B\)](#), the
2083 arrival and departure area of another person's airline.

2084 (2) (a) The nonrefundable application fee for a public service permit is \$75.

2085 (b) The initial permit fee for a public service permit is \$250.

2086 (c) The bond amount required for a public service permittee is the penal sum of \$1,000.

2087 (3) (a) To renew a public service permit, a person shall comply with Section
2088 [32B-10-203](#).

2089 (b) (i) [The] Except as provided in Subsection (3)(b)(ii), the renewal fee for a public
2090 service permit is \$30 for each regularly numbered passenger airplane flight, passenger train,
2091 bus, boat, or any other regularly scheduled public conveyance upon which an alcoholic product
2092 is sold, offered for sale, or furnished.

2093 (ii) For an applicant described in Subsection [32B-10-202\(2\)\(a\)\(iv\)\(B\)](#), the renewal fee
2094 for a public service permit is \$5,000.

2095 Section 44. Section **32B-10-304** is amended to read:

2096 **32B-10-304. Specific operational requirements for a public service permit.**

2097 (1) (a) In addition to complying with Section [32B-10-206](#), a public service permittee
2098 and staff of the public service permittee shall comply with this section.

2099 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
2100 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2101 (i) a public service permittee;

2102 (ii) individual staff of a public service permittee; or

2103 (iii) both a public service permittee and staff of the public service permittee.

2104 (2) (a) A public service permittee described in Subsection 32B-10-202(2)(a)(iv)(A)

2105 whose public conveyances operate on an interstate basis may do the following:

2106 (i) purchase an alcoholic product outside of the state;

2107 (ii) bring an alcoholic product purchased outside of the state into the state; and

2108 (iii) sell, offer for sale, and furnish an alcoholic product purchased outside of the state

2109 to a passenger traveling on the public service permittee's public conveyance for consumption

2110 while en route on the public conveyance.

2111 (b) A public service permittee described in Subsection 32B-10-202(2)(a)(iv)(A) whose

2112 public conveyance operates solely within the state~~[, to]~~:

2113 (i) may sell, offer for sale, or furnish an alcoholic product to a passenger traveling on

2114 the public service permittee's public conveyance for consumption while en route on the public

2115 conveyance~~[, shall purchase:]~~; and

2116 (ii) shall purchase:

2117 ~~[(i)]~~ (A) liquor from a state store or package agency; and

2118 ~~[(ii)]~~ (B) beer from a beer wholesaler licensee.

2119 (c) A public service permittee described in Subsection 32B-10-202(2)(a)(iv)(B):

2120 (i) may sell, offer for sale, or furnish an alcoholic product to a patron at the public

2121 service permittee's hospitality room; and

2122 (ii) shall purchase:

2123 (A) liquor from a state store or package agency; and

2124 (B) beer from a beer wholesaler licensee.

2125 (3) (a) A public service permittee may establish a hospitality room, if:

2126 (i) (A) the room is located within a depot, terminal, or similar facility adjacent to and

2127 servicing the public service permittee's airline, railroad, bus, boat, or other public conveyance;

2128 or

2129 (B) the room is located within a terminal at an international airport and servicing

2130 another public service permittee's airline;

2131 (ii) the room is completely enclosed and the interior is not visible to the public;

2132 (iii) the sale, offer for sale, or furnishing of an alcoholic product is made only to a

2133 person:

2134 (A) then in transit using the public service permittee's airline, railroad, bus line, or
2135 other public conveyance or, for a public service permittee described in Subsection (2), another
2136 public service permittee's airline; and

2137 (B) holding a valid boarding pass or similar travel document issued by [~~the~~] a public
2138 service permittee; and

2139 (iv) (A) liquor is purchased from:

2140 (I) a state store; or

2141 (II) a package agency; and

2142 (B) beer is purchased from a beer wholesaler licensee.

2143 (b) (i) A public service permittee operating a hospitality room shall display in a
2144 prominent place in the hospitality room, a sign in large letters that consists of text in the
2145 following order:

2146 (A) a header that reads: "WARNING";

2147 (B) a warning statement that reads: "Drinking alcoholic beverages during pregnancy
2148 can cause birth defects and permanent brain damage for the child.";

2149 (C) a statement in smaller font that reads: "Call the Utah Department of Health at
2150 [insert most current toll-free number] with questions or for more information.";

2151 (D) a header that reads: "WARNING"; and

2152 (E) a warning statement that reads: "Driving under the influence of alcohol or drugs is
2153 a serious crime that is prosecuted aggressively in Utah."

2154 (ii) (A) The text described in Subsections (3)(b)(i)(A) through (C) shall be in a
2155 different font style than the text described in Subsections (3)(b)(i)(D) and (E).

2156 (B) The warning statements in the sign described in Subsection (3)(b)(i) shall be in the
2157 same font size.

2158 (iii) The Department of Health shall work with the commission and department to
2159 facilitate consistency in the format of a sign required under this section.

2160 (c) A hospitality room shall be operated in accordance with this chapter and rules
2161 adopted by the commission.

2162 Section 45. Section **32B-15-201** is amended to read:

2163 **32B-15-201. Liability for injuries and damage resulting from distribution of**
2164 **alcoholic products -- Prima facie evidence.**

2165 (1) (a) Except as provided in Subsections 32B-15-202(2) and (3), a person described in
2166 Subsection (1)(b) is liable for:

2167 (i) any and all injury and damage, except punitive damages to:

2168 (A) a third person; or

2169 (B) the heir, as defined in Section 78B-3-105, of the third person; or

2170 (ii) the death of a third person.

2171 (b) A person is liable under Subsection (1)(a) if:

2172 (i) the person directly gives, sells, or otherwise provides an alcoholic product:

2173 (A) to a person described in Subsection (1)(b)(ii); and

2174 (B) as part of the commercial sale, storage, service, manufacture, distribution, or
2175 consumption of an alcoholic product;

2176 (ii) those actions cause the intoxication of:

2177 (A) an individual under 21 years old;

2178 (B) an individual who is apparently under the influence of an alcoholic product or
2179 drug;

2180 (C) an individual whom the person furnishing the alcoholic product knew or should
2181 have known from the circumstances was under the influence of an alcoholic product or drug; or

2182 (D) an individual who is a known interdicted person; and

2183 (iii) the injury or death described in Subsection (1)(a) results from the intoxication of
2184 the individual who is provided the alcoholic product.

2185 (c) It is prima facie evidence that a person is liable under Subsection (1)(a) for an
2186 injury or death that results from the intoxication of an individual described in Subsection
2187 (1)(b)(ii)(B) or (C) if:

2188 (i) the person directly gives, sells, or otherwise provides the individual the last
2189 alcoholic product the individual consumes before the injury or death described in Subsection
2190 (1)(b)(iii);

2191 (ii) the individual consumes the alcoholic product at the location where the person
2192 directly gives, sells, or otherwise provides the individual the alcoholic product;

2193 (iii) the injury or death occurs within 30 minutes after the time at which the individual
2194 leaves, and within a 10 mile radius of, the location where the person gives, sells, or otherwise
2195 provides the individual the alcoholic product; and

2196 (iv) (A) the individual is charged with [~~a criminal violation of Section 41-6a-502 for~~
2197 ~~driving under the influence of an alcoholic product in relation to the injury or death.] an offense
2198 described in Subsection 41-6a-501(2)(a); or~~

2199 (B) if the individual dies as a result of the event that caused the injury or death, a
2200 subsequent chemical test shows that the individual had a blood alcohol concentration of .05
2201 grams or greater at the time of the test.

2202 (2) (a) A person 21 years old or older who is described in Subsection (2)(b) is liable
2203 for:

2204 (i) any and all injury and damage, except punitive damages to:

2205 (A) a third person; or

2206 (B) the heir, as defined in Section 78B-3-105, of the third person; or

2207 (ii) the death of the third person.

2208 (b) A person is liable under Subsection (2)(a) if:

2209 (i) the person directly gives or otherwise provides an alcoholic product to an individual
2210 who the person knows or should have known is under 21 years old;

2211 (ii) those actions caused the intoxication of the individual provided the alcoholic
2212 product;

2213 (iii) the injury or death described in Subsection (2)(a) results from the intoxication of
2214 the individual who is provided the alcoholic product; and

2215 (iv) the person is not liable under Subsection (1), because the person did not directly
2216 give or provide the alcoholic product as part of the commercial sale, storage, service,
2217 manufacture, distribution, or consumption of an alcoholic product.

2218 (3) This section does not apply to a business licensed in accordance with Chapter 7,
2219 Off-Premise Beer Retailer Act, to sell beer at retail only for off-premise consumption.

2220 Section 46. Section **41-6a-531** is enacted to read:

2221 **41-6a-531. Access to DUI investigative reports.**

2222 (1) As used in this section:

2223 (a) "Agent" means a person's attorney that has been formally engaged.

2224 (b) "DUI investigative report" means all materials that a peace officer gathers as part of
2225 investigating an offense described in Subsection 41-6a-501 including:

2226 (i) the identity of witnesses and, if known, contact information;

- 2227 (ii) witness statements;
- 2228 (iii) photographs and videotapes;
- 2229 (iv) diagrams;
- 2230 (v) field notes;
- 2231 (vi) test results; and
- 2232 (vii) any Targeted Responsibility for Alcohol Connected Emergencies investigation
- 2233 report.

2234 (2) (a) Upon request, a law enforcement agency shall disclose an unredacted DUI
 2235 investigative report to:

2236 (i) a person who suffers loss or injury related to the person's actions that gave rise to
 2237 the investigation; or

2238 (ii) an agent, parent, or legal guardian of the person described in Subsection (2)(a)(i).

2239 (b) A law enforcement agency responding to a request under Subsection (2)(a) may:

2240 (i) withhold a portion of the DUI investigative report if disclosure would materially
 2241 prejudice an ongoing criminal investigation or criminal prosecution;

2242 (ii) redact or withhold any privileged information;

2243 (iii) redact an individual's phone number or address, if disclosure of the individual's
 2244 phone number or address may endanger an individual's physical safety; or

2245 (iv) provide the DUI investigative report subject to an agreement that limits the
 2246 recipient's use of the DUI investigative report to use solely for the purpose of pursuing a civil
 2247 claim related to the incident.

2248 (3) A law enforcement agency may charge a reasonable fee to cover the cost incurred
 2249 by disclosing a DUI investigative report in accordance with this section.

2250 Section 47. Section **53-28-101** is enacted to read:

CHAPTER 28. PLACE OF LAST DRINK PROGRAM

53-28-101. Definitions.

2253 (1) "Alcohol-related law enforcement officer" means the same as that term is defined in
 2254 Section [32B-1-201](#).

2255 (2) "Alcohol-related traffic stop" means a traffic stop that results in an individual being
 2256 arrested for an offense described in Subsection [41-6a-501\(2\)\(a\)](#) related to alcohol.

2257 (3) "Alcoholic beverage" means the same as that term is defined in Section [32B-1-102](#).

2258 (4) "Place of last drink" means the location where an individual obtains and consumes
 2259 the last alcoholic beverage before the individual is the subject of an alcohol-related traffic stop.

2260 (5) "Retail licensee" means the same as that term is defined in Section [32B-1-102](#).

2261 Section 48. Section **53-28-102** is enacted to read:

2262 **53-28-102. Place of last drink reporting requirements.**

2263 (1) The department shall establish a program in accordance with this chapter to:

2264 (a) identify when an individual's place of last drink is a retail licensee; and

2265 (b) efficiently share information with alcohol-related law enforcement officers about

2266 each retail licensee that is an individual's place of last drink for the purpose of allowing the

2267 alcohol-related law enforcement officers to investigate a possible violation of Section

2268 [32B-5-306](#).

2269 (2) In developing the program described in this section, the department shall coordinate

2270 with and take input from the Department of Alcoholic Beverage Services created in Section

2271 [32B-2-203](#).

2272 (3) Before November 1, 2025, the department shall provide a written report to the

2273 Criminal Justice and Law Enforcement Interim Committee that describes how the department

2274 implemented the program, the extent to which the program accomplishes the objectives

2275 described in Subsection (1), and any planned or recommended changes.

2276 Section 49. Section **59-15-101** is amended to read:

2277 **59-15-101. Tax basis -- Rate.**

2278 (1) As used in this chapter, "beer" means:

2279 (a) beer as defined in Section [32B-1-102](#); or

2280 (b) heavy beer as defined in Section [32B-1-102](#).

2281 (2) (a) A tax is imposed at the rate specified in [~~Subsection (1)(b) on all beer, as~~

2282 ~~defined in Section [32B-1-102](#);~~ Subsection (2)(b) on beer that is imported or manufactured for

2283 sale, use, or distribution in this state.

2284 [~~(b) The tax described in Subsection (1)(a) shall be imposed at a rate of:~~

2285 [~~(i) \$11 per 31-gallon barrel for beer imported or manufactured;~~

2286 [~~(A) before July 1, 2003; and~~

2287 [~~(B) for sale, use, or distribution in this state; and~~

2288 [~~(ii) \$13.10 per 31-gallon barrel for beer imported or manufactured;~~

2289 ~~[(A) on or after July 1, 2003; and]~~
2290 ~~[(B) for sale, use, or distribution in this state.]~~
2291 (b) The rate of the tax imposed under this Subsection (2) is:
2292 (i) \$13.10 per 31-gallon barrel for beer imported or manufactured before July 1, 2024;
2293 (ii) \$13.35 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2294 2024, and before July 1, 2025;
2295 (iii) \$13.60 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2296 2025, and before July 1, 2026;
2297 (iv) \$13.85 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2298 2026, and before July 1, 2027; and
2299 (v) \$14.10 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2300 2027.
2301 (c) The tax imposed under this Subsection ~~[(1)]~~ (2):
2302 (i) shall be imposed at a proportionate rate for:
2303 (A) any quantity of beer other than a 31-gallon barrel; or
2304 (B) the fractional parts of a 31-gallon barrel; and
2305 (ii) may not be imposed more than once on the same beer.
2306 ~~[(2)]~~ (3) A tax may not be imposed on beer:
2307 (a) sold to the United States and its agencies; or
2308 (b) (i) manufactured or imported for sale, use, or distribution outside the state; and
2309 (ii) exported from the state.
2310 Section 50. Section **59-15-109** is amended to read:
2311 **59-15-109. Commission to deposit beer tax revenue.**
2312 (1) ~~[Except as provided in Subsection (2), taxes collected under this chapter shall be~~
2313 ~~paid by the commission to the state treasurer daily for deposit]~~ Except as provided in
2314 Subsections (2) and (3), the commission shall deposit revenue collected under this chapter as
2315 follows:
2316 (a) the greater of the following shall be deposited into the Alcoholic Beverage
2317 Enforcement and Treatment Restricted Account created in Section [32B-2-403](#):
2318 (i) an amount calculated by:
2319 (A) determining an amount equal to 50% of the revenue collected for the fiscal year

2320 two years preceding the fiscal year for which the deposit is made; and

2321 (B) subtracting \$30,000 from the amount determined under Subsection (1)(a)(i)(A); or

2322 (ii) \$4,350,000; and

2323 (b) the revenue collected in excess of the amount deposited in accordance with

2324 Subsection (1)(a) shall be deposited into the General Fund.

2325 (2) The ~~[state treasurer]~~ commission shall annually deposit into the Alcoholic Beverage

2326 Enforcement and Treatment Restricted Account created in Section [32B-2-403](#) an amount equal

2327 to the amount of revenue generated in the current fiscal year by the portion of the tax imposed

2328 under Section [59-15-101](#) that ~~[exceeds]~~ is equal to:

2329 ~~[(a) \$12.80 per 31-gallon barrel for beer imported or manufactured:]~~

2330 ~~[(i) on or after July 1, 2003; and]~~

2331 ~~[(ii) for sale, use, or distribution in this state; and]~~

2332 (a) \$0.30 per 31-gallon barrel for beer imported or manufactured on or after July 1,

2333 2003; and

2334 (b) a proportionate rate to the rate described in Subsection (2)(a) for:

2335 (i) any quantity of beer other than a 31-gallon barrel; or

2336 (ii) the fractional parts of a 31-gallon barrel.

2337 (3) Beginning fiscal year 2024-25, the commission shall annually deposit into the

2338 Alcoholic Beverage Control Act Enforcement Fund created in Section [32B-2-305](#) an amount

2339 equal to the amount of revenue generated in the current fiscal year by the portion of the tax

2340 imposed under Section [59-15-101](#) that exceeds:

2341 (a) \$13.10 per 31-gallon barrel for beer imported or manufactured on or after July 1,

2342 2024; and

2343 (b) a proportionate rate to the rate described in Subsection (3)(a) for:

2344 (i) any quantity of beer other than a 31-gallon barrel; or

2345 (ii) the fractional parts of a 31-gallon barrel.

2346 ~~[(3)]~~ (4) (a) The commission shall notify the entities described in Subsection ~~[(3)(b)]~~

2347 (4)(b) not later than the September 1 preceding the fiscal year of the deposit of:

2348 (i) the amount of the proceeds of the beer excise tax collected in accordance with this

2349 section for the fiscal year two years preceding the fiscal year of deposit; and

2350 (ii) an amount equal to 50% of the amount listed in Subsection ~~[(3)(a)(i)]~~ (4)(b)(i).

2351 (b) The notification required by Subsection [~~(3)~~(a)] (4)(a) shall be sent to:

2352 (i) the Governor's Office of Planning and Budget; and

2353 (ii) the Legislative Fiscal Analyst.

2354 Section 51. Section **63I-2-232** is amended to read:

2355 **63I-2-232. Repeal dates: Title 32B.**

2356 (1) Subsection 32B-1-603.5(7), regarding the Department of Alcoholic Beverage
2357 Services' review of beer that is sold or distributed in the state, is repealed December 31, 2024.

2358 (2) Subsection 32B-2-205(4), which creates a workgroup to make recommendations
2359 regarding training, is repealed January 1, 2025.

2360 Section 52. **Repealer.**

2361 This bill repeals:

2362 Section **32B-2-210, Alcoholic Beverage Services Advisory Board.**

2363 Section 53. **Effective date.**

2364 This bill takes effect on May 1, 2024.