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ALCOHOL AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jefferson S. Burton

Senate Sponsor: Jerry W Stevenson

prohibits a state store or off-premise beer retailer from selling liquor or beer that is

alcohol-related law enforcement officers who are dedicated to compliance;



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- intended to be frozen and consumed in a manner other than as a beverage;
- prohibits a state store or package agency from selling liquor that contains more than
 80% alcohol by volume;
 - requires the department to initiate disciplinary proceedings under certain circumstances;
 - prohibits a person from selling in the state vaporized alcohol;
- requires the commission to issue any available retail license, including through a conditional retail license, if an applicant satisfies the requirements for the retail license;
 - ▶ allows a retail licensee to sell, offer for sale, or furnish spirituous liquor in a pre-mixed beverage, if the beverage is in the original, sealed container and satisfies other requirements, including requirements related to volume, alcohol content, and labeling;
- increases the number of full-service restaurant and bar establishment licenses the commission is authorized to issue;
 - requires the department to prorate the initial licensing fee for retail licenses;
 - ► decreases the required capacity of a sports facility or concert venue to qualify as a recreational amenity for purposes of an on-premise beer retailer license;
 - ▶ provides that a patron in a hotel with a hotel license or resort license may carry an alcoholic beverage between specified locations within the hotel, provided the patron travels within a designated conveyance area and the alcoholic beverage is in an approved container;
 - ▶ allows an entity that is not an airline to obtain a public service permit for the purpose of operating a hospitality room at an international airport;
 - modifies the required showing for prima facie evidence of dram shop liability;
 - ► allows an individual to obtain a DUI investigative report if the individual suffered loss or injury as a result of the defendant's actions;
- establishes a place of last drink program, operated by the Department of Public
 Safety;
 - clarifies that the beer tax applies to beer and heavy beer;
 - repeals the Alcoholic Beverage Services Advisory Board; and

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             • makes technical and conforming changes.
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     Money Appropriated in this Bill:
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            None
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     Other Special Clauses:
            None
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     Utah Code Sections Affected:
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     AMENDS:
64
            32B-1-304, as last amended by Laws of Utah 2023, Chapter 371
            32B-2-205, as last amended by Laws of Utah 2022, Chapter 447
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66
            32B-2-304, as last amended by Laws of Utah 2022, Chapter 447
            32B-2-305, as last amended by Laws of Utah 2023, Chapter 396
67
            32B-2-503, as last amended by Laws of Utah 2011, Chapters 307, 334
68
69
            32B-2-605, as last amended by Laws of Utah 2022, Chapter 447
70
            32B-3-203, as last amended by Laws of Utah 2012, Chapter 369
71
            32B-4-422, as last amended by Laws of Utah 2020, Chapter 219
72
            32B-4-424, as enacted by Laws of Utah 2015, Chapter 54
73
            32B-4-501, as last amended by Laws of Utah 2017, Chapter 455
74
            32B-5-201, as last amended by Laws of Utah 2022, Chapter 447
75
            32B-5-304, as last amended by Laws of Utah 2023, Chapter 371
76
            32B-6-203, as last amended by Laws of Utah 2023, Chapter 371
77
            32B-6-204, as last amended by Laws of Utah 2017, Chapter 455
78
            32B-6-206, as last amended by Laws of Utah 2023, Chapter 371
79
            32B-6-302, as last amended by Laws of Utah 2018, Chapters 249, 313
80
             32B-6-304, as last amended by Laws of Utah 2016, Chapter 82
            32B-6-306, as enacted by Laws of Utah 2013, Chapter 349
81
82
            32B-6-403, as last amended by Laws of Utah 2023, Chapter 371
83
            32B-6-405, as last amended by Laws of Utah 2017, Chapter 455
84
            32B-6-504, as last amended by Laws of Utah 2011, Chapter 334
85
            32B-6-604, as last amended by Laws of Utah 2011, Chapter 334
86
            32B-6-605, as last amended by Laws of Utah 2023, Chapters 371, 400
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            32B-6-702, as last amended by Laws of Utah 2021, Chapter 280
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88
              32B-6-705, as last amended by Laws of Utah 2011, Second Special Session, Chapter 2
 89
              32B-6-804, as enacted by Laws of Utah 2011, Chapter 334
 90
              32B-6-902, as last amended by Laws of Utah 2019, Chapter 403
 91
              32B-6-904, as last amended by Laws of Utah 2012, Fourth Special Session, Chapter 1
 92
              32B-6-1004, as last amended by Laws of Utah 2021, Chapter 291
              32B-7-202, as last amended by Laws of Utah 2022, Chapter 447
 93
 94
              32B-8-102, as last amended by Laws of Utah 2020, Chapter 219
 95
              32B-8-201, as last amended by Laws of Utah 2022, Chapter 447
 96
              32B-8-202, as last amended by Laws of Utah 2020, Chapter 219
 97
              32B-8-401, as last amended by Laws of Utah 2023, Chapter 371
 98
              32B-8b-102, as last amended by Laws of Utah 2023, Chapter 371
 99
              32B-8b-201, as last amended by Laws of Utah 2020, Chapter 219
100
              32B-8b-202, as last amended by Laws of Utah 2020, Chapter 219
101
              32B-8b-301, as last amended by Laws of Utah 2023, Chapter 371
102
              32B-8d-104, as last amended by Laws of Utah 2022, Chapter 447
103
              32B-10-202, as enacted by Laws of Utah 2010, Chapter 276
104
              32B-10-303, as last amended by Laws of Utah 2020, Sixth Special Session, Chapter 6
105
              32B-10-304, as last amended by Laws of Utah 2020, Sixth Special Session, Chapter 6
              32B-15-201, as last amended by Laws of Utah 2023, Chapter 400
106
107
              59-15-101, as last amended by Laws of Utah 2019, Chapter 336
              59-15-109, as last amended by Laws of Utah 2023, Chapter 396
108
109
              63I-2-232, as last amended by Laws of Utah 2023, Chapter 371
       ENACTS:
110
111
              32B-2-213, Utah Code Annotated 1953
112
              41-6a-531, Utah Code Annotated 1953
113
              53-28-101, Utah Code Annotated 1953
114
              53-28-102, Utah Code Annotated 1953
115
       REPEALS:
116
              32B-2-210, as last amended by Laws of Utah 2022, Chapter 447
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118 Be it enacted by the Legislature of the state of Utah:

119	Section 1. Section 32B-1-304 is amended to read:
120	32B-1-304. Qualifications for a package agency, license, or permit Minors.
121	(1) (a) Except as provided in Subsection (7), the commission may not issue a package
122	agency, license, or permit to a person who has been convicted of:
123	(i) within seven years before the day on which the commission issues the package
124	agency, license, or permit, a felony under a federal law or state law;
125	(ii) within four years before the day on which the commission issues the package
126	agency, license, or permit:
127	(A) a violation of a federal law, state law, or local ordinance concerning the sale, offer
128	for sale, warehousing, manufacture, distribution, transportation, or adulteration of an alcoholic
129	product; or
130	(B) a crime involving moral turpitude; or
131	(iii) on two or more occasions within the five years before the day on which the
132	package agency, license, or permit is issued, driving under the influence of alcohol, drugs, or
133	the combined influence of alcohol and drugs.
134	(b) If the person is a partnership, corporation, or limited liability company, the
135	proscription under Subsection (1)(a) applies if any of the following has been convicted of an
136	offense described in Subsection (1)(a):
137	(i) a partner;
138	(ii) a managing agent;
139	(iii) a manager;
140	(iv) an officer;
141	(v) a director;
142	(vi) a stockholder who holds at least 20% of the total issued and outstanding stock of
143	the corporation; or
144	(vii) a member who owns at least 20% of the limited liability company.
145	(c) Except as provided in Subsection (7), the proscription under Subsection (1)(a)
146	applies if a person who is employed to act in a supervisory or managerial capacity for a
147	package agency, licensee, or permittee has been convicted of an offense described in
148	Subsection (1)(a).
149	(2) Except as described in Section 32B-8-501, the commission may immediately

- suspend or revoke a package agency, license, or permit, and terminate a package agency agreement, if a person described in Subsection (1):
 - (a) after the day on which the package agency, license, or permit is issued, is found to have been convicted of an offense described in Subsection (1)(a) before the package agency, license, or permit is issued; or
 - (b) on or after the day on which the package agency, license, or permit is issued:
 - (i) is convicted of an offense described in Subsection (1)(a)(i) or (ii); or
 - (ii) (A) is convicted of driving under the influence of alcohol, drugs, or the combined influence of alcohol and drugs; and
 - (B) was convicted of driving under the influence of alcohol, drugs, or the combined influence of alcohol and drugs within five years before the day on which the person is convicted of the offense described in Subsection (2)(b)(ii)(A).
 - (3) Except as described in Section 32B-8-501, the director may take emergency action by immediately suspending the operation of the package agency, licensee, or permittee for the period during which a criminal matter is being adjudicated if a person described in Subsection (1):
 - (a) is arrested on a charge for an offense described in Subsection (1)(a)(i) or (ii); or
 - (b) (i) is arrested on a charge for the offense of driving under the influence of alcohol, drugs, or the combined influence of alcohol and drugs; and
 - (ii) was convicted of driving under the influence of alcohol, drugs, or the combined influence of alcohol and drugs within five years before the day on which the person is arrested on a charge described in Subsection (3)(b)(i).
 - (4) (a) (i) The commission may not issue a package agency, license, or permit to a person who has had any type of agency, license, or permit issued under this title revoked within the last three years.
 - (ii) The commission may not issue a package agency, license, or permit to a partnership, corporation, or limited liability company if a partner, managing agent, manager, officer, director, stockholder who holds at least 20% of the total issued and outstanding stock of the corporation, or member who owns at least 20% of the limited liability company is or was:
 - (A) a partner or managing agent of a partnership that had any type of agency, license,

or permit issued under this title revoked within the last three years;

- (B) a managing agent, officer, director, or stockholder who holds or held at least 20% of the total issued and outstanding stock of any corporation that had any type of agency, license, or permit issued under this title revoked within the last three years; or
- (C) a manager or member who owns or owned at least 20% of a limited liability company that had any type of agency, license, or permit issued under this title revoked within the last three years.
- (b) The commission may not issue a package agency, license, or permit to a partnership, corporation, or limited liability company if any of the following had any type of agency, license, or permit issued under this title revoked while acting in that person's individual capacity within the last three years:
 - (i) a partner or managing agent of a partnership;
- (ii) a managing agent, officer, director, or stockholder who holds at least 20% of the total issued and outstanding stock of a corporation; or
 - (iii) a manager or member who owns at least 20% of a limited liability company.
- (c) The commission may not issue a package agency, license, or permit to a person acting in an individual capacity if that person was:
- (i) a partner or managing agent of a partnership that had any type of agency, license, or permit issued under this title revoked within the last three years;
- (ii) a managing agent, officer, director, or stockholder who held at least 20% of the total issued and outstanding stock of a corporation that had any type of agency, license, or permit issued under this title revoked within the last three years; or
- (iii) a manager or member who owned at least 20% of the limited liability company that had any type of agency, license, or permit issued under this title revoked within the last three years.
 - (5) (a) The commission may not issue a package agency, license, or permit to a minor.
- (b) The commission may not issue a package agency, license, or permit to a partnership, corporation, or limited liability company if any of the following is a minor:
 - (i) a partner or managing agent of the partnership;
- (ii) a managing agent, officer, director, or stockholder who holds at least 20% of the total issued and outstanding stock of the corporation; or

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- 212 (iii) a manager or member who owns at least 20% of the limited liability company.
 - (c) For purposes of Subsection (5)(b), the commission may not consider a minor's position with or ownership interest in an entity that has an ownership interest in the entity that is applying for the package agency, license, or permit unless the minor would exercise direct decision-making control over the package agency, license, or permit.
 - (6) Except as described in Section 32B-8-501, if a package agent, licensee, or permittee no longer possesses the qualifications required by this title for obtaining a package agency, license, or permit, the commission may terminate the package agency agreement, or revoke the license or permit.
 - (7) (a) If the licensee is a resort licensee:
 - (i) Subsection (1)(a) only applies if an individual listed in Subsection (1)(b) engages in the management of the resort, as the commission defines in rule; and
 - (ii) Subsection (1)(c) only applies to an individual employed to act in a supervisory or managerial capacity for the resort licensee or in relation to a sublicense of the resort license.
 - (b) If the permittee is a public service permittee under Chapter 10, Special Use Permit Act:
 - (i) Subsection (1)(a) only applies if an individual listed in Subsection (1)(b) engages in the management of the [airline, railroad, or other public conveyance] public service permittee, as the commission defines in rule; and
 - (ii) Subsection (1)(c) only applies to an individual employed to act in a supervisory or managerial capacity for the public service permittee.
 - Section 2. Section **32B-2-205** is amended to read:
 - 32B-2-205. Director of alcoholic beverage services.
 - (1) (a) In accordance with Subsection (1)(b), the governor, with the advice and consent of the Senate, shall appoint a director of alcoholic beverage services to a four-year term. The director may be appointed to more than one four-year term. The director is the administrative head of the department.
 - (b) (i) The governor shall appoint the director from nominations made by the commission.
- 241 (ii) The commission shall submit the nomination of three individuals to the governor 242 for appointment of the director.

243 (iii) By no later than 30 calendar days from the day on which the governor receives the 244 three nominations submitted by the commission, the governor may: 245 (A) appoint the director; or 246 (B) reject the three nominations. 247 (iv) If the governor rejects the nominations or fails to take action within the 30-day 248 period, the commission shall nominate three different individuals from which the governor may 249 appoint the director or reject the nominations until such time as the governor appoints the 250 director. 251 (v) The governor may reappoint the director without seeking nominations from the 252 commission. Reappointment of a director is subject to the advice and consent of the Senate. 253 (c) (i) If there is a vacancy in the position of director, during the nomination process 254 described in Subsection (1)(b), the governor may appoint an interim director for a period of up 255 to 30 calendar days. 256 (ii) If a director is not appointed within the 30-day period, the interim director may 257 continue to serve beyond the 30-day period subject to the advice and consent of the Senate at 258 the next scheduled time for the Senate giving consent to appointments of the governor. 259 (iii) Except that if the Senate does not act on the consent to the appointment of the 260 interim director within 60 days of the end of the initial 30-day period, the interim director may 261 continue as the interim director. 262 (d) The director may be terminated by: 263 (i) the commission by a vote of four commissioners; or 264 (ii) the governor after consultation with the commission. 265 (e) The director may not be a commissioner. 266 (f) The director shall: 267 (i) be qualified in administration; 268 (ii) be knowledgeable by experience and training in the field of business management; 269 and 270 (iii) possess any other qualification prescribed by the commission. 271 (2) The governor shall establish the director's compensation within the salary range 272 fixed by the Legislature in Title 67, Chapter 22, State Officer Compensation. 273 (3) The director shall:

3rd Sub. (Cherry) H.B. 548

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274	(a) carry out the policies of the commission;
275	(b) carry out the policies of the department;
276	(c) fully inform the commission of the operations and administrative activities of the
277	department; and
278	(d) assist the commission in the proper discharge of the commission's duties.
279	(4) (a) The director shall form a workgoup that includes representatives from the
280	following:
281	(i) the department;
282	(ii) the Division of Integrated Healthcare created in Section 26B-1-202;
283	(iii) the Department of Public Safety created in Section 53-10-103;
284	(iv) the retail alcohol industry;
285	(v) the bar or restaurant industry;
286	(vi) organizations related to alcohol and drug abuse prevention, alcohol or drug related
287	enforcement, or alcohol or drug related education; and
288	(vii) any other organization or industry the director determines beneficial.
289	(b) (i) The workgroup shall study and make recommendations to:
290	(A) improve the efficacy of the alcohol training and education described in Section
291	26B-5-205, including recommendations related to the curriculum, development, provider, and
292	delivery; and
293	(B) maintain appropriate records of cash sale transactions in bar establishments.
294	(ii) The workgoup shall ensure that the workgroup's recommendations under
295	Subsection (4)(b)(i)(A) include a focus on improving training with respect to laws governing
296	the responsible sale and service of alcohol.
297	(c) No later than September 1, 2024, the workgroup shall provide written
298	recommendations as provided in this Subsection (4) to the Business and Labor Interim
299	Committee.
300	Section 3. Section 32B-2-213 is enacted to read:
301	32B-2-213. Round up program.
302	(1) The department may establish a round up program under which an individual who
303	makes a purchase at a state store may elect to round the purchase price up to the nearest dollar.
304	(2) The department shall deposit money the department collects under Subsection (1)

305	into the Pamela Atkinson Homeless Account created in Section 35A-16-301 to be used for
306	substance use disorder treatment services.
307	Section 4. Section 32B-2-304 is amended to read:
308	32B-2-304. Liquor price Remittance of markup School lunch program
309	Remittance of markup.
310	(1) For purposes of this section:
311	(a) (i) "Landed case cost" means the sum of:
312	(A) the cost of the product; [and]
313	(B) inbound shipping costs [incurred by the department.] the department incurs; and
314	(C) case handling costs the department incurs.
315	(ii) "Landed case cost" does not include the outbound shipping cost from a warehouse
316	of the department to a state store.
317	(b) "Proof gallon" means the same as that term is defined in 26 U.S.C. Sec. 5002.
318	(2) Except as provided in Subsections (3) and (4):
319	(a) spirituous liquor sold by the department within the state shall be marked up in an
320	amount not less than $[88\%]$ 88.5% above the landed case cost to the department;
321	(b) wine sold by the department within the state shall be marked up in an amount not
322	less than $[88\%]$ 88.5% above the landed case cost to the department;
323	(c) heavy beer sold by the department within the state shall be marked up in an amount
324	not less than 66.5% above the landed case cost to the department; and
325	(d) a flavored malt beverage sold by the department within the state shall be marked up
326	in an amount not less than $[88\%]$ 88.5% above the landed case cost to the department.
327	(3) (a) Liquor sold by the department to a military installation in Utah shall be marked
328	up in an amount not less than 17% above the landed case cost to the department.
329	(b) Except for spirituous liquor sold by the department to a military installation in
330	Utah, spirituous liquor that is sold by the department within the state shall be marked up 49%
331	above the landed case cost to the department if:
332	(i) the spirituous liquor is manufactured by a manufacturer producing less than 30,000
333	proof gallons of spirituous liquor in a calendar year; and
334	(ii) the manufacturer applies to the department for a reduced markup.
335	(c) Except for wine sold by the department to a military installation in Utah, wine that

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- 336 is sold by the department within the state shall be marked up 49% above the landed case cost to 337 the department if: 338 (i) (A) except as provided in Subsection (3)(c)(i)(B), the wine is manufactured by a 339 manufacturer producing less than 20,000 gallons of wine in a calendar year; or 340 (B) for hard cider, the hard cider is manufactured by a manufacturer producing less 341 than 620,000 gallons of hard cider in a calendar year; and 342 (ii) the manufacturer applies to the department for a reduced markup. 343 (d) Except for heavy beer sold by the department to a military installation in Utah, 344 heavy beer that is sold by the department within the state shall be marked up 32% above the 345 landed case cost to the department if: 346 (i) a small brewer manufactures the heavy beer; and 347 (ii) the small brewer applies to the department for a reduced markup. 348 (e) The department shall: 349 (i) for purposes of Subsections (3)(b) and (c), calculate the production amount of a 350 manufacturer: 351 (A) by, if the manufacturer is part of a controlled group of manufacturers, including the 352 combined volume totals of spirituous liquor, wine, or cider, as applicable, for all manufacturers 353 that constitute the controlled group of manufacturers; and 354 (B) without considering the manufacturer's production of any other type of alcoholic 355 product; and 356 (ii) verify that a manufacturer meets a production amount described in Subsection 357 (3)(b) or (c) and the production amount of a small brewer [pursuant to] under a federal or other 358 verifiable production report. 359 (f) A manufacturer seeking to obtain a reduced markup under Subsection (3)(b), (c), or 360 (d), shall provide to the department any documentation or information the department 361 determines necessary to determine if the manufacturer is part of a controlled group of 362 manufacturers.
 - (g) The department may, at any time, revoke a reduced markup granted to a manufacturer under Subsection (3)(b), (c), or (d), if the department determines the manufacturer no longer qualifies for the reduced markup.
 - (4) Wine the department purchases on behalf of a subscriber through the wine

367	subscription program established in Section $32B-2-702$ shall be marked up not less than [88%]
368	88.5% above the cost of the subscription for the interval in which the wine is purchased.
369	(5) The department shall deposit 10% of the total gross revenue from sales of liquor
370	with the state treasurer to be credited to the Uniform School Fund and used to support the
371	school meals program administered by the State Board of Education under Section 53E-3-510.
372	(6) (a) Each month, the department shall collect from each package agency located at a
373	manufacturing facility owned or operated by a person licensed under Chapter 11,
374	Manufacturing and Related Licenses Act, 12.295% of the package agency's reported monthly
375	revenue and deposit the money as follows:
376	(i) 1.695% of the reported monthly revenue into the Alcoholic Beverage Control Act
377	Enforcement Fund;
378	(ii) 10% of the reported monthly revenue into the Uniform School Fund and used to
379	support the school meals program administered by the State Board of Education under Section
380	53E-3-510; and
381	(iii) 0.60% of the reported monthly revenue into the Underage Drinking Prevention
382	Media and Education Campaign Restricted Account.
383	(b) The department may collect a fee established in accordance with Section 63J-1-504
384	from a package agency described in this subsection to cover the costs of regulation.
385	[(6)] (7) This section does not prohibit the department from selling discontinued items
386	at a discount.
387	(8) The Legislature shall annually appropriate to support substance use disorder
388	treatment services, an amount equal to the revenue generated from a 0.5% markup above the
389	landed case cost to the department on spirituous liquor
390	Section 5. Section 32B-2-305 is amended to read:
391	32B-2-305. Alcoholic Beverage Control Act Enforcement Fund.
392	(1) As used in this section:
393	(a) "Alcohol-related law enforcement officer" means the same as that term is defined in
394	Section 32B-1-201.
395	(b) "Drug-related law enforcement officer" means a law enforcement officer employed
396	by the Department of Public Safety who has enforcement of drug-related offenses as a primary
397	responsibility.

398 (c) "Enforcement ratio" means the same as that term is defined in Section 32B-1-201. 399 (d) "Fund" means the Alcoholic Beverage Control Act Enforcement Fund created in 400 this section. 401 (e) "SBI drug-related law enforcement officer" means a law enforcement officer 402 employed by the State Bureau of Investigation within the Department of Public Safety who has 403 investigation of drug-related offenses as a primary responsibility. 404 (f) "Social worker" means an individual licensed under Title 58, Chapter 60, Part 2, 405 Social Worker Licensing Act, and employed by the Department of Public Safety who has 406 provision of caseworker services to individuals under 21 years old as a primary responsibility. 407 (2) There is created an expendable special revenue fund known as the "Alcoholic 408 Beverage Control Act Enforcement Fund." 409 (3) (a) The fund consists of: 410 (i) deposits made under Subsection (4); [and] 411 (ii) deposits made under Section 59-15-109; and 412 [(iii)] (iii) interest earned on the fund. 413 (b) (i) The fund shall earn interest. 414 (ii) Interest on the fund shall be deposited into the fund. 415 (4) After the deposit made under Section 32B-2-304 for the school lunch program, the 416 department shall deposit 1.695% of the total gross revenue from the sale of liquor with the state 417 treasurer to be credited to the fund [to be:]. (5) The deposits made under Subsection (4) and Section 59-15-109 shall be: 418 419 (a) used by the Department of Public Safety as provided in Subsection [(5)] (6); and 420 (b) reallocated to the General Fund as described in Subsection [(6)] (7). 421 [(5)] (6) (a) The Department of Public Safety shall expend money from the fund to: 422 (i) supplement appropriations by the Legislature so that the Department of Public 423 Safety maintains a sufficient number of alcohol-related law enforcement officers such that each 424 year the enforcement ratio as of July 1 is equal to or less than the number specified in Section 425 32B-1-201: and 426 (ii) maintain at least: 427 (A) 10 drug-related law enforcement officers: 428 (B) eight SBI drug-related law enforcement officers; [and]

429	(C) two social workers[-]; and
430	(D) three additional alcohol-related law enforcement officers who are dedicated to
431	compliance or enforcement of this title.
432	(b) Four of the alcohol-related law enforcement officers described in Subsection
433	$[\frac{(5)(a)(i)}{(6)(a)(i)}]$ shall have as a primary focus the enforcement of this title in relationship to
434	restaurants.
435	[(6)] (7) For fiscal year 2023, the Division of Finance shall deposit into the General
436	Fund \$3 million of unspent money in the fund.
437	Section 6. Section 32B-2-503 is amended to read:
438	32B-2-503. Operational requirements for a state store.
439	(1) (a) A state store shall display in a prominent place in the store a sign in large letters
440	that consists of text in the following order:
441	(i) a header that reads: "WARNING";
442	(ii) a warning statement that reads: "Drinking alcoholic beverages during pregnancy
443	can cause birth defects and permanent brain damage for the child.";
444	(iii) a statement in smaller font that reads: "Call the Utah Department of Health at
445	[insert most current toll-free number] with questions or for more information.";
446	(iv) a header that reads: "WARNING"; and
447	(v) a warning statement that reads: "Driving under the influence of alcohol or drugs is a
448	serious crime that is prosecuted aggressively in Utah."
449	(b) (i) The text described in Subsections (1)(a)(i) through (iii) shall be in a different
450	font style than the text described in Subsections (1)(a)(iv) and (v).
451	(ii) The warning statements in the sign described in Subsection (1)(a) shall be in the
452	same font size.
453	(c) The Department of Health shall work with the commission and department to
454	facilitate consistency in the format of a sign required under this section.
455	(2) A state store may not sell, offer for sale, or furnish liquor except at a price fixed by
456	the commission.
457	(3) A state store may not sell, offer for sale, or furnish liquor to:
458	(a) a minor;
459	(b) a person actually, apparently, or obviously intoxicated;

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

491	(7) (a) A state store may not sell, offer for sale, or furnish liquor except in a sealed
492	container.
493	(b) A person may not open a sealed container on the premises of a state store.
494	(8) On or after October 1, 2011, a state store may not sell, offer for sale, or furnish
495	heavy beer in a sealed container that exceeds two liters.
496	(9) A state store may not sell, offer for sale, or furnish:
497	(a) liquor that is intended to be frozen and consumed in manner other than as a
498	beverage, including liquor in the form of a freeze pop, popsicle, ice cream, or sorbet; or
499	(b) liquor that contains more than 80% alcohol by volume.
500	Section 7. Section 32B-2-605 is amended to read:
501	32B-2-605. Operational requirements for package agency.
502	(1) (a) A person may not operate a package agency until a package agency agreement is
503	entered into by the package agent and the department.
504	(b) A package agency agreement shall state the conditions of operation by which the
505	package agent and the department are bound.
506	(c) (i) If a package agent or staff of the package agent violates this title, rules under this
507	title, or the package agency agreement, the department may take any action against the package
508	agent that is allowed by the package agency agreement.
509	(ii) An action against a package agent is governed solely by its package agency
510	agreement and may include suspension or revocation of the package agency.
511	(iii) A package agency agreement shall provide procedures to be followed if a package
512	agent fails to pay money owed to the department including a procedure for replacing the
513	package agent or operator of the package agency.
514	(iv) A package agency agreement shall provide that the package agency is subject to
515	covert investigations for selling an alcoholic product to a minor.
516	(v) Notwithstanding that this part refers to "package agency" or "package agent," staff
517	of the package agency or package agent is subject to the same requirement or prohibition.
518	(2) (a) A package agency shall be operated by an individual who is either:
519	(i) the package agent; or
520	(ii) an individual designated by the package agent.
521	(b) An individual who is a designee under this Subsection (2) shall be:

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same font size.

522 (i) an employee of the package agent; and 523 (ii) responsible for the operation of the package agency. 524 (c) The conduct of the designee is attributable to the package agent. 525 (d) A package agent shall submit the name of the person operating the package agency 526 to the department for the department's approval. 527 (e) A package agent shall state the name and title of a designee on the application for a 528 package agency. 529 (f) A package agent shall: 530 (i) inform the department of a proposed change in the individual designated to operate 531 a package agency; and 532 (ii) receive prior approval from the department before implementing the change 533 described in this Subsection (2)(f). 534 (g) Failure to comply with the requirements of this Subsection (2) may result in the 535 immediate termination of a package agency agreement. 536 (3) (a) A package agent shall display in a prominent place in the package agency the 537 record issued by the commission that designates the package agency. 538 (b) A package agent that displays or stores liquor at a location visible to the public 539 shall display in a prominent place in the package agency a sign in large letters that consists of 540 text in the following order: (i) a header that reads: "WARNING"; 541 542 (ii) a warning statement that reads: "Drinking alcoholic beverages during pregnancy 543 can cause birth defects and permanent brain damage for the child."; 544 (iii) a statement in smaller font that reads: "Call the Utah Department of Health at [insert most current toll-free number] with questions or for more information."; 545 546 (iv) a header that reads: "WARNING"; and 547 (v) a warning statement that reads: "Driving under the influence of alcohol or drugs is a 548 serious crime that is prosecuted aggressively in Utah." 549 (c) (i) The text described in Subsections (3)(b)(i) through (iii) shall be in a different 550 font style than the text described in Subsections (3)(b)(iv) and (v).

(ii) The warning statements in the sign described in Subsection (3)(b) shall be in the

553 (d) The Department of Health and Human Services shall work with the commission 554 and department to facilitate consistency in the format of a sign required under this section. 555 (4) A package agency may not display liquor or a price list in a window or showcase 556 that is visible to passersby. 557 (5) (a) A package agency may not purchase liquor from a person except from the 558 department. 559 (b) At the discretion of the department, the department may provide liquor to a package 560 agency for sale on consignment. 561 (6) A package agency may not store, sell, offer for sale, or furnish liquor in a place 562 other than as designated in the package agent's application, unless the package agent first 563 applies for and receives approval from the department for a change of location within the 564 package agency premises. 565 (7) (a) Except as provided in Subsection (7)(b), a package agency may not sell, offer 566 for sale, or furnish liquor except at a price fixed by the commission. 567 (b) A package agency may provide as room service one alcoholic product free of 568 charge per guest reservation, per guest room, if: 569 (i) the package agency is the type of package agency that authorizes the package 570 agency to sell, offer for sale, or furnish an alcoholic product as part of room service; 571 (ii) staff of the package agency provides the alcoholic product: 572 (A) in person; and 573 (B) only to an adult guest in the guest room; 574 (iii) staff of the package agency does not leave the alcoholic product outside a guest 575 room for retrieval by a guest; and 576 (iv) the alcoholic product: 577 (A) is not a spirituous liquor; and 578 (B) is in an unopened container not to exceed 750 milliliters. 579 (8) A package agency may not sell, offer for sale, or furnish liquor to: 580 (a) a minor: 581 (b) a person actually, apparently, or obviously intoxicated; 582 (c) a known interdicted person; or 583 (d) a known habitual drunkard.

(9) (a) A package agency may not employ a minor to handle liquor. 584 585 (b) (i) Staff of a package agency may not: 586 (A) consume an alcoholic product on the premises of a package agency; or 587 (B) allow any person to consume an alcoholic product on the premises of a package 588 agency. 589 (ii) Violation of this Subsection (9)(b) is a class B misdemeanor. 590 (10) (a) A package agency may not close or cease operation for a period longer than 72 591 hours, unless: 592 (i) the package agency notifies the department in writing at least seven days before the 593 day on which the package agency closes or ceases operation; and 594 (ii) the closure or cessation of operation is first approved by the department. 595 (b) Notwithstanding Subsection (10)(a), in the case of emergency closure, a package 596 agency shall immediately notify the department by telephone. 597 (c) (i) The department may authorize a closure or cessation of operation for a period 598 not to exceed 60 days. 599 (ii) The department may extend the initial period described in Subsection (10)(c)(i) an 600 additional 30 days upon written request of the package agency and upon a showing of good 601 cause. 602 (iii) A closure or cessation of operation may not exceed a total of 90 days without 603 commission approval. 604 (d) The notice required by Subsection (10)(a) shall include: 605 (i) the dates of closure or cessation of operation; 606 (ii) the reason for the closure or cessation of operation; and 607 (iii) the date on which the package agency will reopen or resume operation. 608 (e) Failure of a package agency to provide notice and to obtain department 609 authorization before closure or cessation of operation results in an automatic termination of the 610 package agency agreement effective immediately. 611 (f) Failure of a package agency to reopen or resume operation by the approved date 612 results in an automatic termination of the package agency agreement effective on that date. 613 (11) A package agency may not transfer the package agency's operations from one

location to another location without prior written approval of the commission.

615 (12) (a) A person, having been issued a package agency, may not sell, transfer, assign, 616 exchange, barter, give, or attempt in any way to dispose of the package agency to another 617 person, whether for monetary gain or not. 618 (b) A package agency has no monetary value for any type of disposition. 619 (13) (a) Subject to the other provisions of this Subsection (13): 620 (i) sale or delivery of liquor may not be made on or from the premises of a package 621 agency, and a package agency may not be kept open for the sale of liquor: 622 (A) on Sunday: or 623 (B) on a state or federal legal holiday; and 624 (ii) sale or delivery of liquor may be made on or from the premises of a package 625 agency, and a package agency may be open for the sale of liquor, only on a day and during 626 hours that the commission directs by rule or order. 627 (b) A package agency located at a manufacturing facility is not subject to Subsection 628 (13)(a) if: 629 (i) the package agency is located at a manufacturing facility licensed in accordance 630 with Chapter 11, Manufacturing and Related Licenses Act; and 631 (ii) the package agency only sells an alcoholic product produced at the manufacturing 632 facility. 633 (c) (i) Subsection (13)(a) does not apply to a package agency held by the following if 634 the package agent that holds the package agency to sell liquor at a resort or hotel does not sell 635 liquor in a manner similar to a state store: 636 (A) a resort licensee; or 637 (B) a hotel licensee. 638 (ii) The commission may by rule define what constitutes a package agency that sells 639 liquor "in a manner similar to a state store." 640 (14) (a) Except to the extent authorized by commission rule, a minor may not be 641 admitted into, or be on the premises of, a package agency unless accompanied by a person who 642 is: 643 (i) 21 years old or older; and 644 (ii) the minor's parent, legal guardian, or spouse. 645 (b) A package agent or staff of a package agency that has reason to believe that a

646 person who is on the premises of a package agency is under 21 years old and is not 647 accompanied by a person described in Subsection (14)(a) may: 648 (i) ask the suspected minor for proof of age; 649 (ii) ask the person who accompanies the suspected minor for proof of age; and 650 (iii) ask the suspected minor or the person who accompanies the suspected minor for 651 proof of parental, guardianship, or spousal relationship. 652 (c) A package agent or staff of a package agency shall refuse to sell liquor to the 653 suspected minor and to the person who accompanies the suspected minor into the package 654 agency if the minor or person fails to provide any information specified in Subsection (14)(b). (d) A package agent or staff of a package agency shall require the suspected minor and 655 656 the person who accompanies the suspected minor into the package agency to immediately leave the premises of the package agency if the minor or person fails to provide information specified 657 658 in Subsection (14)(b). 659 (15) (a) A package agency shall sell, offer for sale, or furnish liquor in a sealed container. 660 661 (b) A person may not open a sealed container on the premises of a package agency. 662 (c) Notwithstanding Subsection (15)(a), a package agency may sell, offer for sale, or 663 furnish liquor in other than a sealed container: 664 (i) if the package agency is the type of package agency that authorizes the package 665 agency to sell, offer for sale, or furnish the liquor as part of room service; 666 (ii) if the liquor is sold, offered for sale, or furnished as part of room service; and 667 (iii) subject to: 668 (A) staff of the package agency providing the liquor in person only to an adult guest in 669 the guest room or privately owned dwelling unit; 670 (B) staff of the package agency not leaving the liquor outside a guest room or privately 671 owned dwelling unit for retrieval by a guest or resident; and 672 (C) the same limits on the portions in which an alcoholic product may be sold by a

(b) liquor that contains more than 80% alcohol by volume.

(16) A package agency may not sell, offer for sale, or furnish:

(a) heavy beer in a sealed container that exceeds two liters[-]; or

retail licensee under Section 32B-5-304.

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677 (17) The department may pay or otherwise remunerate a package agent on any basis, 678 including sales or volume of business done by the package agency. 679 (18) The commission may prescribe by policy or rule general operational requirements 680 of a package agency that are consistent with this title and relate to: 681 (a) physical facilities; 682 (b) conditions of operation; 683 (c) hours of operation; 684 (d) inventory levels: 685 (e) payment schedules; (f) methods of payment; 686 687 (g) premises security; and 688 (h) any other matter considered appropriate by the commission. 689 (19) A package agency may not maintain a minibar. 690 Section 8. Section **32B-3-203** is amended to read: 691 32B-3-203. Initiating a disciplinary proceeding. 692 Subject to Section 32B-3-202: 693 (1) [The department may] Subject to Subsection (3), the department shall initiate a 694 disciplinary proceeding described in Subsection (2) if the department [receives]: 695 (a) receives a report from an investigator alleging that a person subject to 696 administrative action violated this title or the rules of the commission; 697 (b) [a final adjudication of criminal liability] receives notice of criminal proceedings 698 against a person subject to administrative action on the basis of an alleged violation of this 699 title; [or] 700 (c) [a final adjudication of civil liability in accordance with] receives notice of civil 701 proceedings in accordance with Chapter 15, Alcoholic Product Liability Act, against a person 702 subject to administrative action on the basis of an alleged violation of this title[-]; or (d) otherwise becomes aware that a person subject to administrative action on the basis 703 704 of an alleged violation of this title may have violated this title or commission rule. (2) [If the condition of Subsection (1) is met,] Subject to Subsection (3), if a condition 705 706 in Subsection (1) is met, the department shall:

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

708	[(a)] (i) whether a person subject to administrative action violated this title or rules of
709	the commission; and
710	[(b)] (ii) if a violation is found, the appropriate sanction to be imposed[-]; and
711	(b) refer the matter to the State Bureau of Investigation, created in Section 53-10-301.
712	(3) The department is not required to initiate a disciplinary proceeding described in
713	Subsection (2) if after reviewing the information described in Subsection (1), the department
714	determines:
715	(a) that there is no basis for initiating a disciplinary proceeding; or
716	(b) in consultation with the prosecutor or plaintiff's counsel, as applicable, that
717	initiating a disciplinary proceeding would pose a significant risk of interfering with a criminal
718	or civil proceeding.
719	$\left[\frac{(3)}{(4)}\right]$ (a) Unless waived by the respondent, a disciplinary proceeding shall be held:
720	(i) if required by law;
721	(ii) before revoking or suspending a license, permit, or certificate of approval issued
722	under this title; or
723	(iii) before imposing a fine against a person subject to administrative action.
724	(b) Inexcusable failure of a respondent to appear at a scheduled disciplinary proceeding
725	hearing after receiving proper notice is an admission of the charged violation.
726	(c) The validity of a disciplinary proceeding is not affected by the failure of a person to
727	attend or remain in attendance.
728	Section 9. Section 32B-4-422 is amended to read:
729	32B-4-422. Unlawful dispensing.
730	(1) A retail licensee licensed under this title to sell, offer for sale, or furnish spirituous
731	liquor for consumption on the licensed premises, or staff of the retail licensee may not:
732	(a) sell, offer for sale, or furnish a primary spirituous liquor to a person on the licensed
733	premises except in a quantity that does not exceed 1.5 ounces per beverage dispensed through a
734	calibrated metered dispensing system approved by the department;
735	(b) sell, offer for sale, or furnish more than a total of 2.5 ounces of spirituous liquor per
736	beverage;
737	(c) allow a person on the licensed premises to have more than a total of 2.5 ounces of
738	spirituous liquor at a time; or

739 (d) (i) except as provided in Subsection (1)(d)(ii), allow a person to have more than 740 two spirituous liquor beverages at a time; or 741 (ii) allow a person on the premises of the following to have more than one spirituous 742 liquor beverage at a time: 743 (A) a full-service restaurant licensee: 744 (B) a person operating under a full-service restaurant sublicense; 745 (C) an on-premise banquet licensee; 746 (D) a person operating under an on-premise banquet sublicense; [or] 747 (E) a single event permittee[.]; or 748 (F) a hospitality amenity licensee. 749 (2) A violation of this section is a class C misdemeanor. 750 Section 10. Section 32B-4-424 is amended to read: 751 32B-4-424. Powdered or vaporized alcohol. 752 (1) As used in this section[, "powdered alcohol"]: (a) "Powdered alcohol" means a product that is in a powdered or crystalline form and 753 754 contains any amount of alcohol. 755 (b) "Vaporized alcohol" means a product created by mixing alcohol with pure oxygen 756 or another gas to produce a vaporized product for the purpose of consumption through 757 inhalation. 758 (2) It is unlawful for a person to use, offer for use, purchase, offer to purchase, sell, 759 offer to sell, furnish, or possess [powdered alcohol] for human consumption powdered alcohol 760 or vaporized alcohol. (3) It is unlawful for a holder of a retail license to use powdered alcohol or vaporized 761 762 alcohol as an alcoholic product. (4) This section does not apply to the use of powdered alcohol or vaporized alcohol for 763 764 a commercial use specifically approved by state law or bona fide research purposes by a: 765 (a) health care practitioner that operates primarily for the purpose of conducting 766 scientific research; 767 (b) department, commission, board, council, agency, institution, division, office, 768 committee, authority, laboratory, library, unit, bureau, panel, or other administrative unit of the 769 state, including a state institution of higher education listed in Section 53B-2-101;

770 (c) private college or university research facility; or 771 (d) pharmaceutical or biotechnology company. 772 Section 11. Section 32B-4-501 is amended to read: 773 32B-4-501. Operating without a license or permit. 774 (1) A person may not operate the following businesses without first obtaining a license 775 under this title if the business allows a person to purchase or consume an alcoholic product on 776 the premises of the business: 777 (a) a restaurant; 778 (b) an airport lounge; 779 (c) a business operated in the same manner as a bar establishment licensee; 780 (d) a resort: 781 (e) a business operated to sell, offer for sale, or furnish beer for on-premise 782 consumption; 783 (f) a business operated as an on-premise banquet licensee; 784 (g) a hotel; [or] 785 (h) an arena: or 786 $\left[\frac{h}{h}\right]$ (i) a business similar to one listed in Subsections (1)(a) through $\left[\frac{h}{h}\right]$ (h). 787 (2) A person conducting an event that is open to the general public may not directly or 788 indirectly sell, offer for sale, or furnish an alcoholic product to a person attending the event 789 without first obtaining an event permit under this title. 790 (3) A person conducting a private event may not directly or indirectly sell or offer for sale an alcoholic product to a person attending the private event without first obtaining an 791 792 event permit under this title. 793 (4) A person may not operate the following businesses in this state without first 794 obtaining a license under this title: 795 (a) a winery manufacturer: 796 (b) a distillery manufacturer; 797 (c) a brewery manufacturer; 798 (d) a local industry representative of: 799 (i) a manufacturer of an alcoholic product; 800 (ii) a supplier of an alcoholic product; or

801	(iii) an importer of an alcoholic product;
802	(e) a liquor warehouser; or
803	(f) a beer wholesaler.
804	(5) A person may not operate a public conveyance in this state without first obtaining a
805	public service permit under this title if that public conveyance allows a person to purchase or
806	consume an alcoholic product:
807	(a) on the public conveyance; or
808	(b) on the premises of a hospitality room located within a depot, terminal, or similar
809	facility at which a service is provided to a patron of the public conveyance.
810	Section 12. Section 32B-5-201 is amended to read:
811	32B-5-201. Application requirements for retail license.
812	(1) (a) Before a person may store, sell, offer for sale, furnish, or permit consumption of
813	an alcoholic product on licensed premises as a retail licensee, the person shall first obtain a
814	retail license issued by the commission, notwithstanding whether the person holds a local
815	license or a permit issued by a local authority.
816	(b) Violation of this Subsection (1) is a class B misdemeanor.
817	(2) To obtain a retail license under this title, a person shall submit to the department:
818	(a) a written application in a form prescribed by the department;
819	(b) a nonrefundable application fee in the amount specified in the relevant chapter or
820	part for the type of retail license for which the person is applying;
821	(c) an initial license fee:
822	(i) in the amount specified in the relevant chapter or part for the type of retail license
823	for which the person is applying; and
824	(ii) that is refundable if a retail license is not issued;
825	(d) written consent of the local authority, including, if applicable, consent for each
826	proposed sublicense;
827	(e) a copy of:
828	(i) every license the local authority requires, including the person's current business
829	license; and
830	(ii) if the person is applying for a principal license, the current business license for each
831	proposed sublicense, except if the local authority determines that the business license for a

832	proposed sublicense is included in the person's current business license;
833	(f) evidence of the proposed retail licensee's proximity to any community location, with
834	proximity requirements being governed by Section 32B-1-202;
835	(g) a bond as specified by Section 32B-5-204;
836	(h) a floor plan, and boundary map where applicable, of the premises of the retail
837	license and each, if any, accompanying sublicense, including any:
838	(i) consumption area; and
839	(ii) area where the person proposes to store, sell, offer for sale, or furnish an alcoholic
840	beverage;
841	(i) evidence that the retail licensee carries public liability insurance in an amount and
842	form satisfactory to the department;
843	(j) evidence that the retail licensee carries dramshop insurance coverage of at least:
844	(i) \$1,000,000 per occurrence and \$2,000,000 in the aggregate;
845	(ii) if the retail licensee is a hotel licensee or a resort licensee, \$1,000,000 per
846	occurrence and \$2,000,000 in the aggregate to cover both the principal license and all
847	accompanying sublicenses; or
848	(iii) if the retail licensee is an arena licensee, \$10,000,000 per occurrence and
849	\$20,000,000 in the aggregate to cover both the arena license and all accompanying
850	sublicenses[-];
851	(k) a signed consent form stating that the retail licensee will permit any authorized
852	representative of the commission, department, or any law enforcement officer to have
853	unrestricted right to enter:
854	(i) the premises of the retail licensee; and
855	(ii) if applicable, the premises of each of the retail licensee's accompanying
856	sublicenses;
857	(1) if the person is an entity, proper verification evidencing that a person who signs the
858	application is authorized to sign on behalf of the entity;
859	(m) a responsible alcohol service plan;
860	(n) evidence that each individual the person has hired to work as a retail manager, as
861	defined in Section 32B-1-701, has completed the alcohol training and education seminar as
862	required under Chapter 1, Part 7, Alcohol Training and Education Act; and

863	(o) any other information the commission or department may require.
864	(3) The commission may not issue a retail license to a person who:
865	(a) is disqualified under Section 32B-1-304; or
866	(b) is not lawfully present in the United States.
867	(4) Unless otherwise provided in the relevant chapter or part for the type of retail
868	license for which the person is applying, the commission may not issue a retail license to a
869	person if the proposed licensed premises does not meet the proximity requirements of Section
870	32B-1-202.
871	(5) The commission may not deny an application for a retail license, an application for
872	a conditional retail license under Section 32B-5-205, or an application for a sublicense under
873	Chapter 8d, Sublicense Act, if:
874	(a) the applicant satisfies the requirements of this chapter; and
875	(b) for a retail license or a conditional retail license, granting the retail license or the
876	conditional retail license would not cause the commission to exceeded the maximum number
877	of licenses of that retail license type that the commission is authorized to issue under this
878	chapter.
879	Section 13. Section 32B-5-304 is amended to read:
880	32B-5-304. Portions in which alcoholic product may be sold.
881	(1) (a) A retail licensee may sell, offer for sale, or furnish spirituous liquor that is a
882	primary spirituous liquor only in a quantity that does not exceed 1.5 ounces per beverage
883	dispensed through a calibrated metered dispensing system approved by the department in
884	accordance with commission rules adopted under this title.
885	(b) A retail license is not required to dispense spirituous liquor through a calibrated
886	metered dispensing system if the spirituous liquor is:
887	(i) a secondary flavoring ingredient;
888	(ii) used as a flavoring on a dessert; [or]
889	(iii) used to set aflame a food dish, drink, or dessert[-]; or
890	(iv) in a beverage that:
891	(A) is served to a patron in the original, sealed container;
892	(B) is not more than 12 ounces;
893	(C) contains no more than 10% alcohol by volume or 8% by weight; and

- 894 (D) is in a container that has the alcohol by volume percentage on the front label and in 895 a font that measures at least three millimeters high. 896 (c) A retail licensee that dispenses spirituous liquor that is a secondary flavoring 897 ingredient shall: 898 (i) designate a location where the retail licensee stores secondary flavoring ingredients 899 on the floor plan the retail licensee submits to the department; and 900 (ii) clearly and conspicuously label each secondary flavoring ingredient's container 901 "flavorings". 902 (d) (i) A patron may have no more than 2.5 ounces of spirituous liquor at a time. 903 (ii) Subsection (1)(d)(i) does not apply to a beverage described in Subsection (1)(b)(iv). 904 (2) (a) (i) A retail licensee may sell, offer for sale, or furnish wine by the glass or in an 905 individual portion that does not exceed 5 ounces per glass or individual portion. 906 (ii) A retail licensee may sell, offer for sale, or furnish an individual portion of wine to a patron in more than one glass if the total amount of wine does not exceed 5 ounces. 907 908 (b) (i) A retail licensee may sell, offer for sale, or furnish wine in a container not 909 exceeding 1.5 liters at a price fixed by the commission to a table of four or more persons. 910 (ii) A retail licensee may sell, offer for sale, or furnish wine in a container not to 911 exceed 750 milliliters at a price fixed by the commission to a table of less than four persons. 912 (c) Notwithstanding Subsections (2)(a) and (b), a retail licensee may sell, offer for sale, 913 or furnish hard cider that contains no more than 5% of alcohol by volume in a sealed container 914 not to exceed 16 ounces. 915 (3) A retail licensee may sell, offer for sale, or furnish heavy beer in an original 916 container at a price fixed by the commission, except that the original container may not exceed 917 one liter. 918 (4) A retail licensee may sell, offer for sale, or furnish a flavored malt beverage in an 919 original container at a price fixed by the commission, except that the original container may not 920 exceed one liter. 921 (5) (a) (i) Subject to Subsection (5)(a)(ii), a retail licensee may sell, offer for sale, or

(B) in a container on draft.

furnish beer for on-premise consumption:

(A) in an open original container; and

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925	(ii) A retail licensee may not sell, offer for sale, or furnish beer under Subsection
926	(5)(a)(i):
927	(A) in a size of container that exceeds two liters; or
928	(B) to an individual patron in a size of container that exceeds one liter.
929	(b) A retail licensee may sell, offer for sale, or furnish beer for off-premise
930	consumption:
931	(i) in a sealed container; and
932	(ii) in a size of container that does not exceed two liters.
933	(c) A retail licensee may sell, offer for sale, or furnish a flight of beer to an individual
934	patron if the total amount of beer does not exceed 16 ounces.
935	Section 14. Section 32B-6-203 is amended to read:
936	32B-6-203. Commission's power to issue full-service restaurant license.
937	(1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of
938	an alcoholic product on its premises as a full-service restaurant, the person shall first obtain a
939	full-service restaurant license from the commission in accordance with this part.
940	(2) The commission may issue a full-service restaurant license to establish full-service
941	restaurant licensed premises at places and in numbers the commission considers proper for the
942	storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on premises
943	operated as a full-service restaurant.
944	(3) Subject to Section 32B-1-201:
945	(a) the commission may not issue a total number of full-service restaurant licenses that
946	at any time exceeds the sum of:
947	(i) 30; and
948	(ii) the number determined by dividing the population of the state by [4,467;]:
949	(A) before July 1, 2024, 4,467;
950	(B) in fiscal year 2025, 4,281;
951	(C) in fiscal year 2026, 4,095;
952	(D) in fiscal year 2027, 3,909;
953	(E) in fiscal year 2028, 3,723;
954	(F) in fiscal year 2029, 3,537;
955	(G) in fiscal year 2030, 3,351; and

956 (H) in fiscal year 2031, and in each fiscal year thereafter, 3,167; 957 (b) the commission may issue a seasonal full-service restaurant license in accordance 958 with Section 32B-5-206; and 959 (c) (i) if the location, design, and construction of a hotel may require more than one 960 full-service restaurant sales location within the hotel to serve the public convenience, the 961 commission may authorize the sale, offer for sale, or furnishing of an alcoholic product at as 962 many as three full-service restaurant locations within the hotel under one full-service restaurant 963 license if: 964 (A) the hotel has a minimum of 150 guest rooms; and (B) the locations under the full-service restaurant license are: 965 966 (I) within the same hotel; and 967 (II) on premises that are managed or operated, and owned or leased, by the full-service 968 restaurant licensee: and 969 (ii) except for a hotel, a facility shall have a separate full-service restaurant license for 970 each full-service restaurant where an alcoholic product is sold, offered for sale, or furnished. 971 (4) Except as otherwise provided in Section 32B-1-202, the commission may not issue 972 a full-service restaurant license for premises that do not meet the proximity requirements of 973 Subsection 32B-1-202(2). 974 (5) To be licensed as a full-service restaurant, a person shall maintain at least 70% of 975 the restaurant's gross revenues from the sale of food, which does not include: 976 (a) mix for an alcoholic product; or 977 (b) a service charge. 978 Section 15. Section 32B-6-204 is amended to read: 979 32B-6-204. Specific licensing requirements for full-service restaurant license. (1) To obtain a full-service restaurant license a person shall comply with Chapter 5, 980 981 Part 2. Retail Licensing Process. 982 (2) (a) A full-service restaurant license expires on October 31 of each year. 983 (b) To renew a person's full-service restaurant license, a person shall comply with the 984 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than 985 September 30.

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

September 30.

987 (b) (i) The initial license fee for a full-service restaurant license is \$2,200. 988 (ii) The department shall prorate the \$2,200 initial license fee for the period that begins 989 the day on which the initial license fee is paid and ends the day on which the full-service 990 restaurant license expires. 991 (c) The renewal fee for a full-service restaurant license is \$1,650. 992 (4) The bond amount required for a full-service restaurant license is the penal sum of 993 \$10,000. 994 Section 16. Section **32B-6-206** is amended to read: 995 32B-6-206. Master full-service restaurant license. 996 (1) (a) The commission may issue a master full-service restaurant license that 997 authorizes a person to store, sell, offer for sale, furnish, or allow the consumption of an 998 alcoholic product on premises at multiple locations as full-service restaurants if the person 999 applying for the master full-service restaurant license: 1000 (i) owns each of the full-service restaurants; 1001 (ii) except for the fee requirements, establishes to the satisfaction of the commission 1002 that each location of a full-service restaurant under the master full-service restaurant license 1003 separately meets the requirements of this part; and 1004 (iii) the master full-service restaurant license includes at least five full-service 1005 restaurant locations. 1006 (b) The person seeking a master full-service restaurant license shall designate which 1007 full-service restaurant locations the person seeks to have under the master full-service 1008 restaurant license. 1009 (c) A full-service restaurant location under a master full-service restaurant license is 1010 considered separately licensed for purposes of this title, except as provided in this section. 1011 (2) A master full-service restaurant license and each location designated under 1012 Subsection (1) are considered a single full-service restaurant license for purposes of Subsection 1013 32B-6-203(3)(a). (3) (a) A master full-service restaurant license expires on October 31 of each year. 1014 1015 (b) To renew a person's master full-service restaurant license, a person shall comply 1016 with the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than

- 1018 (4) (a) The nonrefundable application fee for a master full-service restaurant license is 1019 \$330.
 - (b) (i) The initial license fee for a master full-service restaurant license is \$5,000 plus a separate initial license fee for each newly licensed full-service restaurant [license] location under the master full-service restaurant license determined in accordance with Subsection 32B-6-204(3)(b).
 - (ii) The department [may] shall prorate the \$5,000 initial license fee [based on the number of months out of a year the master full-service restaurant licensee is licensed before] for the period that begins the day on which the initial license fee is paid and ends the day on which the master full-service restaurant license expires.
 - (c) To renew a master full-service restaurant license the master full-service restaurant licensee shall pay a separate renewal fee for each full-service [license] restaurant location under the master full-service restaurant license [determined] in accordance with Subsection 32B-6-204(3)(c).
 - (5) A new location may be added to a master full-service restaurant license after the master full-service restaurant license is issued if:
 - (a) the master full-service restaurant licensee pays a nonrefundable application fee of \$330; and
 - (b) including payment of the initial license fee, the location separately meets the requirements of this part.
 - (6) (a) A master full-service restaurant licensee shall notify the department of a change in the persons managing a location covered by a master full-service restaurant license:
 - (i) immediately, if the management personnel is not management personnel at a location covered by the master full-service restaurant licensee at the time of the change; or
 - (ii) within 30 days of the change, if the master full-service restaurant licensee is transferring management personnel from one location to another location covered by the master full-service restaurant licensee.
 - (b) A location covered by a master full-service restaurant license shall keep the location's own records on the location's premises so that the department may audit the records.
- 1047 (c) A master full-service restaurant licensee may not transfer alcoholic products 1048 between different locations covered by the master full-service restaurant license.

1049	(7) If there is a violation of this title at a location covered by a master full-service
1050	restaurant license, the violation may result in disciplinary action in accordance with Chapter 3,
1051	Disciplinary Actions and Enforcement Act, against:
1052	(a) the single location under a master full-service restaurant license;
1053	(b) individual staff of the location under the master full-service restaurant license; or
1054	(c) a combination of persons or locations described in Subsections (7)(a) and (b).
1055	(8) The commission may make rules, in accordance with Title 63G, Chapter 3, Utah
1056	Administrative Rulemaking Act, to establish how a person may apply for a master full-service
1057	restaurant license under this section.
1058	Section 17. Section 32B-6-302 is amended to read:
1059	32B-6-302. Definitions.
1060	As used in this part:
1061	(1) (a) "Dining area" means an area in the licensed premises of a limited-service
1062	restaurant licensee that is primarily used for the service and consumption of food by one or
1063	more patrons.
1064	(b) "Dining area" does not include a dispensing area.
1065	(2) (a) "Dispensing area" means an area in the licensed premises of a limited-service
1066	restaurant licensee where a dispensing structure is located and that:
1067	(i) is physically separated from the dining area and any waiting area by a structure or
1068	other barrier that prevents a patron seated in the dining area or a waiting area from viewing the
1069	dispensing of alcoholic product;
1070	(ii) except as provided in Subsection (2)(b), measures at least 10 feet from the dining
1071	area and any waiting area to the nearest edge of the dispensing structure; or
1072	(iii) is physically separated from the dining area and any waiting area by a permanent
1073	physical structure that complies with the provisions of Title 15A, State Construction and Fire
1074	Codes Act, and, to the extent allowed under Title 15A, State Construction and Fire Codes Act,
1075	measures:
1076	(A) at least 42 inches high; and
1077	(B) at least 60 inches from the inside edge of the barrier to the nearest edge of the
1078	dispensing structure.
1079	(b) "Dispensing area" does not include any area described in Subsection (2)(a)(ii) that

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1080	is less than 10 feet from an area where alcoholic product is dispensed, but from which a patron
1081	seated at a table or counter cannot view the dispensing of alcoholic product.
1082	(3) "Small limited-service restaurant licensee" means a limited-service restaurant
1083	licensee [that has a grandfathered bar structure] whose dispensing area includes more than 45%
1084	of the available seating for patrons on the licensed premises, excluding outdoor seating:
1085	(a) when measured in accordance with Subsection (2)(a)(ii); and
1086	(b) based on the licensee's floor plan on file with the department on July 1, 2017.
1087	(4) "Waiting area" includes a lobby.
1088	Section 18. Section 32B-6-304 is amended to read:
1089	32B-6-304. Specific licensing requirements for limited-service restaurant license.
1090	(1) To obtain a limited-service restaurant license a person shall comply with Chapter 5,
1091	Part 2, Retail Licensing Process.
1092	(2) (a) A limited-service restaurant license expires on October 31 of each year.
1093	(b) To renew a person's limited-service restaurant license, a person shall comply with
1094	the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1095	September 30.
1096	(3) (a) The nonrefundable application fee for a limited-service restaurant license is
1097	\$330.
1098	(b) (i) The initial license fee for a limited-service restaurant license is \$1,275.
1099	(ii) The department shall prorate the \$1,275 initial license fee for the period that begins
1100	the day on which the initial license fee is paid and ends the day on which the limited-service
1101	restaurant license expires.
1102	(c) The renewal fee for a limited-service restaurant license is \$750.
1103	(4) The bond amount required for a limited-service restaurant license is the penal sum
1104	of \$5,000.
1105	Section 19. Section 32B-6-306 is amended to read:
1106	32B-6-306. Master limited-service restaurant license.
1107	(1) (a) The commission may issue a master limited-service restaurant license that
1108	authorizes a person to store, sell, offer for sale, furnish, or allow the consumption of an

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

1111 (i) owns each of the limited-service restaurants; 1112 (ii) except for the fee requirements, establishes to the satisfaction of the commission 1113 that each location of a limited-service restaurant under the master limited-service restaurant 1114 license separately meets the requirements of this part; and 1115 (iii) the master limited-service restaurant includes at least five limited-service 1116 restaurant locations. 1117 (b) The person seeking a master limited-service restaurant license shall designate 1118 which limited-service restaurant locations the person seeks to have under the master 1119 limited-service restaurant license. 1120 (c) A limited-service restaurant location under a master limited-service restaurant 1121 license is considered separately licensed for purposes of this title, except as provided in this 1122 section. 1123 (2) A master limited-service restaurant license and each location under Subsection (1) 1124 are considered a single limited-service restaurant license for purposes of Subsection 1125 32B-6-303(3)(a). 1126 (3) (a) A master limited-service restaurant license expires on October 31 of each year. (b) To renew a person's master limited-service restaurant license, a person shall comply 1127 1128 with the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than 1129 September 30. (4) (a) The nonrefundable application fee for a master limited-service restaurant license 1130 1131 is \$330. 1132 (b) (i) The initial license fee for a master limited-service restaurant license is \$5,000 plus a separate initial license fee for each newly licensed limited-service restaurant license 1133 1134 under the master limited-service restaurant license determined in accordance with Subsection 1135 32B-6-304(3)(b). 1136 (ii) The department shall prorate the \$5,000 initial license fee for the period that begins 1137 the day on which the initial license fee is paid and ends the day on which the master 1138 limited-service restaurant license expires. 1139 (c) The renewal fee for a master limited-service restaurant license is \$500 plus a 1140 separate renewal fee for each limited-service license under the master limited-service restaurant

license determined in accordance with Subsection 32B-6-304(3)(c).

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- 1142 (5) A new location may be added to a master limited-service restaurant license after the 1143 master limited-service restaurant license is issued if: 1144 (a) the master limited-service restaurant licensee pays a nonrefundable application fee 1145 of \$330; and 1146 (b) including payment of the initial license fee, the location separately meets the 1147 requirements of this part. 1148 (6) (a) A master limited-service restaurant licensee shall notify the department of a 1149 change in the persons managing a location covered by a master limited-service restaurant 1150 license: 1151 (i) immediately, if the management personnel is not management personnel at a 1152 location covered by the master limited-service restaurant licensee at the time of the change; or 1153 (ii) within 30 days of the change, if the master limited-service restaurant licensee is 1154 transferring management personnel from one location to another location covered by the master limited-service restaurant licensee. 1155 1156 (b) A location covered by a master limited-service restaurant license shall keep its own 1157 records on its premises so that the department may audit the records. 1158 (c) A master limited-service restaurant licensee may not transfer alcoholic products 1159 between different locations covered by the master limited-service restaurant license. 1160 (7) (a) If there is a violation of this title at a location covered by a master 1161 limited-service restaurant license, the violation may result in disciplinary action in accordance 1162 with Chapter 3, Disciplinary Actions and Enforcement Act, against: 1163 (i) the single location under a master limited-service restaurant license; 1164 (ii) individual staff of the location under the master limited-service restaurant license; 1165 or 1166 (iii) a combination of persons or locations described in Subsections (7)(a)(i) and (ii). 1167 (b) In addition to disciplinary action under Subsection (7)(a), disciplinary action in 1168 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, may be taken against a
 - (i) at least 25% of the locations covered by the master limited-service restaurant license have been found by the commission to have committed a serious or grave violation of this title,

master limited-service restaurant licensee or individual staff of the master limited-service

restaurant licensee if during a period beginning on November 1 and ending October 31:

1173 as defined by rule made by the commission; or 1174 (ii) at least 50% of the locations covered by the master limited-service restaurant 1175 license have been found by the commission to have violated this title. 1176 (8) The commission may make rules, in accordance with Title 63G, Chapter 3, Utah 1177 Administrative Rulemaking Act, to establish how a person may apply for a master 1178 limited-service restaurant license under this section. 1179 Section 20. Section **32B-6-403** is amended to read: 1180 32B-6-403. Commission's power to issue bar establishment license. 1181 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of 1182 an alcoholic product on the person's premises as a bar establishment licensee, the person shall first obtain a bar establishment license from the commission in accordance with this part. 1183 1184 (2) The commission may issue a bar establishment license to establish bar establishment licensed premises at places and in numbers the commission considers proper for 1185 1186 the storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on 1187 premises operated by a bar establishment licensee. 1188 (3) Subject to Section 32B-1-201: 1189 (a) the commission may not issue a total number of bar establishment licenses that at any time exceeds the sum of: 1190 1191 (i) 15; and 1192 (ii) the number determined by dividing the population of the state by [10,200;]: 1193 (A) before fiscal July 1, 2024, 10,200; 1194 (B) in fiscal year 2025, 9,778; 1195 (C) in fiscal year 2026, 9,356; 1196 (D) in fiscal year 2027, 8,934; 1197 (E) in fiscal year 2028, 8,512; 1198 (F) in fiscal year 2029, 8,090; 1199 (G) in fiscal year 2030, 7,668; and 1200 (H) in fiscal year 2031, and in each fiscal year thereafter, 7,246; 1201 (b) the commission may issue a seasonal bar establishment license in accordance with 1202 Section 32B-5-206 to a bar licensee:

(c) the commission may authorize as many as three bar establishment license locations

Subsection (3)(a); and

1204	within a hotel under one bar establishment license if:
1205	(i) the location, design, and construction of the hotel requires more than one bar license
1206	location within the hotel to serve the public convenience;
1207	(ii) the hotel has a minimum of 150 guest rooms;
1208	(iii) all locations under the bar establishment license are:
1209	(A) within the same hotel; and
1210	(B) on premises that are managed or operated, and owned or leased, by the bar
1211	establishment licensee;
1212	(d) the commission may authorize up to five dispensing [structures] locations under
1213	one equity license if the locations under the equity license:
1214	(i) are connected by a private roadway to which the equity licensee, each member of
1215	the equity licensee, and each guest has a legal right of access; and
1216	(ii) are <u>located on premises</u> managed or operated, and owned or leased, by the equity
1217	licensee;
1218	(e) except for a facility operating in accordance with Subsection (3)(d) or a hotel, a
1219	facility shall have a separate bar establishment license for each bar establishment license
1220	location where an alcoholic product is sold, offered for sale, or furnished;
1221	(f) when a business establishment undergoes a change of ownership, the commission
1222	may issue a bar establishment license to the new owner of the business establishment
1223	notwithstanding that there is no bar establishment license available under Subsection (3)(a) if:
1224	(i) the primary business activity at the business establishment before and after the
1225	change of ownership is not the sale, offer for sale, or furnishing of an alcoholic product;
1226	(ii) before the change of ownership there are two or more licensed premises on the
1227	business establishment that operate under a retail license, with at least one of the retail licenses
1228	being a bar establishment license;
1229	(iii) subject to Subsection (3)(g) the licensed premises of the bar establishment license
1230	issued under this Subsection (3)(f) is at the same location where the bar establishment license
1231	licensed premises was located before the change of ownership; and
1232	(iv) the person who is the new owner of the business establishment qualifies for the bar

establishment license, except for there being no bar establishment license available under

1235	(g) if a bar establishment licensee of a bar establishment license issued under
1236	Subsection (3)(f) requests a change of location, the bar establishment licensee may retain the
1237	bar establishment license after the change of location only if on the day on which the bar
1238	establishment licensee seeks a change of location a bar establishment license is available under
1239	Subsection (3)(a).
1240	Section 21. Section 32B-6-405 is amended to read:
1241	32B-6-405. Specific licensing requirements for bar establishment license.
1242	(1) To obtain a bar establishment license, in addition to complying with Chapter 5, Part
1243	2, Retail Licensing Process, a person shall submit with the written application:
1244	(a) (i) a statement as to whether the person is seeking to qualify as:
1245	(A) an equity licensee;
1246	(B) a fraternal licensee;
1247	(C) a dining club licensee; or
1248	(D) a bar licensee; and
1249	(ii) evidence that the person meets the requirements for the type of bar establishment
1250	license for which the person is applying;
1251	(b) evidence that the person operates a premises where a variety of food is prepared
1252	and served in connection with dining accommodations; and
1253	(c) if the person is applying for an equity license or fraternal license, a copy of the
1254	entity's bylaws or house rules, and an amendment to those records.
1255	(2) The commission may refuse to issue a bar establishment license to a person for an
1256	equity license or fraternal license if the commission determines that a provision of the person's
1257	bylaws or house rules, or amendments to those records is not:
1258	(a) reasonable; and
1259	(b) consistent with:
1260	(i) the declared nature and purpose of the bar establishment licensee; and
1261	(ii) the purposes of this part.
1262	(3) (a) A bar establishment license expires on June 30 of each year.
1263	(b) To renew a bar establishment license, a person shall comply with the requirements
1264	of Chapter 5, Part 2, Retail Licensing Process, by no later than May 31.
1265	(4) (a) The nonrefundable application fee for a bar establishment license is \$300.

1266	(b) (i) The initial license fee for a bar establishment license is \$2,750.
1267	(ii) The department shall prorate the \$2,750 initial license fee based on the number of
1268	months out of a year the bar establishment licensee is licensed before the day on which the bar
1269	establishment license expires.
1270	(c) The renewal fee for a bar establishment license is \$2,000.
1271	(5) The bond amount required for a bar establishment license is the penal sum of
1272	\$10,000.
1273	Section 22. Section 32B-6-504 is amended to read:
1274	32B-6-504. Specific licensing requirements for airport lounge license.
1275	(1) To obtain an airport lounge license, in addition to complying with Chapter 5, Part
1276	2, Retail Licensing Process, a person shall submit with the written application:
1277	(a) both the written consent of the local authority and the written consent of the airport
1278	authority; and
1279	(b) a copy of the sign proposed to be used by the airport lounge licensee on its licensed
1280	premises to inform the public that alcoholic products are sold and consumed on the licensed
1281	premises.
1282	(2) (a) An airport lounge license expires on October 31 of each year.
1283	(b) To renew a person's airport lounge license, a person shall comply with the renewal
1284	requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.
1285	(3) (a) The nonrefundable application fee for an airport lounge license is \$300.
1286	(b) (i) The initial license fee for an airport lounge license is \$8,000.
1287	(ii) The department shall prorate the \$8,000 initial license fee for the period that begins
1288	the day on which the initial license fee is paid and ends the day on which the airport lounge
1289	<u>license expires.</u>
1290	(c) The renewal fee for an airport lounge license is \$6,000.
1291	(4) The bond amount required for an airport lounge license is the penal sum of
1292	\$10,000.
1293	(5) An airport lounge license is not subject to the proximity requirements of Section
1294	32B-1-202.
1295	Section 23. Section 32B-6-604 is amended to read:
1296	32B-6-604. Specific licensing requirements for an on-premise banquet license.

1297	(1) To obtain an on-premise banquet license a person shall comply with Chapter 5, Part
1298	2, Retail Licensing Process.
1299	(2) (a) An on-premise banquet license expires on October 31 of each year.
1300	(b) To renew a person's on-premise banquet license, a person shall comply with the
1301	requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.
1302	(3) (a) The nonrefundable application fee for an on-premise banquet license is \$300.
1303	(b) (i) The initial license fee for an on-premise banquet license is \$750.
1304	(ii) The department shall prorate the \$750 initial license fee for the period that begins
1305	the day on which the initial license fee is paid and ends the day on which the on-premise
1306	banquet license expires.
1307	(c) The renewal fee for an on-premise banquet license is \$750.
1308	(4) The bond amount required for an on-premise banquet license is the penal sum of
1309	\$10,000.
1310	(5) Notwithstanding the other provisions of this part, if an applicant is a state agency or
1311	political subdivision of the state it is not required to:
1312	(a) pay an application fee, initial license fee, or renewal fee;
1313	(b) obtain the written consent of the local authority;
1314	(c) submit a copy of the applicant's current business license; or
1315	(d) post a bond as specified by Section 32B-5-204.
1316	(6) Notwithstanding Subsection 32B-5-303(3), the department may approve an
1317	additional location in or on the licensed premises of an on-premise banquet licensee from
1318	which the on-premise banquet licensee may store, sell, offer for sale, furnish, or allow the
1319	consumption of an alcoholic product that is not included in its original application only:
1320	(a) upon proper application by an on-premise banquet licensee; and
1321	(b) in accordance with guidelines approved by the commission.
1322	Section 24. Section 32B-6-605 is amended to read:
1323	32B-6-605. Specific operational requirements for on-premise banquet license.
1324	(1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
1325	Requirements, an on-premise banquet licensee and staff of the on-premise banquet licensee
1326	shall comply with this section.
1327	(b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action

1328	in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
1329	(i) an on-premise banquet licensee;
1330	(ii) individual staff of an on-premise banquet licensee; or
1331	(iii) both an on-premise banquet licensee and staff of the on-premise banquet licensee
1332	(2) An on-premise banquet licensee shall comply with Subsections 32B-5-301(4) and
1333	(5) for the entire premises of the hotel, resort facility, sports center, convention center,
1334	performing arts facility, arena, or restaurant venue that is the basis for the on-premise banquet
1335	license.
1336	(3) (a) For the purpose described in Subsection (3)(b), an on-premise banquet licensee
1337	shall provide the department with advance notice of a scheduled banquet in accordance with
1338	rules made by the commission.
1339	(b) Any of the following may conduct a random inspection of a banquet:
1340	(i) an authorized representative of the commission or the department; or
1341	(ii) a law enforcement officer.
1342	(4) (a) An on-premise banquet licensee is not subject to Subsection 32B-5-302(1), but
1343	shall make and maintain the records described in Subsection 32B-5-302(2) and the records the
1344	commission or department requires.
1345	(b) Section 32B-1-205 applies to a record required to be made or maintained in
1346	accordance with this Subsection (4).
1347	(5) (a) Except as otherwise provided in this title, an on-premise banquet licensee may
1348	sell, offer for sale, or furnish an alcoholic product at a banquet only for consumption at the
1349	location of the banquet.
1350	(b) [Except as provided in Subsection 32B-5-307(4),] Notwithstanding Section
1351	32B-5-307 and except as otherwise provided in this title:
1352	(i) [a host of a banquet, a patron, or] a person at a banquet other than the on-premise
1353	banquet licensee or staff of the on-premise banquet licensee, may not remove an alcoholic
1354	product from the premises of the banquet[-]; and
1355	[(c) Notwithstanding Subsections 32B-5-307(3) and (5) and except as provided in
1356	Subsection 32B-5-307(4),]
1357	(ii) a patron at a banquet may not bring an alcoholic product into or onto[, or remove
1358	an alcoholic product from,] the premises of [a] the banquet.

1359 (6) (a) An on-premise banquet licensee may not leave an unsold alcoholic product at 1360 the banquet following the conclusion of the banquet. (b) At the conclusion of a banquet, an on-premise banquet licensee shall: 1361 (i) destroy an opened and unused alcoholic product that is not saleable, under 1362 1363 conditions established by the department; and 1364 (ii) return to the on-premise banquet licensee's approved locked storage area any: (A) opened and unused alcoholic product that is saleable; and 1365 1366 (B) unopened container of an alcoholic product. 1367 (c) Except as provided in Subsection (6)(b) with regard to an open or sealed container 1368 of an alcoholic product not sold or consumed at a banquet, an on-premise banquet licensee: 1369 (i) shall store the alcoholic product in the on-premise banquet licensee's approved 1370 locked storage area; and 1371 (ii) may use the alcoholic product at more than one banquet. 1372 (7) Notwithstanding Section 32B-5-308, an on-premise banquet licensee may not 1373 employ a minor to sell, furnish, or dispense an alcoholic product in connection with the 1374 on-premise banquet licensee's banquet and room service activities. (8) An on-premise banquet licensee: 1375 1376 (a) may provide room service in portions described in Section 32B-5-304: 1377 (b) may not sell, offer for sale, or furnish an alcoholic product at a banquet or in 1378 connection with room service any day during a period that: 1379 (i) begins at 1 a.m.; and 1380 (ii) ends at 9:59 a.m.; and (c) notwithstanding Section 32B-5-305, may provide as room service one alcoholic 1381 1382 product free of charge per guest reservation, per guest room, if the alcoholic product: 1383 (i) is not a spirituous liquor; and 1384 (ii) is in an unopened container not to exceed 750 milliliters. 1385 (9) (a) Subject to the other provisions of this Subsection (9), a patron may not have 1386 more than two alcoholic products of any kind at a time before the patron. 1387 (b) A patron may not have more than one spirituous liquor drink at a time before the 1388 patron.

(c) An individual portion of wine is considered to be one alcoholic product under

1390	Subsection (9)(a).
1391	(10) (a) An on-premise banquet licensee shall supervise and direct a person involved in
1392	the sale, offer for sale, or furnishing of an alcoholic product.
1393	(b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product
1394	shall complete an alcohol training and education seminar.
1395	(11) A staff person of an on-premise banquet licensee shall remain at the banquet at all
1396	times when an alcoholic product is sold, offered for sale, furnished, or consumed at the
1397	banquet.
1398	(12) (a) Room service of an alcoholic product to a guest room or privately owned
1399	dwelling unit of a hotel or resort facility shall be provided in person by staff of an on-premise
1400	banquet licensee only to an adult guest in the guest room or privately owned dwelling unit.
1401	(b) An alcoholic product may not be left outside a guest room or privately owned
1402	dwelling unit for retrieval by a guest or resident.
1403	(13) An on-premise banquet licensee may not maintain a minibar.
1404	Section 25. Section 32B-6-702 is amended to read:
1405	32B-6-702. Definitions.
1406	As used in this part:
1407	(1) "Commission-approved activity" means a leisure activity that:
1408	(a) the commission approves by rule made in accordance with Title 63G, Chapter 3,
1409	Utah Administrative Rulemaking Act; and
1410	(b) does not involve the use of a dangerous weapon.
1411	(2) (a) "Recreational amenity" means:
1412	(i) a billiard parlor;
1413	(ii) a pool parlor;
1414	(iii) a bowling facility;
1415	(iv) a golf course;
1416	(v) miniature golf;
1417	(vi) a golf driving range;
1418	(vii) a tennis club;
1419	(viii) a sports facility that hosts professional sporting events and has a seating capacity
1420	equal to or greater than $\left[\frac{6,500}{5,000}\right]$

1421	(ix) a concert venue that has a seating capacity equal to or greater than $[6,500]$ $5,000$;
1422	(x) one of the following if owned by a government agency:
1423	(A) a convention center;
1424	(B) a fair facility;
1425	(C) an equestrian park;
1426	(D) a theater; or
1427	(E) a concert venue;
1428	(xi) an amusement park:
1429	(A) with one or more permanent amusement rides; and
1430	(B) located on at least 50 acres;
1431	(xii) a ski resort;
1432	(xiii) a venue for live entertainment if the venue:
1433	(A) is not regularly open for more than five hours on any day;
1434	(B) is operated so that food is available whenever beer is sold, offered for sale, or
1435	furnished at the venue; and
1436	(C) is operated so that no more than 15% of its total annual receipts are from the sale
1437	of beer;
1438	(xiv) concessions operated within the boundary of a park administered by the:
1439	(A) Division of State Parks; or
1440	(B) National Parks Service;
1441	(xv) a facility or venue that is a recreational amenity for a person licensed under this
1442	part before May 12, 2020;
1443	(xvi) a venue for karaoke; or
1444	(xvii) an enterprise developed around a commission-approved activity.
1445	(b) "Recreational amenity" does not include an item described in Subsection (2)(a), if
1446	the item is tangential to an enterprise or activity that is not included in Subsection (2)(a).
1447	Section 26. Section 32B-6-705 is amended to read:
1448	32B-6-705. Specific licensing requirements for on-premise beer retailer license.
1449	(1) To obtain an on-premise beer retailer license a person shall comply with Chapter 5,
1450	Part 2, Retail Licensing Process, except that an on-premise beer retailer is required to carry
1451	dramshop insurance coverage in accordance with Section 32B-5-201 only if the on-premise

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1452 beer retailer sells more than \$5,000 of beer annually. 1453 (2) (a) An on-premise beer retailer license expires on the last day of February each 1454 year. 1455 (b) To renew a person's on-premise beer retailer license, a person shall comply with the 1456 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than January 1457 31. 1458 (3) (a) The nonrefundable application fee for an on-premise beer retailer license is 1459 \$300. 1460 (b) (i) (A) The initial license fee for an on-premise beer retailer license that is not a tavern is \$300. 1461 1462 (B) The department shall prorate the \$300 initial license fee for the period that begins 1463 the day on which the initial license fee is paid and ends the day on which the on-premise beer 1464 retailer license expires. 1465 (ii) (A) The initial license fee for an on-premise beer retailer license that is a tavern is \$1,500. 1466 1467 (B) The department shall prorate the \$1,500 initial license fee for the period that begins 1468 the day on which the initial license fee is paid and ends the day on which the on-premise beer 1469 retailer license expires. 1470 (c) (i) The renewal fee for an on-premise beer retailer license that is not a tavern is 1471 \$350. 1472 (ii) The renewal fee for an on-premise beer retailer license that is a tavern is \$1,250. (4) The bond amount required for an on-premise beer retailer license is the penal sum 1473 1474 of \$5,000. 1475 (5) Notwithstanding the other provisions of this part, if an applicant is a state agency or 1476 political subdivision of the state it is not required to: 1477 (a) pay an application fee, initial license fee, or renewal fee; 1478 (b) obtain the written consent of the local authority; 1479 (c) submit a copy of the applicant's current business license; or 1480 (d) post a bond as specified by Section 32B-5-204.

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

Section 27. Section 32B-6-804 is amended to read:

1483 (1) To obtain a reception center license a person shall comply with Chapter 5, Part 2, 1484 Retail Licensing Process. 1485 (2) (a) A reception center license expires on October 31 of each year. (b) To renew a person's reception center license, a person shall comply with the 1486 1487 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than 1488 September 30. 1489 (3) (a) The nonrefundable application fee for a reception center license is \$300. 1490 (b) (i) The initial license fee for a reception center license is \$750. 1491 (ii) The department shall prorate the \$750 initial license fee for the period that begins 1492 the day on which the initial license fee is paid and ends the day on which the reception center 1493 license expires. 1494 (c) The renewal fee for a reception center license is \$750. 1495 (4) The bond amount required for a reception center license is the penal sum of \$10,000. 1496 1497 Section 28. Section **32B-6-902** is amended to read: 32B-6-902. Definitions. 1498 1499 (1) As used in this part: 1500 (a) (i) "Dining area" means an area in the licensed premises of a beer-only restaurant 1501 licensee that is primarily used for the service and consumption of food by one or more patrons. 1502 (ii) "Dining area" does not include a dispensing area. (b) (i) "Dispensing area" means an area in the licensed premises of a beer-only 1503 1504 restaurant licensee where a dispensing structure is located and that: 1505 (A) is physically separated from the dining area and any waiting area by a structure or 1506 other barrier that prevents a patron seated in the dining area or a waiting area from viewing the 1507 dispensing of beer; 1508 (B) except as provided in Subsection (1)(b)(ii), measures at least 10 feet from the 1509 dining area and any waiting area to the nearest edge of the dispensing structure; or 1510 (C) is physically separated from the dining area and any waiting area by a permanent 1511 physical structure that complies with the provisions of Title 15A, State Construction and Fire 1512 Codes Act, and, to the extent allowed under Title 15A, State Construction and Fire Codes Act, 1513 measures at least 42 inches high, and at least 60 inches from the inside edge of the barrier to

1514 the nearest edge of the dispensing structure. 1515 (ii) "Dispensing area" does not include any area described in Subsection (1)(b)(i)(B) 1516 that is less than 10 feet from an area where beer is dispensed, but from which a patron seated at 1517 a table or counter cannot view the dispensing of beer. 1518 (c) "Small beer-only restaurant licensee" means a beer-only restaurant licensee [that 1519 has a grandfathered bar structure whose dispensing area includes more than 45% of the 1520 available seating for patrons on the licensed premises, excluding outdoor seating: 1521 (i) when measured in accordance with Subsection (1)(b)(i)(B); and 1522 (ii) based on the licensee's floor plan on file with the department on July 1, 2017. 1523 (d) "Waiting area" includes a lobby. 1524 Section 29. Section **32B-6-904** is amended to read: 1525 32B-6-904. Specific licensing requirements for beer-only restaurant license. (1) To obtain a beer-only restaurant license a person shall comply with Chapter 5, Part 1526 1527 2, Retail Licensing Process. 1528 (2) (a) A beer-only restaurant license expires the last day of February of each year. 1529 (b) To renew a person's beer-only restaurant license, a person shall comply with the 1530 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than January 1531 31. 1532 (3) (a) The nonrefundable application fee for a beer-only restaurant license is \$330. 1533 (b) (i) The initial license fee for a beer-only restaurant license is \$825. 1534 (ii) The department shall prorate the \$825 initial license fee for the period that begins 1535 the day on which the initial license fee is paid and ends the day on which the beer-only license 1536 expires. 1537 (c) The renewal fee for a beer-only restaurant license is \$605. 1538 (4) The bond amount required for a beer-only restaurant license is the penal sum of 1539 \$5,000. 1540 Section 30. Section **32B-6-1004** is amended to read: 1541 32B-6-1004. Specific licensing requirements for a hospitality amenity license. 1542 (1) To obtain a hospitality amenity license a person shall comply with Chapter 5, Part 2, Retail Licensing Process. 1543

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

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1545	(b) To renew a person's hospitality amenity license, a person shall comply with the
1546	renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1547	September 30.
1548	(3) (a) The nonrefundable application fee for a hospitality amenity license is \$330.
1549	(b) (i) The initial license fee for a hospitality amenity license is \$2,000.
1550	(ii) The department shall prorate the \$2,000 initial license fee for the period that begins
1551	the day on which the initial license fee is paid and ends the day on which the hospitality
1552	amenity license expires.
1553	(c) The renewal fee for a hospitality amenity license is \$1,000.
1554	(4) The bond amount required for a hospitality amenity license is the penal sum of
1555	\$10,000.
1556	(5) Notwithstanding Subsection 32B-5-303(3), the commission may approve an
1557	additional location in or on the licensed premises of a hospitality amenity licensee from which
1558	the hospitality amenity licensee may store, sell, offer for sale, furnish, or allow the
1559	consumption of an alcoholic product that is not included in the person's original application
1560	only:
1561	(a) upon proper application by a hospitality amenity licensee; and
1562	(b) in accordance with guidelines the commission approves.
1563	Section 31. Section 32B-7-202 is amended to read:
1564	32B-7-202. General operational requirements for off-premise beer retailer.
1565	(1) (a) An off-premise beer retailer or staff of the off-premise beer retailer shall comply
1566	with the provisions of this title and any applicable rules made by the commission.
1567	(b) Failure to comply with this section may result in a suspension or revocation of a
1568	local license and, on or after July 1, 2018, disciplinary action in accordance with Chapter 3,
1569	Disciplinary Actions and Enforcement Act.
1570	(2) (a) (i) An off-premise beer retailer may not purchase, acquire, possess for the
1571	purpose of resale, or sell beer, except beer that the off-premise beer retailer lawfully purchases
1572	from:
1573	(A) a beer wholesaler licensee; or
1574	(B) a small brewer that manufactures the beer.
1575	(ii) A violation of Subsection (2)(a) is a class A misdemeanor.

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1576 (b) (i) If an off-premise beer retailer purchases beer under this Subsection (2) from a 1577 beer wholesaler licensee, the off-premise beer retailer shall purchase beer only from a beer 1578 wholesaler licensee who is designated by the manufacturer to sell beer in the geographical area 1579 in which the off-premise beer retailer is located, unless an alternate wholesaler is authorized by 1580 the department to sell to the off-premise beer retailer as provided in Section 32B-13-301. 1581 (ii) A violation of Subsection (2)(b) is a class B misdemeanor. 1582 (3) An off-premise beer retailer may not possess, sell, offer for sale, or furnish beer in a 1583 container larger than two liters. 1584 (4) (a) Staff of an off-premise beer retailer, while on duty, may not: 1585 (i) consume an alcoholic product; or 1586 (ii) be intoxicated. 1587 (b) A minor may not sell beer on the licensed premises of an off-premise beer retailer 1588 unless: 1589 (i) the sale is done under the supervision of a person 21 years old or older who is on the licensed premises; and 1590 1591 (ii) the minor is at least 16 years old. 1592 (5) An off-premise beer retailer may not sell, offer for sale, or furnish an alcoholic 1593 product to: 1594 (a) a minor; (b) a person actually, apparently, or obviously intoxicated; 1595 1596 (c) a known interdicted person; or 1597 (d) a known habitual drunkard. 1598 (6) (a) Subject to the other provisions of this Subsection (6), an off-premise beer 1599 retailer shall: 1600 (i) display all beer accessible by and visible to a patron in no more than two locations 1601 on the retail sales floor, each of which is: 1602 (A) a display cabinet, cooler, aisle, floor display, or room where beer is the only 1603 beverage displayed; and 1604 (B) not adjacent to a display of nonalcoholic beverages, unless the location is a cooler

with a door from which the nonalcoholic beverages are not accessible, or the beer is separated

from the display of nonalcoholic beverages by a display of one or more nonbeverage products

1607	or another physical divider; and
1608	(ii) display a sign in the area described in Subsection (6)(a)(i) that:
1609	(A) is prominent;
1610	(B) is easily readable by a consumer;
1611	(C) meets the requirements for format established by the commission by rule; and
1612	(D) reads in print that is no smaller than .5 inches, bold type, "These beverages contain
1613	alcohol. Please read the label carefully."
1614	(b) Notwithstanding Subsection (6)(a), a nonalcoholic beer may be displayed with beer
1615	if the nonalcoholic beer is labeled, packaged, or advertised as a nonalcoholic beer.
1616	(c) The requirements of this Subsection (6) apply to beer notwithstanding that it is
1617	labeled, packaged, or advertised as:
1618	(i) a malt cooler; or
1619	(ii) a beverage that may provide energy.
1620	(d) A violation of this Subsection (6) is an infraction.
1621	(e) (i) Except as provided in Subsection (6)(e)(ii), the provisions of Subsection (6)(a)(i
1622	apply on and after May 9, 2017.
1623	(ii) For a beer retailer that operates two or more off-premise beer retailers, the
1624	provisions of Subsection (6)(a)(i) apply on and after August 1, 2017.
1625	(7) (a) Staff of an off-premise beer retailer who directly supervises the sale of beer or
1626	who sells beer to a patron for consumption off the premises of the off-premise beer retailer
1627	shall wear a unique identification badge:
1628	(i) on the front of the staff's clothing;
1629	(ii) visible above the waist;
1630	(iii) bearing the staff's:
1631	(A) first or last name;
1632	(B) initials; or
1633	(C) unique identification in letters or numbers; and
1634	(iv) with the number or letters on the unique identification badge being sufficiently
1635	large to be clearly visible and identifiable while engaging in or directly supervising the retail
1636	sale of beer.
1637	(b) An off-premise beer retailer shall make and maintain a record of each current staffs

1638	unique identification badge assigned by the off-premise beer retailer that includes the staff's:
1639	(i) full name;
1640	(ii) address; and
1641	(iii) (A) driver license number; or
1642	(B) similar identification number.
1643	(c) An off-premise beer retailer shall make available a record required to be made or
1644	maintained under this Subsection (7) for immediate inspection by:
1645	(i) a peace officer;
1646	(ii) a representative of the local authority that issues the off-premise beer retailer
1647	license; or
1648	(iii) for an off-premise beer retailer state license, a representative of the commission or
1649	department.
1650	(d) A local authority may impose a fine of up to \$250 against an off-premise beer
1651	retailer that does not comply or require its staff to comply with this Subsection (7).
1652	(8) (a) An off-premise beer retailer may sell, offer for sale, or furnish beer through a
1653	drive through window.
1654	(b) Subsection (8)(a) does not modify the display limitations and requirements
1655	described in Subsection (6).
1656	(9) An off-premise beer retailer may not on the licensed premises:
1657	(a) engage in or permit any form of:
1658	(i) gambling, as defined in Section 76-10-1101; or
1659	(ii) fringe gambling, as defined in Section 76-10-1101;
1660	(b) have any fringe gaming device, video gaming device, or gambling device or record
1661	as defined in Section 76-10-1101; or
1662	(c) engage in or permit a contest, game, gaming scheme, or gaming device that requires
1663	the risking of something of value for a return or for an outcome when the return or outcome is
1664	based upon an element of chance, excluding the playing of an amusement device that confers
1665	only an immediate and unrecorded right of replay not exchangeable for value.
1666	(10) An off-premise beer retailer may not knowingly allow a person on the licensed
1667	premises to, in violation of Title 58, Chapter 37, Utah Controlled Substances Act, or Chapter
1668	37a. Utah Drug Paraphernalia Act:

1669	(a) sell, distribute, possess, or use a controlled substance, as defined in Section
1670	58-37-2; or
1671	(b) use, deliver, or possess, with the intent to deliver, drug paraphernalia, as defined in
1672	Section 58-37a-3.
1673	(11) An off-premise beer retailer may not sell, offer for sale, or furnish a beer that is
1674	intended to be frozen and consumed in a manner other than as a beverage, including beer in the
1675	form of a freeze pop, popsicle, ice cream, or sorbet.
1676	Section 32. Section 32B-8-102 is amended to read:
1677	32B-8-102. Definitions.
1678	As used in this chapter:
1679	(1) "Boundary of a resort building" means the physical boundary of the real property
1680	reasonably related to a resort building and any structure or improvement to that land as
1681	determined by the commission.
1682	(2) "Designated conveyance area" means a route within a hotel or resort:
1683	(a) that connects one or more of the following:
1684	(i) the premises of a sublicensed bar;
1685	(ii) the premises of a sublicensed hospitality amenity area;
1686	(iii) a sublicensed banquet premises; or
1687	(iv) a guest's room; and
1688	(b) that does not begin, end, or pass through a pool area or other recreation area, a
1689	designated business center, or a sublicensed premises not described in Subsection (2)(a).
1690	[(2)] (3) "Dwelling" means a portion of a resort building:
1691	(a) owned by one or more individuals;
1692	(b) that is used or designated for use as a residence by one or more persons; and
1693	(c) that may be rented, loaned, leased, or hired out for a period of no longer than 30
1694	consecutive days by a person who uses it for a residence.
1695	[(3)] (4) "Engaged in the management of the resort" may be defined by the commission
1696	by rule.
1697	[(4)] <u>(5)</u> "Resident" means an individual who:
1698	(a) owns a dwelling located within a resort building; or
1699	(b) rents lodging accommodations for 30 consecutive days or less from:

1700	(i) an owner of a dwelling described in Subsection $[(4)(a)]$ (5)(a); or
1701	(ii) the resort licensee.
1702	[(5)] <u>(6)</u> "Resort" means a location:
1703	(a) on which is located one resort building; and
1704	(b) that is affiliated with a ski area that physically touches the boundary of the resort
1705	building.
1706	[(6)] <u>(7)</u> "Resort building" means a building:
1707	(a) that is primarily operated to provide dwellings or lodging accommodations;
1708	(b) that has at least 150 units that consist of a dwelling or lodging accommodations;
1709	(c) that consists of at least 400,000 square feet:
1710	(i) including only the building itself; and
1711	(ii) not including areas such as above ground surface parking; and
1712	(d) of which at least 50% of the units described in Subsection [(6)(b)] (7)(b) consist of
1713	dwellings owned by a person other than the resort licensee.
1714	Section 33. Section 32B-8-201 is amended to read:
1715	32B-8-201. Commission's power to issue a resort license.
1716	(1) Before a person as a resort under a single license may store, sell, offer for sale,
1717	furnish, or allow the consumption of an alcoholic product on sublicense premises, the person
1718	shall first obtain a resort license from the commission in accordance with this part.
1719	(2) (a) The commission may issue to a person a resort license to allow the storage, sale,
1720	offer for sale, furnishing, and consumption of an alcoholic product in connection with a resort
1721	designated in the resort license if the person operates at least four sublicenses under the resort
1722	license.
1723	(b) A resort license shall:
1724	(i) consist of:
1725	(A) a general resort license; and
1726	(B) four or more sublicenses; and
1727	(ii) designate the boundary of the resort building, each sublicense, and each designated
1728	conveyance area.
1729	(c) This chapter does not prohibit an alcoholic product in or on the boundary of the
1730	resort building to the extent otherwise permitted by this title.

1731	(3) The commission may not issue a total number of resort licenses that at any time
1732	totals more than eight.
1733	Section 34. Section 32B-8-202 is amended to read:
1734	32B-8-202. Specific licensing requirements for resort license.
1735	(1) To obtain a resort license, in addition to complying with Chapter 5, Part 2, Retail
1736	Licensing Process, a person shall submit with the person's written application:
1737	(a) evidence:
1738	(i) of proximity of the resort building to any community location;
1739	(ii) that each proposed sublicensed premises is entirely within the boundaries of the
1740	resort building; and
1741	(iii) that the building designated in the application as the resort building qualifies as a
1742	resort building; [and]
1743	(b) a description and boundary map of the resort building[-];
1744	(c) a description, floor plan, and boundary map of each proposed designated
1745	conveyance area; and
1746	(d) a signed consent form stating that the resort licensee will permit any authorized
1747	representative of the commission or department, or any law enforcement officer, to have an
1748	unrestricted right to enter any proposed designated conveyance area.
1749	(2) (a) A resort license expires on October 31 of each year.
1750	(b) To renew a person's resort license, the person shall comply with the requirements of
1751	Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.
1752	(3) (a) The nonrefundable application fee for a resort license is \$300.
1753	(b) The initial license fee for a resort license is calculated as follows:
1754	(i) if four sublicenses are being applied for under the resort license, \$10,000; or
1755	(ii) if more than four sublicenses are being applied for under the resort license, the sum
1756	of:
1757	(A) \$10,000; and
1758	(B) \$2,000 for each sublicense in excess of four sublicenses for which the person is
1759	applying.
1760	(c) The renewal fee for a resort license is \$1,000 for each sublicense under the resort
1761	license.

of the resort licensee; or

1762 (4) (a) The bond amount required for a resort license is the penal sum of \$25,000[-], covering each sublicense and each designated conveyance area under the resort license. 1763 1764 (b) A resort licensee is not required to have a separate bond for each sublicenses. 1765 except that the aggregate of the bonds posted by the resort licensee shall cover each sublicense 1766 under the resort license] or each designated conveyance area. 1767 (5) The commission may not issue a resort license for a resort building that does not 1768 meet the proximity requirements of Section 32B-1-202. 1769 (6) In accordance with Subsection 32B-8d-103(4), a resort licensee may request to add 1770 a sublicense after the commission issues the resort licensee's resort license. (7) (a) A resort licensee may request to add a designated conveyance area after the 1771 1772 commission issues the resort licensee's resort license. 1773 (b) If a resort licensee seeks to add a designated conveyance area under Subsection 1774 (7)(a), the resort licensee shall submit to the department: (i) the information and evidence described in Subsections (1)(a)(iii), (1)(c), and (1)(d); 1775 1776 and 1777 (ii) if the resort licensee is an entity, proper verification evidencing that the person who 1778 signs the submission is authorized to sign on behalf of the entity. 1779 Section 35. Section 32B-8-401 is amended to read: 1780 32B-8-401. Specific operational requirements for resort license. 1781 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational Requirements, a resort licensee, staff of the resort licensee, and a sublicensee or a person 1782 1783 otherwise operating under a sublicense shall comply with this section. (b) Subject to Section 32B-8-502, failure to comply as provided in Subsection (1)(a) 1784 1785 may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against: 1786 1787 (i) the resort licensee: 1788 (ii) individual staff of the resort licensee: 1789 (iii) a sublicensee or person otherwise operating under a sublicense of the resort 1790 licensee; (iv) individual staff of a sublicensee or person otherwise operating under a sublicense 1791

1793	(v) any combination of the persons listed in Subsections (1)(b)(i) through (iv).
1794	(2) (a) A resort licensee may not sell, offer for sale, or furnish an alcoholic product
1795	except:
1796	(i) on sublicensed premises;
1797	(ii) pursuant to a permit issued under this title;
1798	(iii) under a package agency agreement with the department, subject to Chapter 2, Part
1799	6, Package Agency; or
1800	(iv) through room service.
1801	(b) A resort licensee who sells, offers for sale, or furnishes an alcoholic product as
1802	provided in Subsection (2)(a), shall sell, offer for sale, or furnish the alcoholic product:
1803	(i) if on a sublicense premises, in accordance with the operational requirements
1804	described in Section 32B-8d-104;
1805	(ii) if under a permit issued under this title, in accordance with the operational
1806	requirements under the provisions applicable to the permit;
1807	(iii) if as a package agency, in accordance with the contract with the department and
1808	Chapter 2, Part 6, Package Agency; and
1809	(iv) if through room service, in accordance with Subsection $[\frac{(5)}{(6)}]$
1810	(3) A resort licensee shall operate in a manner so that at least 70% of the annual
1811	aggregate of the gross receipts related to the sale of food or beverages for the resort license and
1812	each of the resort licensee's sublicenses is from the sale of food, not including:
1813	(a) mix for an alcoholic product; and
1814	(b) a charge in connection with the service of an alcoholic product.
1815	(4) (a) A resort licensee shall supervise and direct a person involved in the sale, offer
1816	for sale, or furnishing of an alcoholic product under a resort license.
1817	(b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product
1818	under a resort license shall complete the alcohol training and education seminar.
1819	(5) (a) A resort licensee shall:
1820	(i) in accordance with commission rule, establish and maintain signage that clearly
1821	identifies each designated conveyance area and conspicuously states that a patron may not take
1822	an alcoholic beverage beyond the designated conveyance area except as otherwise provided in
1823	this chapter;

1824	(ii) ensure that an alcoholic beverage is not left unattended in a designated conveyance
1825	area; and
1826	(iii) ensure that each patron complies with the requirements of Subsection
1827	32B-8d-104(5)(b)(ii).
1828	[(5)] (6) (a) [Room] Staff of the resort licensee shall provide room service of an
1829	alcoholic product to a lodging accommodation of a resort licensee [shall be provided] in person
1830	[by staff of the resort licensee] only to an adult occupant in the lodging accommodation.
1831	(b) An alcoholic product may not be left outside a lodging accommodation for retrieval
1832	by an occupant.
1833	Section 36. Section 32B-8b-102 is amended to read:
1834	32B-8b-102. Definitions.
1835	As used in this chapter:
1836	(1) "Boundary of a hotel" means the physical boundary of one or more contiguous
1837	parcels of real property owned or managed by the same person and on which a hotel is located.
1838	(2) "Designated conveyance area" means a route within a hotel or resort:
1839	(a) that connects one or more of the following:
1840	(i) the premises of a sublicensed bar;
1841	(ii) the premises of a sublicensed hospitality amenity area;
1842	(iii) a sublicensed banquet premises; or
1843	(iv) a guest's room; and
1844	(b) does not begin, end, or pass through a pool area or other recreation area, a
1845	designated business center, or a sublicensed premises not described in Subsection (2)(a).
1846	$\left[\frac{(2)}{(3)}\right]$ "Hotel" means one or more buildings that:
1847	(a) comprise a hotel, as defined by the commission;
1848	(b) are owned or managed by the same person or by a person who has a majority
1849	interest in or can direct or exercise control over the management or policy of the person who
1850	owns or manages any other building under the hotel license within the boundary of the hotel;
1851	(c) primarily operate to provide lodging accommodations;
1852	(d) have on-premise banquet space and provide on-premise banquet service within the
1853	boundary of the hotel meeting the requirements of this title;
1854	(e) have a restaurant or bar establishment within the boundary of the hotel meeting the

1855	requirements of this title; and
1856	(f) have at least 40 rooms as temporary sleeping accommodations for compensation.
1857	Section 37. Section 32B-8b-201 is amended to read:
1858	32B-8b-201. Commission's power to issue a hotel license.
1859	(1) Before a person as a hotel under a single license may store, sell, offer for sale,
1860	furnish, or allow the consumption of an alcoholic product on sublicense premises, the person
1861	shall first obtain a hotel license from the commission in accordance with this part.
1862	(2) (a) The commission may issue to a person a hotel license to allow the storage, sale
1863	offer for sale, furnishing, and consumption of an alcoholic product in connection with a hotel
1864	designated in the hotel license if the person operates at least three sublicenses under the hotel
1865	license:
1866	(i) one of which is an on-premise banquet license; and
1867	(ii) one of which is:
1868	(A) a full-service restaurant sublicense;
1869	(B) a limited-service restaurant sublicense;
1870	(C) a beer-only restaurant sublicense; or
1871	(D) a bar establishment sublicense.
1872	(b) A hotel license shall:
1873	(i) consist of:
1874	(A) a general hotel license; and
1875	(B) three or more sublicenses meeting the requirements of Subsection (2)(a); and
1876	(ii) designate the boundary of the hotel [and], sublicenses[-], and each designated
1877	conveyance area.
1878	(c) This chapter does not prohibit an alcoholic product on the boundary of the hotel to
1879	the extent otherwise permitted by this title.
1880	(3) The commission may not issue a total number of hotel licenses that at any time
1881	totals more than 80.
1882	Section 38. Section 32B-8b-202 is amended to read:
1883	32B-8b-202. Specific licensing requirements for hotel license.
1884	(1) To obtain a hotel license, in addition to complying with Chapter 5, Part 2, Retail
1885	Licensing Process, a person shall submit with the person's written application:

1886	(a) evidence:
1887	(i) of proximity of each building under the hotel license to any community location;
1888	(ii) that each proposed sublicensed premises is entirely within the boundary of the
1889	hotel; and
1890	(iii) that each building designated in the application as a building under the hotel
1891	license qualifies to be under the hotel license; [and]
1892	(b) a description and boundary map of the hotel[-];
1893	(c) a description, floor plan, and boundary map of each proposed designated
1894	conveyance area; and
1895	(d) a signed consent form stating that the hotel licensee will permit any authorized
1896	representative of the commission or department, or any law enforcement officer, to have an
1897	unrestricted right to enter any proposed designated conveyance area.
1898	(2) (a) A hotel license expires on October 31 of each year.
1899	(b) To renew a person's hotel license, the person shall comply with the requirements of
1900	Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.
1901	(3) (a) The nonrefundable application fee for a hotel license is \$500.
1902	(b) The initial license fee for a hotel license is calculated as follows:
1903	(i) if three sublicenses are being applied for under the hotel license, \$5,000; or
1904	(ii) if more than three sublicenses are being applied for under the hotel license, the sum
1905	of:
1906	(A) \$5,000; and
1907	(B) \$2,000 for each sublicense in excess of three sublicenses for which the person is
1908	applying.
1909	(c) The renewal fee for a hotel license is \$1,000 for each sublicense under the hotel
1910	license.
1911	(4) (a) The bond amount required for a hotel license is the penal sum of \$10,000,
1912	covering each sublicense and each designated conveyance area under the hotel license.
1913	(b) A hotel licensee is not required to have a separate bond for each sublicense[, except
1914	that the aggregate of the bonds posted by the hotel licensee shall cover each sublicense under
1915	the hotel license] or each designated conveyance area.
1916	(5) The commission may not issue a hotel license that includes a building under the

191/	notes that does not meet the proximity requirements of Section 32B-1-202.
1918	(6) In accordance with Subsection 32B-8d-103(4), a hotel licensee may request to add a
1919	sublicense after the commission issues the hotel licensee's hotel license.
1920	(7) (a) A hotel licensee may request to add a designated conveyance area after the
1921	commission issues the hotel licensee's hotel license.
1922	(b) If a hotel licensee seeks to add a designated conveyance area under Subsection
1923	(7)(a), the hotel licensee shall submit to the department:
1924	(i) the information and evidence described in Subsections (1)(a)(iii), (1)(c), and (1)(d);
1925	<u>and</u>
1926	(ii) if the hotel licensee is an entity, proper verification evidencing that the person who
1927	signs the submission is authorized to sign on behalf of the entity.
1928	Section 39. Section 32B-8b-301 is amended to read:
1929	32B-8b-301. Specific operational requirements for hotel license.
1930	(1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
1931	Requirements, a hotel licensee, staff of the hotel licensee, and a sublicensee or person
1932	otherwise operating under a sublicense shall comply with this section.
1933	(b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
1934	in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
1935	(i) the hotel licensee;
1936	(ii) individual staff of the hotel licensee;
1937	(iii) a sublicensee or person otherwise operating under a sublicense of the hotel
1938	licensee;
1939	(iv) individual staff of a sublicensee or person otherwise operating under a sublicense
1940	of the hotel licensee; or
1941	(v) any combination of the persons listed in this Subsection (1)(b).
1942	(2) (a) A hotel licensee may not sell, offer for sale, or furnish an alcoholic product
1943	except:
1944	(i) on sublicensed premises;
1945	(ii) pursuant to a permit issued under this title;
1946	(iii) under a package agency agreement with the department, subject to Chapter 2, Part
1947	6, Package Agency; or

1948	(iv) through room service.
1949	(b) A hotel licensee who sells, offers for sale, or furnishes an alcoholic product as
1950	provided in Subsection (2)(a) shall sell, offer for sale, or furnish the alcoholic product:
1951	(i) if on sublicensed premises, in accordance with the operational requirements
1952	described in Section 32B-8d-104;
1953	(ii) if under a permit issued under this title, in accordance with the operational
1954	requirements under the provisions applicable to the permit;
1955	(iii) if as a package agency, in accordance with the contract with the department and
1956	Chapter 2, Part 6, Package Agency; and
1957	(iv) if through room service, in accordance with Subsection [(4)] (5).
1958	(c) Notwithstanding the other provisions of this Subsection (2) and except as provided
1959	in Section 32B-8d-104, a hotel licensee may not permit a patron to carry an alcoholic product
1960	off the premises of a sublicense in violation of Section 32B-5-307 [or], off an area designated
1961	under a permit, or off a designated conveyance area.
1962	(3) A hotel licensee shall supervise and direct a person involved in the sale, offer for
1963	sale, or furnishing of an alcoholic product under a hotel license.
1964	(4) (a) A hotel licensee shall:
1965	(i) in accordance with commission rule, establish and maintain signage that clearly
1966	identifies each designated conveyance area and conspicuously states that a patron may not take
1967	an alcoholic beverage beyond the designated conveyance area except as otherwise provided in
1968	this chapter;
1969	(ii) ensure that an alcoholic beverage is not left unattended in a designated conveyance
1970	area; and
1971	(iii) ensure that each patron complies with the requirements of Subsection
1972	32B-8d-104(5)(b)(ii).
1973	(b) In accordance with Subsection (2), a hotel licensee may not sell, offer for sale, or
1974	furnish an alcoholic product in a designated conveyance area.
1975	[(4)] (5) (a) [Room] Staff of the hotel licensee shall provide room service of an
1976	alcoholic product to a lodging accommodation of a hotel licensee [shall be provided] in person
1977	[by staff of the hotel licensee] only to an adult occupant in the lodging accommodation.
1978	(b) An alcoholic product may not be left outside a lodging accommodation for retrieval

1979	by an occupant.
1980	[(5)] (6) A hotel licensee shall operate in a manner so that at least 70% of the annual
1981	aggregate of the gross receipts related to the sale of food or beverages for the hotel license and
1982	each of the hotel license's sublicenses is from the sale of food, not including:
1983	(a) mix for an alcoholic product; and
1984	(b) a charge in connection with the service of an alcoholic product.
1985	Section 40. Section 32B-8d-104 is amended to read:
1986	32B-8d-104. General operational requirements for a sublicense.
1987	(1) Except as provided in Subsections (2) through [(3)] (5), a person operating under a
1988	sublicense is subject to the operational requirements under the provisions applicable to the
1989	sublicense.
1990	(2) Notwithstanding a requirement in the provisions applicable to the sublicense, a
1991	person operating under the sublicense is not subject to a requirement that a certain percentage
1992	of the gross receipts for the sublicense be from the sale of food, except to the extent that the
1993	gross receipts for the sublicense are included in calculating the percentages under Subsections
1994	32B-8-401(3), [32B-8b-301(5)] <u>32B-8b-301(6)</u> , and 32B-8c-301(3).
1995	(3) Notwithstanding [Section 32B-5-307:] Sections 32B-5-307 and,
1996	[(a)] a patron may transport beer between the sublicensed premises of an arena
1997	licensee's accompanying sublicenses, if the patron transports the beer from and to an area of
1998	each sublicensed premises:
1999	[(i)] (a) that is adjacent to the other; and
2000	[(ii)] (b) where the consumption of beer is permitted[; and].
2001	[(b)] (4) Notwithstanding Section 32B-5-307, staff of a sublicensee or person
2002	otherwise operating under a sublicense of a hotel licensee or a resort licensee may transport an
2003	alcoholic beverage from and to sublicensed premises of the hotel license or resort license, if:
2004	[(i)] (a) the sublicensee is:
2005	[(A)] (i) a full-service restaurant sublicensee;
2006	[(B)] (ii) a limited-service restaurant sublicensee;
2007	[(C)] <u>(iii)</u> a bar establishment sublicensee;
2008	[(D)] (iv) a beer-only restaurant sublicensee; or
2009	$\left[\frac{(E)}{(V)}\right]$ an on-premise beer retailer sublicensee;

2010	$\left[\frac{(n)}{(n)}\right]$ the individual staff carries the alcoholic beverage:
2011	[(A)] (i) from the sublicensed premises of a sublicensee described in Subsection
2012	$[\frac{(3)(b)(i)}{(4)(a)}]$
2013	[(B)] (ii) briefly through an unlicensed area or briefly through sublicensed premises on
2014	which the type of alcoholic beverage that the individual staff carries is permitted; and
2015	[(C)] (iii) to the sublicensed premises of a sublicensee described in Subsection
2016	$[\frac{(3)(b)(i)}{(4)(a)};$ and
2017	[(iii)] (c) the individual staff at all times stays within:
2018	[(A)] (i) the boundary of the hotel; or
2019	[(B)] (ii) the boundary of the resort building.
2020	[(4)] <u>(5)</u> (a) Notwithstanding Section <u>32B-5-307</u> , <u>32B-6-605</u> , or <u>32B-6-1005</u> , a patron
2021	may transport an alcoholic beverage between any of the following locations, if the patron
2022	lawfully obtained the alcoholic beverage on the premises of a sublicensee described in
2023	Subsections (5)(a)(i) through (iv) and complies with Subsection (5)(b):
2024	(i) a bar establishment sublicensee's sublicensed premises;
2025	(ii) a hospitality amenity sublicensee's sublicensed premises;
2026	(iii) an on-premise banquet sublicensee's sublicensed premises; and
2027	(iv) a guest room.
2028	(b) A patron may transport an alcoholic beverage in accordance with Subsection (5)(a)
2029	only if:
2030	(i) the patron travels exclusively within a designated conveyance area as defined in
2031	Section 32B-8-102 or 32B-8b-102; and
2032	(ii) the alcoholic beverage:
2033	(A) is not in the alcoholic beverage's original container; and
2034	(B) is in an opaque or solid color container that is readily identifiable as intended for
2035	use in a designated conveyance area.
2036	(6) Except as provided in Section 32B-8-502, for purposes of interpreting an
2037	operational requirement imposed by the provisions applicable to a sublicense:
2038	(a) a requirement imposed on a sublicensee or person operating under a sublicense
2039	applies to the principal licensee; and
2040	(b) a requirement imposed on staff of a sublicensee or person operating under a

2041	sublicense applies to staff of the principal licensee.
2042	Section 41. Section 32B-10-202 is amended to read:
2043	32B-10-202. Application for special use permit Qualifications.
2044	(1) To obtain a special use permit, a person shall submit to the department:
2045	(a) a written application in a form prescribed by the department;
2046	(b) a nonrefundable application fee, if required by the relevant part of this chapter
2047	applicable to the type of special use permit for which the person applies;
2048	(c) an initial permit fee:
2049	(i) if required by the relevant part of this chapter applicable to the type of special use
2050	permit for which the person applies; and
2051	(ii) that is refundable if a special use permit is not issued;
2052	(d) a one-time special use permit fee if required by a section of this chapter:
2053	(i) applicable to the type of special use permit for which the person applies; and
2054	(ii) that is refundable if a special use permit is not issued;
2055	(e) a statement of the purpose for which the person applies for the special use permit;
2056	(f) a description of the types of alcoholic product the person intends to use under
2057	authority of the special use permit;
2058	(g) written consent of the local authority;
2059	(h) if required, a bond as provided in Section 32B-10-205;
2060	(i) a floor plan of the immediate area within the premises in which the person proposes
2061	that an alcoholic product will be used, mixed, stored, sold, or consumed if required by the
2062	relevant part of this chapter applicable to the type of special use permit for which the person
2063	applies;
2064	(j) a signed consent form stating that the special use permittee will permit any
2065	authorized representative of the commission, department, or any other law enforcement officer
2066	to have unrestricted right to enter the special use permittee's premises;
2067	(k) if the person is an entity, proper verification evidencing that a person who signs the
2068	application is authorized to sign on behalf of the entity; and
2069	(l) any other information the commission or department may require.
2070	(2) (a) The commission may issue a special use permit only to a person who qualifies
2071	as follows:

2072 (i) the commission may issue a religious wine use permit to a religious organization; 2073 (ii) the commission may issue an industrial or manufacturing use permit to a person 2074 engaged in an industrial or manufacturing pursuit; 2075 (iii) the commission may issue a scientific or educational use permit to a person 2076 engaged in a scientific or educational pursuit; and 2077 (iv) the commission may issue a public service permit to: (A) an operator of an airline, railroad, or other public conveyance[-]; or 2078 (B) an entity with authorization from an international airport to establish and operate a 2079 2080 hospitality room at the international airport. 2081 (b) The commission may not issue a special use permit to a person who is disqualified 2082 under Section 32B-1-304. 2083 (c) If a person to whom a special use permit is issued no longer possesses the 2084 qualifications required by this title for obtaining that special use permit, the commission may 2085 suspend or revoke that special use permit. 2086 Section 42. Section **32B-10-303** is amended to read: 32B-10-303. Specific application and renewal requirements for public service 2087 2088 permit. 2089 (1) To obtain a public service permit, in addition to complying with Section 2090 32B-10-202, a person shall submit to the department: 2091 (a) a statement of the total of regularly numbered flights, trains, buses, boats, or other 2092 types of public conveyance for which the person plans to use the special use permit; 2093 (b) a floor plan of any room or facility in which the person plans to establish a 2094 hospitality room; and 2095 (c) evidence of proximity of a proposed hospitality room to: 2096 (i) the arrival and departure area used by a person traveling on the person's airline, 2097 railroad, bus, boat, or other public conveyance[-]; or 2098 (ii) if the applicant is a person described in Subsection 32B-10-202(2)(a)(iv)(B), the 2099 arrival and departure area of another person's airline. 2100 (2) (a) The nonrefundable application fee for a public service permit is \$75. (b) The initial permit fee for a public service permit is \$250. 2101 2102 (c) The bond amount required for a public service permittee is the penal sum of \$1,000.

2103	(3) (a) To renew a public service permit, a person shall comply with Section
2104	32B-10-203.
2105	(b) (i) [The] Except as provided in Subsection (3)(b)(ii), the renewal fee for a public
2106	service permit is \$30 for each regularly numbered passenger airplane flight, passenger train,
2107	bus, boat, or any other regularly scheduled public conveyance upon which an alcoholic product
2108	is sold, offered for sale, or furnished.
2109	(ii) For an applicant described in Subsection 32B-10-202(2)(a)(iv)(B), the renewal fee
2110	for a public service permit is \$5,000.
2111	Section 43. Section 32B-10-304 is amended to read:
2112	32B-10-304. Specific operational requirements for a public service permit.
2113	(1) (a) In addition to complying with Section 32B-10-206, a public service permittee
2114	and staff of the public service permittee shall comply with this section.
2115	(b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
2116	in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
2117	(i) a public service permittee;
2118	(ii) individual staff of a public service permittee; or
2119	(iii) both a public service permittee and staff of the public service permittee.
2120	(2) (a) A public service permittee described in Subsection 32B-10-202(2)(a)(iv)(A)
2121	whose public conveyances operate on an interstate basis may do the following:
2122	(i) purchase an alcoholic product outside of the state;
2123	(ii) bring an alcoholic product purchased outside of the state into the state; and
2124	(iii) sell, offer for sale, and furnish an alcoholic product purchased outside of the state
2125	to a passenger traveling on the public service permittee's public conveyance for consumption
2126	while en route on the public conveyance.
2127	(b) A public service permittee described in Subsection 32B-10-202(2)(a)(iv)(A) whose
2128	public conveyance operates solely within the state[, to]:
2129	(i) may sell, offer for sale, or furnish an alcoholic product to a passenger traveling on
2130	the public service permittee's public conveyance for consumption while en route on the public
2131	conveyance[, shall purchase:]; and
2132	(ii) shall purchase:
2133	[(i)] (A) liquor from a state store or package agency; and

2134	$\left[\frac{\text{(H)}}{\text{(B)}}\right]$ beer from a beer wholesaler licensee.
2135	(c) A public service permittee described in Subsection 32B-10-202(2)(a)(iv)(B):
2136	(i) may sell, offer for sale, or furnish an alcoholic product to a patron at the public
2137	service permittee's hospitality room; and
2138	(ii) shall purchase:
2139	(A) liquor from a state store or package agency; and
2140	(B) beer from a beer wholesaler licensee.
2141	(3) (a) A public service permittee may establish a hospitality room, if:
2142	(i) (A) the room is located within a depot, terminal, or similar facility adjacent to and
2143	servicing the public service permittee's airline, railroad, bus, boat, or other public conveyance;
2144	<u>or</u>
2145	(B) the room is located within a terminal at an international airport and servicing
2146	another public service permittee's airline;
2147	(ii) the room is completely enclosed and the interior is not visible to the public;
2148	(iii) the sale, offer for sale, or furnishing of an alcoholic product is made only to a
2149	person:
2150	(A) then in transit using the public service permittee's airline, railroad, bus line, or
2151	other public conveyance or, for a public service permittee described in Subsection (2), another
2152	public service permittee's airline; and
2153	(B) holding a valid boarding pass or similar travel document issued by [the] a public
2154	service permittee; and
2155	(iv) (A) liquor is purchased from:
2156	(I) a state store; or
2157	(II) a package agency; and
2158	(B) beer is purchased from a beer wholesaler licensee.
2159	(b) (i) A public service permittee operating a hospitality room shall display in a
2160	prominent place in the hospitality room, a sign in large letters that consists of text in the
2161	following order:
2162	(A) a header that reads: "WARNING";
2163	(B) a warning statement that reads: "Drinking alcoholic beverages during pregnancy
2164	can cause birth defects and permanent brain damage for the child.";

2165	(C) a statement in smaller font that reads: "Call the Utah Department of Health at
2166	[insert most current toll-free number] with questions or for more information.";
2167	(D) a header that reads: "WARNING"; and
2168	(E) a warning statement that reads: "Driving under the influence of alcohol or drugs is
2169	a serious crime that is prosecuted aggressively in Utah."
2170	(ii) (A) The text described in Subsections (3)(b)(i)(A) through (C) shall be in a
2171	different font style than the text described in Subsections (3)(b)(i)(D) and (E).
2172	(B) The warning statements in the sign described in Subsection (3)(b)(i) shall be in the
2173	same font size.
2174	(iii) The Department of Health shall work with the commission and department to
2175	facilitate consistency in the format of a sign required under this section.
2176	(c) A hospitality room shall be operated in accordance with this chapter and rules
2177	adopted by the commission.
2178	Section 44. Section 32B-15-201 is amended to read:
2179	32B-15-201. Liability for injuries and damage resulting from distribution of
2180	alcoholic products Prima facie evidence.
2181	(1) (a) Except as provided in Subsections 32B-15-202(2) and (3), a person described in
2182	Subsection (1)(b) is liable for:
2183	(i) any and all injury and damage, except punitive damages to:
2184	(A) a third person; or
2185	(B) the heir, as defined in Section 78B-3-105, of the third person; or
2186	(ii) the death of a third person.
2187	(b) A person is liable under Subsection (1)(a) if:
2188	(i) the person directly gives, sells, or otherwise provides an alcoholic product:
2189	(A) to a person described in Subsection (1)(b)(ii); and
2190	(B) as part of the commercial sale, storage, service, manufacture, distribution, or
2191	consumption of an alcoholic product;
2192	(ii) those actions cause the intoxication of:
2193	(A) an individual under 21 years old;
2194	(B) an individual who is apparently under the influence of an alcoholic product or
2195	drug.

2196	(C) an individual whom the person furnishing the alcoholic product knew or should
2197	have known from the circumstances was under the influence of an alcoholic product or drug; or
2198	(D) an individual who is a known interdicted person; and
2199	(iii) the injury or death described in Subsection (1)(a) results from the intoxication of
2200	the individual who is provided the alcoholic product.
2201	(c) It is prima facie evidence that a person is liable under Subsection (1)(a) for an
2202	injury or death that results from the intoxication of an individual described in Subsection
2203	(1)(b)(ii)(B) or (C) if:
2204	(i) the person directly gives, sells, or otherwise provides the individual the last
2205	alcoholic product the individual consumes before the injury or death described in Subsection
2206	(1)(b)(iii);
2207	(ii) the individual consumes the alcoholic product at the location where the person
2208	directly gives, sells, or otherwise provides the individual the alcoholic product;
2209	(iii) the injury or death occurs within 30 minutes after the time at which the individual
2210	leaves, and within a 10 mile radius of, the location where the person gives, sells, or otherwise
2211	provides the individual the alcoholic product; and
2212	(iv) (A) the individual is charged with [a criminal violation of Section 41-6a-502 for
2213	driving under the influence of an alcoholic product in relation to the injury or death.] an offense
2214	described in Subsection 41-6a-501(2)(a); or
2215	(B) if the individual dies as a result of the event that caused the injury or death, a
2216	subsequent chemical test shows that the individual had a blood alcohol concentration of .05
2217	grams or greater at the time of the test.
2218	(2) (a) A person 21 years old or older who is described in Subsection (2)(b) is liable
2219	for:
2220	(i) any and all injury and damage, except punitive damages to:
2221	(A) a third person; or
2222	(B) the heir, as defined in Section 78B-3-105, of the third person; or
2223	(ii) the death of the third person.
2224	(b) A person is liable under Subsection (2)(a) if:
2225	(i) the person directly gives or otherwise provides an alcoholic product to an individual
2226	who the person knows or should have known is under 21 years old;

2227	(ii) those actions caused the intoxication of the individual provided the alcoholic
2228	product;
2229	(iii) the injury or death described in Subsection (2)(a) results from the intoxication of
2230	the individual who is provided the alcoholic product; and
2231	(iv) the person is not liable under Subsection (1), because the person did not directly
2232	give or provide the alcoholic product as part of the commercial sale, storage, service,
2233	manufacture, distribution, or consumption of an alcoholic product.
2234	(3) This section does not apply to a business licensed in accordance with Chapter 7,
2235	Off-Premise Beer Retailer Act, to sell beer at retail only for off-premise consumption.
2236	Section 45. Section 41-6a-531 is enacted to read:
2237	41-6a-531. Access to DUI investigative reports.
2238	(1) As used in this section:
2239	(a) "Agent" means a person's attorney that has been formally engaged.
2240	(b) "DUI investigative report" means all materials that a peace officer gathers as part of
2241	investigating an offense described in Subsection 41-6a-501 including:
2242	(i) the identity of witnesses and, if known, contact information;
2243	(ii) witness statements;
2244	(iii) photographs and videotapes;
2245	(iv) diagrams;
2246	(v) field notes;
2247	(vi) test results; and
2248	(vii) any Targeted Responsibility for Alcohol Connected Emergencies investigation
2249	report.
2250	(2) (a) Upon request, a law enforcement agency shall disclose an unredacted DUI
2251	investigative report to:
2252	(i) a person who suffers loss or injury related to the person's actions that gave rise to
2253	the investigation; or
2254	(ii) an agent, parent, or legal guardian of the person described in Subsection (2)(a)(i).
2255	(b) A law enforcement agency responding to a request under Subsection (2)(a) may:
2256	(i) withhold a portion of the DUI investigative report if disclosure would materially
2257	prejudice an ongoing criminal investigation or criminal prosecution;

2258	(ii) redact or withhold any privileged information;
2259	(iii) redact an individual's phone number or address, if disclosure of the individual's
2260	phone number or address may endanger an individual's physical safety; or
2261	(iv) provide the DUI investigative report subject to an agreement that limits the
2262	recipient's use of the DUI investigative report to use solely for the purpose of pursuing a civil
2263	claim related to the incident.
2264	(3) A law enforcement agency may charge a reasonable fee to cover the cost incurred
2265	by disclosing a DUI investigative report in accordance with this section.
2266	Section 46. Section 53-28-101 is enacted to read:
2267	CHAPTER 28. PLACE OF LAST DRINK PROGRAM
2268	<u>53-28-101.</u> Definitions.
2269	(1) "Alcohol-related law enforcement officer" means the same as that term is defined in
2270	Section 32B-1-201.
2271	(2) "Alcohol-related traffic stop" means a traffic stop that results in an individual being
2272	arrested for an offense described in Subsection 41-6a-501(2)(a) related to alcohol.
2273	(3) "Alcoholic beverage" means the same as that term is defined in Section 32B-1-102.
2274	(4) "Place of last drink" means the location where an individual obtains and consumes
2275	the last alcoholic beverage before the individual is the subject of an alcohol-related traffic stop.
2276	(5) "Retail licensee" means the same as that term is defined in Section 32B-1-102.
2277	Section 47. Section 53-28-102 is enacted to read:
2278	53-28-102. Place of last drink reporting requirements.
2279	(1) The department shall establish a program in accordance with this chapter to:
2280	(a) identify when an individual's place of last drink is a retail licensee; and
2281	(b) efficiently share information with alcohol-related law enforcement officers about
2282	each retail licensee that is an individual's place of last drink for the purpose of allowing the
2283	alcohol-related law enforcement officers to investigate a possible violation of Section
2284	<u>32B-5-306.</u>
2285	(2) In developing the program described in this section, the department shall coordinate
2286	with and take input from the Department of Alcoholic Beverage Services created in Section
2287	<u>32B-2-203.</u>
2288	(3) Before November 1, 2025, the department shall provide a written report to the

2289	Criminal Justice and Law Enforcement Interim Committee that describes how the department
2290	implemented the program, the extent to which the program accomplishes the objectives
2291	described in Subsection (1), and any planned or recommended changes.
2292	Section 48. Section 59-15-101 is amended to read:
2293	59-15-101. Tax basis Rate.
2294	(1) As used in this chapter, "beer" means:
2295	(a) beer as defined in Section 32B-1-102; or
2296	(b) heavy beer as defined in Section 32B-1-102.
2297	(2) (a) A tax is imposed at the rate specified in [Subsection (1)(b) on all beer, as
2298	defined in Section 32B-1-102,] Subsection (2)(b) on beer that is imported or manufactured for
2299	sale, use, or distribution in this state.
2300	[(b) The tax described in Subsection (1)(a) shall be imposed at a rate of:]
2301	[(i) \$11 per 31-gallon barrel for beer imported or manufactured:]
2302	[(A) before July 1, 2003; and]
2303	[(B) for sale, use, or distribution in this state; and]
2304	[(ii) \$13.10 per 31-gallon barrel for beer imported or manufactured:]
2305	[(A) on or after July 1, 2003; and]
2306	[(B) for sale, use, or distribution in this state.]
2307	(b) The rate of the tax imposed under this Subsection (2) is:
2308	(i) \$13.10 per 31-gallon barrel for beer imported or manufactured before July 1, 2024;
2309	(ii) \$13.35 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2310	2024, and before July 1, 2025;
2311	(iii) \$13.60 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2312	2025, and before July 1, 2026;
2313	(iv) \$13.85 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2314	2026, and before July 1, 2027; and
2315	(v) \$14.10 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2316	<u>2027.</u>
2317	(c) The tax imposed under this Subsection [(1)] <u>(2)</u> :
2318	(i) shall be imposed at a proportionate rate for:
2319	(A) any quantity of beer other than a 31-gallon barrel; or

3rd Sub. (Cherry) H.B. 548

02-27-24 12:14 PM

2320	(B) the fractional parts of a 31-gallon barrel; and
2321	(ii) may not be imposed more than once on the same beer.
2322	$\left[\frac{(2)}{(3)}\right]$ A tax may not be imposed on beer:
2323	(a) sold to the United States and its agencies; or
2324	(b) (i) manufactured or imported for sale, use, or distribution outside the state; and
2325	(ii) exported from the state.
2326	Section 49. Section 59-15-109 is amended to read:
2327	59-15-109. Commission to deposit beer tax revenue.
2328	(1) [Except as provided in Subsection (2), taxes collected under this chapter shall be
2329	paid by the commission to the state treasurer daily for deposit] Except as provided in
2330	Subsections (2) and (3), the commission shall deposit revenue collected under this chapter as
2331	follows:
2332	(a) the greater of the following shall be deposited into the Alcoholic Beverage
2333	Enforcement and Treatment Restricted Account created in Section 32B-2-403:
2334	(i) an amount calculated by:
2335	(A) determining an amount equal to 50% of the revenue collected for the fiscal year
2336	two years preceding the fiscal year for which the deposit is made; and
2337	(B) subtracting \$30,000 from the amount determined under Subsection (1)(a)(i)(A); or
2338	(ii) \$4,350,000; and
2339	(b) the revenue collected in excess of the amount deposited in accordance with
2340	Subsection (1)(a) shall be deposited into the General Fund.
2341	(2) The [state treasurer] commission shall annually deposit into the Alcoholic Beverage
2342	Enforcement and Treatment Restricted Account created in Section 32B-2-403 an amount equal
2343	to the amount of revenue generated in the current fiscal year by the portion of the tax imposed
2344	under Section 59-15-101 that [exceeds] is equal to:
2345	[(a) \$12.80 per 31-gallon barrel for beer imported or manufactured:]
2346	[(i) on or after July 1, 2003; and]
2347	[(ii) for sale, use, or distribution in this state; and]
2348	(a) \$0.30 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2349	2003; and
2350	(b) a proportionate rate to the rate described in Subsection (2)(a) for:

2331	(1) any quantity of beer other than a 31-ganon barrer, or
2352	(ii) the fractional parts of a 31-gallon barrel.
2353	(3) Beginning fiscal year 2024-25, the commission shall annually deposit into the
2354	Alcoholic Beverage Control Act Enforcement Fund created in Section 32B-2-305 an amount
2355	equal to the amount of revenue generated in the current fiscal year by the portion of the tax
2356	imposed under Section 59-15-101 that exceeds:
2357	(a) \$13.10 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2358	<u>2024; and</u>
2359	(b) a proportionate rate to the rate described in Subsection (3)(a) for:
2360	(i) any quantity of beer other than a 31-gallon barrel; or
2361	(ii) the fractional parts of a 31-gallon barrel.
2362	[(3)] (4) (a) The commission shall notify the entities described in Subsection $[(3)(b)]$
2363	(4)(b) not later than the September 1 preceding the fiscal year of the deposit of:
2364	(i) the amount of the proceeds of the beer excise tax collected in accordance with this
2365	section for the fiscal year two years preceding the fiscal year of deposit; and
2366	(ii) an amount equal to 50% of the amount listed in Subsection $[\frac{(3)(a)(i)}{(4)(a)(i)}]$.
2367	(b) The notification required by Subsection $[(3)(a)]$ $(4)(a)$ shall be sent to:
2368	(i) the Governor's Office of Planning and Budget; and
2369	(ii) the Legislative Fiscal Analyst.
2370	Section 50. Section 63I-2-232 is amended to read:
2371	63I-2-232. Repeal dates: Title 32B.
2372	(1) Subsection 32B-1-603.5(7), regarding the Department of Alcoholic Beverage
2373	Services' review of beer that is sold or distributed in the state, is repealed December 31, 2024.
2374	(2) Subsection 32B-2-205(4), which creates a workgroup to make recommendations
2375	regarding training and recordkeeping for certain cash transactions, is repealed January 1, 2025.
2376	Section 51. Repealer.
2377	This bill repeals:
2378	Section 32B-2-210, Alcoholic Beverage Services Advisory Board.
2379	Section 52. Effective date.
2380	This bill takes effect on May 1, 2024.