

Senator Jerry W. Stevenson proposes the following substitute bill:

ALCOHOL AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jefferson S. Burton

Senate Sponsor: Jerry W. Stevenson



LONG TITLE

General Description:

This bill modifies provisions related to alcohol.

Highlighted Provisions:

This bill:

- ▶ creates an exception to the proximity requirements for an outlet or restaurant located within a specified area;
- ▶ requires the director of the Department of Alcoholic Beverage Services to form a workgroup to make recommendations related to:
 - alcohol training and education for licensees; and
 - recordkeeping for certain cash transactions involving the sale of an alcoholic beverage;
- ▶ authorizes the department to establish a round up program, under which a state store customer could elect to round up the customer's purchase to the nearest dollar for deposit into the Pamela Atkinson Homeless Account;
- ▶ increases the state markup on spirituous liquor, wine, and flavored malt beverages;
- ▶ clarifies the markup on spirituous liquor, wine, heavy beer, and flavored malt beverages sold by a package agency located at a manufacturing facility;
- ▶ increases the tax on beer and uses the additional revenue to fund three new

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

- 57 ▶ clarifies that the beer tax applies to beer and heavy beer;
- 58 ▶ repeals the Alcoholic Beverage Services Advisory Board; and
- 59 ▶ makes technical and conforming changes.

60 **Money Appropriated in this Bill:**

61 None

62 **Other Special Clauses:**

63 This bill provides a coordination clause.

64 **Utah Code Sections Affected:**

65 AMENDS:

- 66 **32B-1-202**, as last amended by Laws of Utah 2023, Chapter 371
- 67 **32B-1-304**, as last amended by Laws of Utah 2023, Chapter 371
- 68 **32B-2-205**, as last amended by Laws of Utah 2022, Chapter 447
- 69 **32B-2-304**, as last amended by Laws of Utah 2022, Chapter 447
- 70 **32B-2-305**, as last amended by Laws of Utah 2023, Chapter 396
- 71 **32B-2-503**, as last amended by Laws of Utah 2011, Chapters 307, 334
- 72 **32B-2-605**, as last amended by Laws of Utah 2022, Chapter 447
- 73 **32B-3-203**, as last amended by Laws of Utah 2012, Chapter 369
- 74 **32B-4-422**, as last amended by Laws of Utah 2020, Chapter 219
- 75 **32B-4-424**, as enacted by Laws of Utah 2015, Chapter 54
- 76 **32B-4-501**, as last amended by Laws of Utah 2017, Chapter 455
- 77 **32B-5-201**, as last amended by Laws of Utah 2022, Chapter 447
- 78 **32B-5-304**, as last amended by Laws of Utah 2023, Chapter 371
- 79 **32B-6-203**, as last amended by Laws of Utah 2023, Chapter 371
- 80 **32B-6-204**, as last amended by Laws of Utah 2017, Chapter 455
- 81 **32B-6-206**, as last amended by Laws of Utah 2023, Chapter 371
- 82 **32B-6-302**, as last amended by Laws of Utah 2018, Chapters 249, 313
- 83 **32B-6-304**, as last amended by Laws of Utah 2016, Chapter 82
- 84 **32B-6-306**, as enacted by Laws of Utah 2013, Chapter 349
- 85 **32B-6-403**, as last amended by Laws of Utah 2023, Chapter 371
- 86 **32B-6-405**, as last amended by Laws of Utah 2017, Chapter 455
- 87 **32B-6-504**, as last amended by Laws of Utah 2011, Chapter 334

- 88 **32B-6-604**, as last amended by Laws of Utah 2011, Chapter 334
- 89 **32B-6-605**, as last amended by Laws of Utah 2023, Chapters 371, 400
- 90 **32B-6-702**, as last amended by Laws of Utah 2021, Chapter 280
- 91 **32B-6-705**, as last amended by Laws of Utah 2011, Second Special Session, Chapter 2
- 92 **32B-6-804**, as enacted by Laws of Utah 2011, Chapter 334
- 93 **32B-6-902**, as last amended by Laws of Utah 2019, Chapter 403
- 94 **32B-6-904**, as last amended by Laws of Utah 2012, Fourth Special Session, Chapter 1
- 95 **32B-6-1004**, as last amended by Laws of Utah 2021, Chapter 291
- 96 **32B-7-202**, as last amended by Laws of Utah 2022, Chapter 447
- 97 **32B-8-102**, as last amended by Laws of Utah 2020, Chapter 219
- 98 **32B-8-201**, as last amended by Laws of Utah 2022, Chapter 447
- 99 **32B-8-202**, as last amended by Laws of Utah 2020, Chapter 219
- 100 **32B-8-401**, as last amended by Laws of Utah 2023, Chapter 371
- 101 **32B-8b-102**, as last amended by Laws of Utah 2023, Chapter 371
- 102 **32B-8b-201**, as last amended by Laws of Utah 2020, Chapter 219
- 103 **32B-8b-202**, as last amended by Laws of Utah 2020, Chapter 219
- 104 **32B-8b-301**, as last amended by Laws of Utah 2023, Chapter 371
- 105 **32B-8d-104**, as last amended by Laws of Utah 2022, Chapter 447
- 106 **32B-10-202**, as enacted by Laws of Utah 2010, Chapter 276
- 107 **32B-10-303**, as last amended by Laws of Utah 2020, Sixth Special Session, Chapter 6
- 108 **32B-10-304**, as last amended by Laws of Utah 2020, Sixth Special Session, Chapter 6
- 109 **32B-15-201**, as last amended by Laws of Utah 2023, Chapter 400
- 110 **59-15-101**, as last amended by Laws of Utah 2019, Chapter 336
- 111 **59-15-109**, as last amended by Laws of Utah 2023, Chapter 396
- 112 **63I-2-232**, as last amended by Laws of Utah 2023, Chapter 371

113 ENACTS:

- 114 **32B-2-213**, Utah Code Annotated 1953
- 115 **41-6a-531**, Utah Code Annotated 1953
- 116 **53-28-101**, Utah Code Annotated 1953
- 117 **53-28-102**, Utah Code Annotated 1953

118 REPEALS:

119 [32B-2-210](#), as last amended by Laws of Utah 2022, Chapter 447

120 **Utah Code Sections Affected By Coordination Clause:**



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

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

123 **32B-1-202. Proximity to community location.**

124 (1) As used in this section:

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

126 (i) bounded by:

127 (A) South Temple Street;

128 (B) 100 South Street;

129 (C) West Temple Street; and

130 (D) 400 West Street; and

131 (ii) within a project area as defined in Section [63N-3-1301](#).

132 [~~(a)~~] (b) (i) "Outlet" means:

133 (A) a state store;

134 (B) a package agency; or

135 (C) a retail licensee.

136 (ii) "Outlet" does not include:

137 (A) an airport lounge licensee; or

138 (B) a restaurant.

139 [~~(b)~~] (c) "Restaurant" means:

140 (i) a full-service restaurant licensee;

141 (ii) a limited-service restaurant licensee;

142 (iii) a beer-only restaurant licensee; or

143 (iv) a restaurant venue on-premise banquet licensee.

144 (2) (a) Except as otherwise provided in this section or Section [32B-1-202.1](#), the

145 commission may not issue a license for an outlet if, on the date the commission takes final

146 action to approve or deny the application, there is a community location:

147 (i) within 600 feet of the proposed outlet, as measured from the nearest patron

148 entrance of the proposed outlet by following the shortest route of ordinary pedestrian travel to

150 the property boundary of the community location; or

151 (ii) within 200 feet of the proposed outlet, measured in a straight line from the nearest
152 patron entrance of the proposed outlet to the nearest property boundary of the community
153 location.

154 (b) Except as otherwise provided in this section or Section 32B-1-202.1, the
155 commission may not issue a license for a restaurant if, on the date the commission takes final
156 action to approve or deny the application, there is a community location:

157 (i) within 300 feet of the proposed restaurant, as measured from the nearest patron
158 entrance of the proposed restaurant by following the shortest route of ordinary pedestrian travel
159 to the property boundary of the community location; or

160 (ii) within 200 feet of the proposed restaurant, measured in a straight line from the
161 nearest patron entrance of the proposed restaurant to the nearest property boundary of the
162 community location.

163 (3) (a) For an outlet or a restaurant that holds a license on May 9, 2017, and operates
164 under a previously approved variance to one or more proximity requirements in effect before
165 May 9, 2017, subject to the other provisions of this title, that outlet or restaurant, or another
166 outlet or restaurant with the same type of license as that outlet or restaurant, may operate under
167 the previously approved variance regardless of whether:

168 (i) the outlet or restaurant changes ownership;

169 (ii) the property on which the outlet or restaurant is located changes ownership; or

170 (iii) there is a lapse in the use of the property as an outlet or a restaurant with the same
171 type of license, unless during the lapse, the property is used for a different purpose.

172 (b) An outlet or a restaurant that has continuously operated at a location since before
173 January 1, 2007, is considered to have a previously approved variance.

174 (4) An outlet or restaurant that holds a license on May 12, 2020, and operates in
175 accordance with the proximity requirements in effect at the time the commission issued the
176 license or operates under a previously approved variance described in Subsection (3), subject to
177 the other provisions of this title, that outlet or restaurant or an outlet or a restaurant with the
178 same type of license as that outlet or restaurant may operate at the premises regardless of
179 whether:

180 (a) the outlet or restaurant changes ownership;

181 (b) the property on which the outlet or restaurant is located changes ownership; or

182 (c) there is a lapse of one year or less in the use of the property as an outlet or a
183 restaurant with the same type of license, unless during the lapse the property is used for a
184 different purpose.

185 (5) (a) If, after an outlet or a restaurant obtains a license under this title, a person
186 establishes a community location on a property that puts the outlet or restaurant in violation of
187 the proximity requirements in effect at the time the license is issued or a previously approved
188 variance described in Subsection (3), subject to the other provisions of this title, that outlet or
189 restaurant, or an outlet or a restaurant with the same type of license as that outlet or restaurant,
190 may operate at the premises regardless of whether:

191 (i) the outlet or restaurant changes ownership;

192 (ii) the property on which the outlet or restaurant is located changes ownership; or

193 (iii) there is a lapse in the use of the property as an outlet or a restaurant with the same
194 type of license, unless during the lapse the property is used for a different purpose.

195 (b) The provisions of this Subsection (5) apply regardless of when the outlet's or
196 restaurant's license is issued.

197 (6) The proximity requirements described in Subsection (2) do not apply if the
198 proposed outlet or proposed restaurant and the community location are located within the
199 boundaries of a designated project area zone.

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

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

204 **32B-1-304. Qualifications for a package agency, license, or permit -- Minors.**

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

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

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

211 (A) a violation of a federal law, state law, or local ordinance concerning the sale, offer

212 for sale, warehousing, manufacture, distribution, transportation, or adulteration of an alcoholic
213 product; or

214 (B) a crime involving moral turpitude; or

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

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

221 (i) a partner;

222 (ii) a managing agent;

223 (iii) a manager;

224 (iv) an officer;

225 (v) a director;

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

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

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

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

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

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

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

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

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

246 (3) Except as described in Section 32B-8-501, the director may take emergency action
247 by immediately suspending the operation of the package agency, licensee, or permittee for the
248 period during which a criminal matter is being adjudicated if a person described in Subsection
249 (1):

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

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

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

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

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

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

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

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

272 (b) The commission may not issue a package agency, license, or permit to a
273 partnership, corporation, or limited liability company if any of the following had any type of

274 agency, license, or permit issued under this title revoked while acting in that person's individual
275 capacity within the last three years:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

318 **32B-2-205. Director of alcoholic beverage services.**

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

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

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

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

329 (A) appoint the director; or

330 (B) reject the three nominations.

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

335 (v) The governor may reappoint the director without seeking nominations from the

336 commission. Reappointment of a director is subject to the advice and consent of the Senate.

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

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

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

346 (d) The director may be terminated by:

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

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

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

350 (f) The director shall:

351 (i) be qualified in administration;

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

353 and

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

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

357 (3) The director shall:

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

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

360 (c) fully inform the commission of the operations and administrative activities of the
361 department; and

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

363 (4) (a) The director shall form a workgoup that includes representatives from the
364 following:

365 (i) the department;

366 (ii) the Division of Integrated Healthcare created in Section [26B-1-202](#);

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

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

32B-2-213. Round up program.

- 386 (1) The department may establish a round up program under which an individual who
- 387 makes a purchase at a state store may elect to round the purchase price up to the nearest dollar.
- 388 (2) The department shall deposit money the department collects under Subsection (1)
- 389 into the Pamela Atkinson Homeless Account created in Section [35A-16-301](#).

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

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

- 393 (1) For purposes of this section:
- 394 (a) (i) "Landed case cost" means the sum of:
- 395 (A) the cost of the product; [~~and~~]
- 396 (B) inbound shipping costs [~~incurred by the department.~~] the department incurs; and
- 397 (C) case handling costs the department incurs.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

460 Enforcement Fund;

461 (ii) 10% of the reported monthly revenue into the Uniform School Fund and used to
462 support the school meals program administered by the State Board of Education under Section
463 53E-3-510; and

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

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

468 ~~[(6)]~~ (7) This section does not prohibit the department from selling discontinued items
469 at a discount.

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

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

474 **32B-2-305. Alcoholic Beverage Control Act Enforcement Fund.**

475 (1) As used in this section:

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

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

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

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

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

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

490 (2) There is created an expendable special revenue fund known as the "Alcoholic

491 Beverage Control Act Enforcement Fund."

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

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

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

495 [~~(i)~~] (iii) interest earned on the fund.

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

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

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

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

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

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

504 [~~(5)~~] (6) (a) The Department of Public Safety shall expend money from the fund to:

505 (i) supplement appropriations by the Legislature so that the Department of Public
506 Safety maintains a sufficient number of alcohol-related law enforcement officers such that each
507 year the enforcement ratio as of July 1 is equal to or less than the number specified in Section
508 32B-1-201; and

509 (ii) maintain at least:

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

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

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

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

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

518 [~~(6)~~] (7) For fiscal year 2023, the Division of Finance shall deposit into the General
519 Fund \$3 million of unspent money in the fund.

520 Section 7. Section 32B-2-503 is amended to read:

521 **32B-2-503. Operational requirements for a state store.**

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

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

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

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

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

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

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

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

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

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

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

541 (a) a minor;

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

543 (c) a known interdicted person; or

544 (d) a known habitual drunkard.

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

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

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

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

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

551 (i) on Sunday; or

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

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

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

- 558 (i) 21 years of age or older; and
- 559 (ii) the minor's parent, legal guardian, or spouse.

560 (b) A state store employee that has reason to believe that a person who is on the
561 premises of a state store is under the age of 21 and is not accompanied by a person described in
562 Subsection (6)(a) may:

- 563 (i) ask the suspected minor for proof of age;
- 564 (ii) ask the person who accompanies the suspected minor for proof of age; and
- 565 (iii) ask the suspected minor or the person who accompanies the suspected minor for
566 proof of parental, guardianship, or spousal relationship.

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

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

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

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

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

579 (9) A state store may not sell, offer for sale, or furnish:

580 (a) liquor that is intended to be frozen and consumed in manner other than as a
581 beverage, including liquor in the form of a freeze pop, popsicle, ice cream, or sorbet; or

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

583 Section 8. Section **32B-2-605** is amended to read:

584 **32B-2-605. Operational requirements for package agency.**

585 (1) (a) A person may not operate a package agency until a package agency agreement is
586 entered into by the package agent and the department.

587 (b) A package agency agreement shall state the conditions of operation by which the
588 package agent and the department are bound.

589 (c) (i) If a package agent or staff of the package agent violates this title, rules under this
590 title, or the package agency agreement, the department may take any action against the package
591 agent that is allowed by the package agency agreement.

592 (ii) An action against a package agent is governed solely by its package agency
593 agreement and may include suspension or revocation of the package agency.

594 (iii) A package agency agreement shall provide procedures to be followed if a package
595 agent fails to pay money owed to the department including a procedure for replacing the
596 package agent or operator of the package agency.

597 (iv) A package agency agreement shall provide that the package agency is subject to
598 covert investigations for selling an alcoholic product to a minor.

599 (v) Notwithstanding that this part refers to "package agency" or "package agent," staff
600 of the package agency or package agent is subject to the same requirement or prohibition.

601 (2) (a) A package agency shall be operated by an individual who is either:

602 (i) the package agent; or

603 (ii) an individual designated by the package agent.

604 (b) An individual who is a designee under this Subsection (2) shall be:

605 (i) an employee of the package agent; and

606 (ii) responsible for the operation of the package agency.

607 (c) The conduct of the designee is attributable to the package agent.

608 (d) A package agent shall submit the name of the person operating the package agency
609 to the department for the department's approval.

610 (e) A package agent shall state the name and title of a designee on the application for a
611 package agency.

612 (f) A package agent shall:

613 (i) inform the department of a proposed change in the individual designated to operate
614 a package agency; and

615 (ii) receive prior approval from the department before implementing the change
616 described in this Subsection (2)(f).

617 (g) Failure to comply with the requirements of this Subsection (2) may result in the
618 immediate termination of a package agency agreement.

619 (3) (a) A package agent shall display in a prominent place in the package agency the
620 record issued by the commission that designates the package agency.

621 (b) A package agent that displays or stores liquor at a location visible to the public
622 shall display in a prominent place in the package agency a sign in large letters that consists of
623 text in the following order:

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

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

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

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

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

632 (c) (i) The text described in Subsections (3)(b)(i) through (iii) shall be in a different
633 font style than the text described in Subsections (3)(b)(iv) and (v).

634 (ii) The warning statements in the sign described in Subsection (3)(b) shall be in the
635 same font size.

636 (d) The Department of Health and Human Services shall work with the commission
637 and department to facilitate consistency in the format of a sign required under this section.

638 (4) A package agency may not display liquor or a price list in a window or showcase
639 that is visible to passersby.

640 (5) (a) A package agency may not purchase liquor from a person except from the
641 department.

642 (b) At the discretion of the department, the department may provide liquor to a package
643 agency for sale on consignment.

644 (6) A package agency may not store, sell, offer for sale, or furnish liquor in a place
645 other than as designated in the package agent's application, unless the package agent first

646 applies for and receives approval from the department for a change of location within the
647 package agency premises.

648 (7) (a) Except as provided in Subsection (7)(b), a package agency may not sell, offer
649 for sale, or furnish liquor except at a price fixed by the commission.

650 (b) A package agency may provide as room service one alcoholic product free of
651 charge per guest reservation, per guest room, if:

652 (i) the package agency is the type of package agency that authorizes the package
653 agency to sell, offer for sale, or furnish an alcoholic product as part of room service;

654 (ii) staff of the package agency provides the alcoholic product:

655 (A) in person; and

656 (B) only to an adult guest in the guest room;

657 (iii) staff of the package agency does not leave the alcoholic product outside a guest
658 room for retrieval by a guest; and

659 (iv) the alcoholic product:

660 (A) is not a spirituous liquor; and

661 (B) is in an unopened container not to exceed 750 milliliters.

662 (8) A package agency may not sell, offer for sale, or furnish liquor to:

663 (a) a minor;

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

665 (c) a known interdicted person; or

666 (d) a known habitual drunkard.

667 (9) (a) A package agency may not employ a minor to handle liquor.

668 (b) (i) Staff of a package agency may not:

669 (A) consume an alcoholic product on the premises of a package agency; or

670 (B) allow any person to consume an alcoholic product on the premises of a package
671 agency.

672 (ii) Violation of this Subsection (9)(b) is a class B misdemeanor.

673 (10) (a) A package agency may not close or cease operation for a period longer than 72
674 hours, unless:

675 (i) the package agency notifies the department in writing at least seven days before the
676 day on which the package agency closes or ceases operation; and

- 677 (ii) the closure or cessation of operation is first approved by the department.
- 678 (b) Notwithstanding Subsection (10)(a), in the case of emergency closure, a package
679 agency shall immediately notify the department by telephone.
- 680 (c) (i) The department may authorize a closure or cessation of operation for a period
681 not to exceed 60 days.
- 682 (ii) The department may extend the initial period described in Subsection (10)(c)(i) an
683 additional 30 days upon written request of the package agency and upon a showing of good
684 cause.
- 685 (iii) A closure or cessation of operation may not exceed a total of 90 days without
686 commission approval.
- 687 (d) The notice required by Subsection (10)(a) shall include:
- 688 (i) the dates of closure or cessation of operation;
- 689 (ii) the reason for the closure or cessation of operation; and
- 690 (iii) the date on which the package agency will reopen or resume operation.
- 691 (e) Failure of a package agency to provide notice and to obtain department
692 authorization before closure or cessation of operation results in an automatic termination of the
693 package agency agreement effective immediately.
- 694 (f) Failure of a package agency to reopen or resume operation by the approved date
695 results in an automatic termination of the package agency agreement effective on that date.
- 696 (11) A package agency may not transfer the package agency's operations from one
697 location to another location without prior written approval of the commission.
- 698 (12) (a) A person, having been issued a package agency, may not sell, transfer, assign,
699 exchange, barter, give, or attempt in any way to dispose of the package agency to another
700 person, whether for monetary gain or not.
- 701 (b) A package agency has no monetary value for any type of disposition.
- 702 (13) (a) Subject to the other provisions of this Subsection (13):
- 703 (i) sale or delivery of liquor may not be made on or from the premises of a package
704 agency, and a package agency may not be kept open for the sale of liquor:
- 705 (A) on Sunday; or
- 706 (B) on a state or federal legal holiday; and
- 707 (ii) sale or delivery of liquor may be made on or from the premises of a package

708 agency, and a package agency may be open for the sale of liquor, only on a day and during
709 hours that the commission directs by rule or order.

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

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

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

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

719 (A) a resort licensee; or

720 (B) a hotel licensee.

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

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

726 (i) 21 years old or older; and

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

728 (b) A package agent or staff of a package agency that has reason to believe that a
729 person who is on the premises of a package agency is under 21 years old and is not
730 accompanied by a person described in Subsection (14)(a) may:

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

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

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

735 (c) A package agent or staff of a package agency shall refuse to sell liquor to the
736 suspected minor and to the person who accompanies the suspected minor into the package
737 agency if the minor or person fails to provide any information specified in Subsection (14)(b).

738 (d) A package agent or staff of a package agency shall require the suspected minor and

739 the person who accompanies the suspected minor into the package agency to immediately leave
740 the premises of the package agency if the minor or person fails to provide information specified
741 in Subsection (14)(b).

742 (15) (a) A package agency shall sell, offer for sale, or furnish liquor in a sealed
743 container.

744 (b) A person may not open a sealed container on the premises of a package agency.

745 (c) Notwithstanding Subsection (15)(a), a package agency may sell, offer for sale, or
746 furnish liquor in other than a sealed container:

747 (i) if the package agency is the type of package agency that authorizes the package
748 agency to sell, offer for sale, or furnish the liquor as part of room service;

749 (ii) if the liquor is sold, offered for sale, or furnished as part of room service; and

750 (iii) subject to:

751 (A) staff of the package agency providing the liquor in person only to an adult guest in
752 the guest room or privately owned dwelling unit;

753 (B) staff of the package agency not leaving the liquor outside a guest room or privately
754 owned dwelling unit for retrieval by a guest or resident; and

755 (C) the same limits on the portions in which an alcoholic product may be sold by a
756 retail licensee under Section [32B-5-304](#).

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

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

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

760 (17) The department may pay or otherwise remunerate a package agent on any basis,
761 including sales or volume of business done by the package agency.

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

764 (a) physical facilities;

765 (b) conditions of operation;

766 (c) hours of operation;

767 (d) inventory levels;

768 (e) payment schedules;

769 (f) methods of payment;

770 (g) premises security; and
771 (h) any other matter considered appropriate by the commission.
772 (19) A package agency may not maintain a minibar.
773 Section 9. Section **32B-3-203** is amended to read:
774 **32B-3-203. Initiating a disciplinary proceeding.**
775 Subject to Section [32B-3-202](#):
776 (1) ~~[The department may]~~ Subject to Subsection (3), the department shall initiate a
777 disciplinary proceeding described in Subsection (2) if the department ~~[receives]~~:
778 (a) receives a report from an investigator alleging that a person subject to
779 administrative action violated this title or the rules of the commission;
780 (b) ~~[a final adjudication of criminal liability]~~ receives notice of criminal proceedings
781 against a person subject to administrative action on the basis of an alleged violation of this
782 title; ~~[or]~~
783 (c) ~~[a final adjudication of civil liability in accordance with]~~ receives notice of civil
784 proceedings in accordance with Chapter 15, Alcoholic Product Liability Act, against a person
785 subject to administrative action on the basis of an alleged violation of this title~~[-]; or~~
786 (d) otherwise becomes aware that a person subject to administrative action on the basis
787 of an alleged violation of this title may have violated this title or commission rule.
788 (2) ~~[If the condition of Subsection (1) is met,]~~ Subject to Subsection (3), if a condition
789 in Subsection (1) is met, the department shall:
790 (a) [the department may] initiate a disciplinary proceeding to determine:
791 ~~[(a)]~~ (i) whether a person subject to administrative action violated this title or rules of
792 the commission; and
793 ~~[(b)]~~ (ii) if a violation is found, the appropriate sanction to be imposed[-]; and
794 (b) refer the matter to the State Bureau of Investigation, created in Section [53-10-301](#).
795 (3) The department is not required to initiate a disciplinary proceeding described in
796 Subsection (2) if after reviewing the information described in Subsection (1), the department
797 determines:
798 (a) that there is no basis for initiating a disciplinary proceeding; or
799 (b) in consultation with the prosecutor or plaintiff's counsel, as applicable, that
800 initiating a disciplinary proceeding would pose a significant risk of interfering with a criminal

801 or civil proceeding.

802 [~~3~~] (4) (a) Unless waived by the respondent, a disciplinary proceeding shall be held:

803 (i) if required by law;

804 (ii) before revoking or suspending a license, permit, or certificate of approval issued

805 under this title; or

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

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

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

811 Section 10. Section **32B-4-422** is amended to read:

812 **32B-4-422. Unlawful dispensing.**

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

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

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

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

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

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

826 (A) a full-service restaurant licensee;

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

828 (C) an on-premise banquet licensee;

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

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

831 (F) a hospitality amenity licensee.

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

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

834 **32B-4-424. Powdered or vaporized alcohol.**

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

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

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

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

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

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

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

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

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

854 (d) pharmaceutical or biotechnology company.

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

856 **32B-4-501. Operating without a license or permit.**

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

860 (a) a restaurant;

861 (b) an airport lounge;

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

- 863 (d) a resort;
- 864 (e) a business operated to sell, offer for sale, or furnish beer for on-premise
865 consumption;
- 866 (f) a business operated as an on-premise banquet licensee;
- 867 (g) a hotel; [~~or~~]
- 868 (h) an arena; or
- 869 [~~(h)~~] (i) a business similar to one listed in Subsections (1)(a) through [~~(g)~~] (h).
- 870 (2) A person conducting an event that is open to the general public may not directly or
871 indirectly sell, offer for sale, or furnish an alcoholic product to a person attending the event
872 without first obtaining an event permit under this title.
- 873 (3) A person conducting a private event may not directly or indirectly sell or offer for
874 sale an alcoholic product to a person attending the private event without first obtaining an
875 event permit under this title.
- 876 (4) A person may not operate the following businesses in this state without first
877 obtaining a license under this title:
- 878 (a) a winery manufacturer;
- 879 (b) a distillery manufacturer;
- 880 (c) a brewery manufacturer;
- 881 (d) a local industry representative of:
- 882 (i) a manufacturer of an alcoholic product;
- 883 (ii) a supplier of an alcoholic product; or
- 884 (iii) an importer of an alcoholic product;
- 885 (e) a liquor warehouse; or
- 886 (f) a beer wholesaler.
- 887 (5) A person may not operate a public conveyance in this state without first obtaining a
888 public service permit under this title if that public conveyance allows a person to purchase or
889 consume an alcoholic product:
- 890 (a) on the public conveyance; or
- 891 (b) on the premises of a hospitality room located within a depot, terminal, or similar
892 facility at which a service is provided to a patron of the public conveyance.
- 893 Section 13. Section **32B-5-201** is amended to read:

894 **32B-5-201. Application requirements for retail license.**

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

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

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

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

902 (b) a nonrefundable application fee in the amount specified in the relevant chapter or
903 part for the type of retail license for which the person is applying;

904 (c) an initial license fee:

905 (i) in the amount specified in the relevant chapter or part for the type of retail license
906 for which the person is applying; and

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

908 (d) written consent of the local authority, including, if applicable, consent for each
909 proposed sublicense;

910 (e) a copy of:

911 (i) every license the local authority requires, including the person's current business
912 license; and

913 (ii) if the person is applying for a principal license, the current business license for each
914 proposed sublicense, except if the local authority determines that the business license for a
915 proposed sublicense is included in the person's current business license;

916 (f) evidence of the proposed retail licensee's proximity to any community location, with
917 proximity requirements being governed by Section [32B-1-202](#);

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

919 (h) a floor plan, and boundary map where applicable, of the premises of the retail
920 license and each, if any, accompanying sublicense, including any:

921 (i) consumption area; and

922 (ii) area where the person proposes to store, sell, offer for sale, or furnish an alcoholic
923 beverage;

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

- 925 form satisfactory to the department;
- 926 (j) evidence that the retail licensee carries dramshop insurance coverage of at least:
- 927 (i) \$1,000,000 per occurrence and \$2,000,000 in the aggregate;
- 928 (ii) if the retail licensee is a hotel licensee or a resort licensee, \$1,000,000 per
- 929 occurrence and \$2,000,000 in the aggregate to cover both the principal license and all
- 930 accompanying sublicenses; or
- 931 (iii) if the retail licensee is an arena licensee, \$10,000,000 per occurrence and
- 932 \$20,000,000 in the aggregate to cover both the arena license and all accompanying
- 933 sublicenses[-];
- 934 (k) a signed consent form stating that the retail licensee will permit any authorized
- 935 representative of the commission, department, or any law enforcement officer to have
- 936 unrestricted right to enter:
- 937 (i) the premises of the retail licensee; and
- 938 (ii) if applicable, the premises of each of the retail licensee's accompanying
- 939 sublicenses;
- 940 (l) if the person is an entity, proper verification evidencing that a person who signs the
- 941 application is authorized to sign on behalf of the entity;
- 942 (m) a responsible alcohol service plan;
- 943 (n) evidence that each individual the person has hired to work as a retail manager, as
- 944 defined in Section [32B-1-701](#), has completed the alcohol training and education seminar as
- 945 required under Chapter 1, Part 7, Alcohol Training and Education Act; and
- 946 (o) any other information the commission or department may require.
- 947 (3) The commission may not issue a retail license to a person who:
- 948 (a) is disqualified under Section [32B-1-304](#); or
- 949 (b) is not lawfully present in the United States.
- 950 (4) Unless otherwise provided in the relevant chapter or part for the type of retail
- 951 license for which the person is applying, the commission may not issue a retail license to a
- 952 person if the proposed licensed premises does not meet the proximity requirements of Section
- 953 [32B-1-202](#).
- 954 (5) The commission may not deny an application for a retail license, an application for
- 955 a conditional retail license under Section [32B-5-205](#), or an application for a sublicense under

956 Chapter 8d, Sublicense Act, if:

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

958 (b) for a retail license or a conditional retail license, granting the retail license or the
959 conditional retail license would not cause the commission to exceed the maximum number of
960 licenses of that retail license type that the commission is authorized to issue under this chapter.

961 Section 14. Section **32B-5-304** is amended to read:

962 **32B-5-304. Portions in which alcoholic product may be sold.**

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

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

969 (i) a secondary flavoring ingredient;

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

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

972 (iv) in a beverage that:

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

974 (B) is not more than 12 ounces;

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

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

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

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

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

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

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

986 (2) (a) (i) A retail licensee may sell, offer for sale, or furnish wine by the glass or in an

987 individual portion that does not exceed 5 ounces per glass or individual portion.

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

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

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

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

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

1000 (4) A retail licensee may sell, offer for sale, or furnish a flavored malt beverage in an
1001 original container at a price fixed by the commission, except that the original container may not
1002 exceed one liter.

1003 (5) (a) (i) Subject to Subsection (5)(a)(ii), a retail licensee may sell, offer for sale, or
1004 furnish beer for on-premise consumption:

1005 (A) in an open original container; and

1006 (B) in a container on draft.

1007 (ii) A retail licensee may not sell, offer for sale, or furnish beer under Subsection
1008 (5)(a)(i):

1009 (A) in a size of container that exceeds two liters; or

1010 (B) to an individual patron in a size of container that exceeds one liter.

1011 (b) A retail licensee may sell, offer for sale, or furnish beer for off-premise
1012 consumption:

1013 (i) in a sealed container; and

1014 (ii) in a size of container that does not exceed two liters.

1015 (c) A retail licensee may sell, offer for sale, or furnish a flight of beer to an individual
1016 patron if the total amount of beer does not exceed 16 ounces.

1017 Section 15. Section **32B-6-203** is amended to read:

1018 **32B-6-203. Commission's power to issue full-service restaurant license.**

1019 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of
1020 an alcoholic product on its premises as a full-service restaurant, the person shall first obtain a
1021 full-service restaurant license from the commission in accordance with this part.

1022 (2) The commission may issue a full-service restaurant license to establish full-service
1023 restaurant licensed premises at places and in numbers the commission considers proper for the
1024 storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on premises
1025 operated as a full-service restaurant.

1026 (3) Subject to Section [32B-1-201](#):

1027 (a) the commission may not issue a total number of full-service restaurant licenses that
1028 at any time exceeds the sum of:

1029 (i) 30; and

1030 (ii) the number determined by dividing the population of the state by [~~4,467~~];

1031 (A) before July 1, 2024, 4,467;

1032 (B) in fiscal year 2025, 4,281;

1033 (C) in fiscal year 2026, 4,095;

1034 (D) in fiscal year 2027, 3,909;

1035 (E) in fiscal year 2028, 3,723;

1036 (F) in fiscal year 2029, 3,537;

1037 (G) in fiscal year 2030, 3,351; and

1038 (H) in fiscal year 2031, and in each fiscal year thereafter, 3,167;

1039 (b) the commission may issue a seasonal full-service restaurant license in accordance
1040 with Section [32B-5-206](#); and

1041 (c) (i) if the location, design, and construction of a hotel may require more than one
1042 full-service restaurant sales location within the hotel to serve the public convenience, the
1043 commission may authorize the sale, offer for sale, or furnishing of an alcoholic product at as
1044 many as three full-service restaurant locations within the hotel under one full-service restaurant
1045 license if:

1046 (A) the hotel has a minimum of 150 guest rooms; and

1047 (B) the locations under the full-service restaurant license are:

1048 (I) within the same hotel; and

1049 (II) on premises that are managed or operated, and owned or leased, by the full-service
1050 restaurant licensee; and

1051 (ii) except for a hotel, a facility shall have a separate full-service restaurant license for
1052 each full-service restaurant where an alcoholic product is sold, offered for sale, or furnished.

1053 (4) Except as otherwise provided in Section 32B-1-202, the commission may not issue
1054 a full-service restaurant license for premises that do not meet the proximity requirements of
1055 Subsection 32B-1-202(2).

1056 (5) To be licensed as a full-service restaurant, a person shall maintain at least 70% of
1057 the restaurant's gross revenues from the sale of food, which does not include:

1058 (a) mix for an alcoholic product; or

1059 (b) a service charge.

1060 Section 16. Section 32B-6-204 is amended to read:

1061 **32B-6-204. Specific licensing requirements for full-service restaurant license.**

1062 (1) To obtain a full-service restaurant license a person shall comply with Chapter 5,
1063 Part 2, Retail Licensing Process.

1064 (2) (a) A full-service restaurant license expires on October 31 of each year.

1065 (b) To renew a person's full-service restaurant license, a person shall comply with the
1066 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1067 September 30.

1068 (3) (a) The nonrefundable application fee for a full-service restaurant license is \$330.

1069 (b) (i) The initial license fee for a full-service restaurant license is \$2,200.

1070 (ii) The department shall prorate the \$2,200 initial license fee for the period that begins
1071 the day on which the initial license fee is paid and ends the day on which the full-service
1072 restaurant license expires.

1073 (c) The renewal fee for a full-service restaurant license is \$1,650.

1074 (4) The bond amount required for a full-service restaurant license is the penal sum of
1075 \$10,000.

1076 Section 17. Section 32B-6-206 is amended to read:

1077 **32B-6-206. Master full-service restaurant license.**

1078 (1) (a) The commission may issue a master full-service restaurant license that
1079 authorizes a person to store, sell, offer for sale, furnish, or allow the consumption of an

1080 alcoholic product on premises at multiple locations as full-service restaurants if the person
1081 applying for the master full-service restaurant license:

1082 (i) owns each of the full-service restaurants;

1083 (ii) except for the fee requirements, establishes to the satisfaction of the commission
1084 that each location of a full-service restaurant under the master full-service restaurant license
1085 separately meets the requirements of this part; and

1086 (iii) the master full-service restaurant license includes at least five full-service
1087 restaurant locations.

1088 (b) The person seeking a master full-service restaurant license shall designate which
1089 full-service restaurant locations the person seeks to have under the master full-service
1090 restaurant license.

1091 (c) A full-service restaurant location under a master full-service restaurant license is
1092 considered separately licensed for purposes of this title, except as provided in this section.

1093 (2) A master full-service restaurant license and each location designated under
1094 Subsection (1) are considered a single full-service restaurant license for purposes of Subsection
1095 [32B-6-203](#)(3)(a).

1096 (3) (a) A master full-service restaurant license expires on October 31 of each year.

1097 (b) To renew a person's master full-service restaurant license, a person shall comply
1098 with the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1099 September 30.

1100 (4) (a) The nonrefundable application fee for a master full-service restaurant license is
1101 \$330.

1102 (b) (i) The initial license fee for a master full-service restaurant license is \$5,000 plus a
1103 separate initial license fee for each newly licensed full-service restaurant ~~[license]~~ location
1104 under the master full-service restaurant license determined in accordance with Subsection
1105 [32B-6-204](#)(3)(b).

1106 (ii) The department ~~[may]~~ shall prorate the \$5,000 initial license fee ~~[based on the~~
1107 ~~number of months out of a year the master full-service restaurant licensee is licensed before]~~
1108 for the period that begins the day on which the initial license fee is paid and ends the day on
1109 which the master full-service restaurant license expires.

1110 (c) To renew a master full-service restaurant license the master full-service restaurant

1111 licensee shall pay a separate renewal fee for each full-service [~~license~~] restaurant location under
1112 the master full-service restaurant license [~~determined~~] in accordance with Subsection
1113 32B-6-204(3)(c).

1114 (5) A new location may be added to a master full-service restaurant license after the
1115 master full-service restaurant license is issued if:

1116 (a) the master full-service restaurant licensee pays a nonrefundable application fee of
1117 \$330; and

1118 (b) including payment of the initial license fee, the location separately meets the
1119 requirements of this part.

1120 (6) (a) A master full-service restaurant licensee shall notify the department of a change
1121 in the persons managing a location covered by a master full-service restaurant license:

1122 (i) immediately, if the management personnel is not management personnel at a

1123 location covered by the master full-service restaurant licensee at the time of the change; or

1124 (ii) within 30 days of the change, if the master full-service restaurant licensee is
1125 transferring management personnel from one location to another location covered by the master
1126 full-service restaurant licensee.

1127 (b) A location covered by a master full-service restaurant license shall keep the
1128 location's own records on the location's premises so that the department may audit the records.

1129 (c) A master full-service restaurant licensee may not transfer alcoholic products
1130 between different locations covered by the master full-service restaurant license.

1131 (7) If there is a violation of this title at a location covered by a master full-service
1132 restaurant license, the violation may result in disciplinary action in accordance with Chapter 3,
1133 Disciplinary Actions and Enforcement Act, against:

1134 (a) the single location under a master full-service restaurant license;

1135 (b) individual staff of the location under the master full-service restaurant license; or

1136 (c) a combination of persons or locations described in Subsections (7)(a) and (b).

1137 (8) The commission may make rules, in accordance with Title 63G, Chapter 3, Utah
1138 Administrative Rulemaking Act, to establish how a person may apply for a master full-service
1139 restaurant license under this section.

1140 Section 18. Section **32B-6-302** is amended to read:

1141 **32B-6-302. Definitions.**

1142 As used in this part:

1143 (1) (a) "Dining area" means an area in the licensed premises of a limited-service
1144 restaurant licensee that is primarily used for the service and consumption of food by one or
1145 more patrons.

1146 (b) "Dining area" does not include a dispensing area.

1147 (2) (a) "Dispensing area" means an area in the licensed premises of a limited-service
1148 restaurant licensee where a dispensing structure is located and that:

1149 (i) is physically separated from the dining area and any waiting area by a structure or
1150 other barrier that prevents a patron seated in the dining area or a waiting area from viewing the
1151 dispensing of alcoholic product;

1152 (ii) except as provided in Subsection (2)(b), measures at least 10 feet from the dining
1153 area and any waiting area to the nearest edge of the dispensing structure; or

1154 (iii) is physically separated from the dining area and any waiting area by a permanent
1155 physical structure that complies with the provisions of Title 15A, State Construction and Fire
1156 Codes Act, and, to the extent allowed under Title 15A, State Construction and Fire Codes Act,
1157 measures:

1158 (A) at least 42 inches high; and

1159 (B) at least 60 inches from the inside edge of the barrier to the nearest edge of the
1160 dispensing structure.

1161 (b) "Dispensing area" does not include any area described in Subsection (2)(a)(ii) that
1162 is less than 10 feet from an area where alcoholic product is dispensed, but from which a patron
1163 seated at a table or counter cannot view the dispensing of alcoholic product.

1164 (3) "Small limited-service restaurant licensee" means a limited-service restaurant
1165 licensee [~~that has a grandfathered bar structure~~] whose dispensing area includes more than 45%
1166 of the available seating for patrons on the licensed premises, excluding outdoor seating:

1167 (a) when measured in accordance with Subsection (2)(a)(ii); and

1168 (b) based on the licensee's floor plan on file with the department on July 1, 2017.

1169 (4) "Waiting area" includes a lobby.

1170 Section 19. Section **32B-6-304** is amended to read:

1171 **32B-6-304. Specific licensing requirements for limited-service restaurant license.**

1172 (1) To obtain a limited-service restaurant license a person shall comply with Chapter 5,

1173 Part 2, Retail Licensing Process.

1174 (2) (a) A limited-service restaurant license expires on October 31 of each year.

1175 (b) To renew a person's limited-service restaurant license, a person shall comply with
1176 the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1177 September 30.

1178 (3) (a) The nonrefundable application fee for a limited-service restaurant license is
1179 \$330.

1180 (b) (i) The initial license fee for a limited-service restaurant license is \$1,275.

1181 (ii) The department shall prorate the \$1,275 initial license fee for the period that begins
1182 the day on which the initial license fee is paid and ends the day on which the limited-service
1183 restaurant license expires.

1184 (c) The renewal fee for a limited-service restaurant license is \$750.

1185 (4) The bond amount required for a limited-service restaurant license is the penal sum
1186 of \$5,000.

1187 Section 20. Section **32B-6-306** is amended to read:

1188 **32B-6-306. Master limited-service restaurant license.**

1189 (1) (a) The commission may issue a master limited-service restaurant license that
1190 authorizes a person to store, sell, offer for sale, furnish, or allow the consumption of an
1191 alcoholic product on premises at multiple locations as limited-service restaurants if the person
1192 applying for the master limited-service restaurant license:

1193 (i) owns each of the limited-service restaurants;

1194 (ii) except for the fee requirements, establishes to the satisfaction of the commission
1195 that each location of a limited-service restaurant under the master limited-service restaurant
1196 license separately meets the requirements of this part; and

1197 (iii) the master limited-service restaurant includes at least five limited-service
1198 restaurant locations.

1199 (b) The person seeking a master limited-service restaurant license shall designate
1200 which limited-service restaurant locations the person seeks to have under the master
1201 limited-service restaurant license.

1202 (c) A limited-service restaurant location under a master limited-service restaurant
1203 license is considered separately licensed for purposes of this title, except as provided in this

1204 section.

1205 (2) A master limited-service restaurant license and each location under Subsection (1)
1206 are considered a single limited-service restaurant license for purposes of Subsection
1207 [32B-6-303](#)(3)(a).

1208 (3) (a) A master limited-service restaurant license expires on October 31 of each year.

1209 (b) To renew a person's master limited-service restaurant license, a person shall comply
1210 with the renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1211 September 30.

1212 (4) (a) The nonrefundable application fee for a master limited-service restaurant license
1213 is \$330.

1214 (b) (i) The initial license fee for a master limited-service restaurant license is \$5,000
1215 plus a separate initial license fee for each newly licensed limited-service restaurant license
1216 under the master limited-service restaurant license determined in accordance with Subsection
1217 [32B-6-304](#)(3)(b).

1218 (ii) The department shall prorate the \$5,000 initial license fee for the period that begins
1219 the day on which the initial license fee is paid and ends the day on which the master
1220 limited-service restaurant license expires.

1221 (c) The renewal fee for a master limited-service restaurant license is \$500 plus a
1222 separate renewal fee for each limited-service license under the master limited-service restaurant
1223 license determined in accordance with Subsection [32B-6-304](#)(3)(c).

1224 (5) A new location may be added to a master limited-service restaurant license after the
1225 master limited-service restaurant license is issued if:

1226 (a) the master limited-service restaurant licensee pays a nonrefundable application fee
1227 of \$330; and

1228 (b) including payment of the initial license fee, the location separately meets the
1229 requirements of this part.

1230 (6) (a) A master limited-service restaurant licensee shall notify the department of a
1231 change in the persons managing a location covered by a master limited-service restaurant
1232 license:

1233 (i) immediately, if the management personnel is not management personnel at a
1234 location covered by the master limited-service restaurant licensee at the time of the change; or

1235 (ii) within 30 days of the change, if the master limited-service restaurant licensee is
1236 transferring management personnel from one location to another location covered by the master
1237 limited-service restaurant licensee.

1238 (b) A location covered by a master limited-service restaurant license shall keep its own
1239 records on its premises so that the department may audit the records.

1240 (c) A master limited-service restaurant licensee may not transfer alcoholic products
1241 between different locations covered by the master limited-service restaurant license.

1242 (7) (a) If there is a violation of this title at a location covered by a master
1243 limited-service restaurant license, the violation may result in disciplinary action in accordance
1244 with Chapter 3, Disciplinary Actions and Enforcement Act, against:

1245 (i) the single location under a master limited-service restaurant license;

1246 (ii) individual staff of the location under the master limited-service restaurant license;

1247 or

1248 (iii) a combination of persons or locations described in Subsections (7)(a)(i) and (ii).

1249 (b) In addition to disciplinary action under Subsection (7)(a), disciplinary action in
1250 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, may be taken against a
1251 master limited-service restaurant licensee or individual staff of the master limited-service
1252 restaurant licensee if during a period beginning on November 1 and ending October 31:

1253 (i) at least 25% of the locations covered by the master limited-service restaurant license
1254 have been found by the commission to have committed a serious or grave violation of this title,
1255 as defined by rule made by the commission; or

1256 (ii) at least 50% of the locations covered by the master limited-service restaurant
1257 license have been found by the commission to have violated this title.

1258 (8) The commission may make rules, in accordance with Title 63G, Chapter 3, Utah
1259 Administrative Rulemaking Act, to establish how a person may apply for a master
1260 limited-service restaurant license under this section.

1261 Section 21. Section **32B-6-403** is amended to read:

1262 **32B-6-403. Commission's power to issue bar establishment license.**

1263 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of
1264 an alcoholic product on the person's premises as a bar establishment licensee, the person shall
1265 first obtain a bar establishment license from the commission in accordance with this part.

1266 (2) The commission may issue a bar establishment license to establish bar
1267 establishment licensed premises at places and in numbers the commission considers proper for
1268 the storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on
1269 premises operated by a bar establishment licensee.

1270 (3) Subject to Section [32B-1-201](#):

1271 (a) the commission may not issue a total number of bar establishment licenses that at
1272 any time exceeds the sum of:

1273 (i) 15; and

1274 (ii) the number determined by dividing the population of the state by [~~10,200~~];

1275 (A) before fiscal July 1, 2024, 10,200;

1276 (B) in fiscal year 2025, 9,778;

1277 (C) in fiscal year 2026, 9,356;

1278 (D) in fiscal year 2027, 8,934;

1279 (E) in fiscal year 2028, 8,512;

1280 (F) in fiscal year 2029, 8,090;

1281 (G) in fiscal year 2030, 7,668; and

1282 (H) in fiscal year 2031, and in each fiscal year thereafter, 7,246;

1283 (b) the commission may issue a seasonal bar establishment license in accordance with
1284 Section [32B-5-206](#) to a bar licensee;

1285 (c) the commission may authorize as many as three bar establishment license locations
1286 within a hotel under one bar establishment license if:

1287 (i) the location, design, and construction of the hotel requires more than one bar license
1288 location within the hotel to serve the public convenience;

1289 (ii) the hotel has a minimum of 150 guest rooms;

1290 (iii) all locations under the bar establishment license are:

1291 (A) within the same hotel; and

1292 (B) on premises that are managed or operated, and owned or leased, by the bar
1293 establishment licensee;

1294 (d) the commission may authorize up to five dispensing [~~structures~~] locations under
1295 one equity license if the locations under the equity license:

1296 (i) are connected by a private roadway to which the equity licensee, each member of

1297 the equity licensee, and each guest has a legal right of access; and

1298 (ii) are located on premises managed or operated, and owned or leased, by the equity
1299 licensee;

1300 (e) except for a facility operating in accordance with Subsection (3)(d) or a hotel, a
1301 facility shall have a separate bar establishment license for each bar establishment license
1302 location where an alcoholic product is sold, offered for sale, or furnished;

1303 (f) when a business establishment undergoes a change of ownership, the commission
1304 may issue a bar establishment license to the new owner of the business establishment
1305 notwithstanding that there is no bar establishment license available under Subsection (3)(a) if:

1306 (i) the primary business activity at the business establishment before and after the
1307 change of ownership is not the sale, offer for sale, or furnishing of an alcoholic product;

1308 (ii) before the change of ownership there are two or more licensed premises on the
1309 business establishment that operate under a retail license, with at least one of the retail licenses
1310 being a bar establishment license;

1311 (iii) subject to Subsection (3)(g) the licensed premises of the bar establishment license
1312 issued under this Subsection (3)(f) is at the same location where the bar establishment license
1313 licensed premises was located before the change of ownership; and

1314 (iv) the person who is the new owner of the business establishment qualifies for the bar
1315 establishment license, except for there being no bar establishment license available under
1316 Subsection (3)(a); and

1317 (g) if a bar establishment licensee of a bar establishment license issued under
1318 Subsection (3)(f) requests a change of location, the bar establishment licensee may retain the
1319 bar establishment license after the change of location only if on the day on which the bar
1320 establishment licensee seeks a change of location a bar establishment license is available under
1321 Subsection (3)(a).

1322 Section 22. Section **32B-6-405** is amended to read:

1323 **32B-6-405. Specific licensing requirements for bar establishment license.**

1324 (1) To obtain a bar establishment license, in addition to complying with Chapter 5, Part
1325 2, Retail Licensing Process, a person shall submit with the written application:

1326 (a) (i) a statement as to whether the person is seeking to qualify as:

1327 (A) an equity licensee;

- 1328 (B) a fraternal licensee;
- 1329 (C) a dining club licensee; or
- 1330 (D) a bar licensee; and
- 1331 (ii) evidence that the person meets the requirements for the type of bar establishment
- 1332 license for which the person is applying;
- 1333 (b) evidence that the person operates a premises where a variety of food is prepared
- 1334 and served in connection with dining accommodations; and
- 1335 (c) if the person is applying for an equity license or fraternal license, a copy of the
- 1336 entity's bylaws or house rules, and an amendment to those records.
- 1337 (2) The commission may refuse to issue a bar establishment license to a person for an
- 1338 equity license or fraternal license if the commission determines that a provision of the person's
- 1339 bylaws or house rules, or amendments to those records is not:
- 1340 (a) reasonable; and
- 1341 (b) consistent with:
- 1342 (i) the declared nature and purpose of the bar establishment licensee; and
- 1343 (ii) the purposes of this part.
- 1344 (3) (a) A bar establishment license expires on June 30 of each year.
- 1345 (b) To renew a bar establishment license, a person shall comply with the requirements
- 1346 of Chapter 5, Part 2, Retail Licensing Process, by no later than May 31.
- 1347 (4) (a) The nonrefundable application fee for a bar establishment license is \$300.
- 1348 (b) (i) The initial license fee for a bar establishment license is \$2,750.
- 1349 (ii) The department shall prorate the \$2,750 initial license fee based on the number of
- 1350 months out of a year the bar establishment licensee is licensed before the day on which the bar
- 1351 establishment license expires.
- 1352 (c) The renewal fee for a bar establishment license is \$2,000.
- 1353 (5) The bond amount required for a bar establishment license is the penal sum of
- 1354 \$10,000.
- 1355 Section 23. Section **32B-6-504** is amended to read:
- 1356 **32B-6-504. Specific licensing requirements for airport lounge license.**
- 1357 (1) To obtain an airport lounge license, in addition to complying with Chapter 5, Part
- 1358 2, Retail Licensing Process, a person shall submit with the written application:

1359 (a) both the written consent of the local authority and the written consent of the airport
1360 authority; and

1361 (b) a copy of the sign proposed to be used by the airport lounge licensee on its licensed
1362 premises to inform the public that alcoholic products are sold and consumed on the licensed
1363 premises.

1364 (2) (a) An airport lounge license expires on October 31 of each year.

1365 (b) To renew a person's airport lounge license, a person shall comply with the renewal
1366 requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.

1367 (3) (a) The nonrefundable application fee for an airport lounge license is \$300.

1368 (b) (i) The initial license fee for an airport lounge license is \$8,000.

1369 (ii) The department shall prorate the \$8,000 initial license fee for the period that begins
1370 the day on which the initial license fee is paid and ends the day on which the airport lounge
1371 license expires.

1372 (c) The renewal fee for an airport lounge license is \$6,000.

1373 (4) The bond amount required for an airport lounge license is the penal sum of
1374 \$10,000.

1375 (5) An airport lounge license is not subject to the proximity requirements of Section
1376 [32B-1-202](#).

1377 Section 24. Section **32B-6-604** is amended to read:

1378 **32B-6-604. Specific licensing requirements for an on-premise banquet license.**

1379 (1) To obtain an on-premise banquet license a person shall comply with Chapter 5, Part
1380 2, Retail Licensing Process.

1381 (2) (a) An on-premise banquet license expires on October 31 of each year.

1382 (b) To renew a person's on-premise banquet license, a person shall comply with the
1383 requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.

1384 (3) (a) The nonrefundable application fee for an on-premise banquet license is \$300.

1385 (b) (i) The initial license fee for an on-premise banquet license is \$750.

1386 (ii) The department shall prorate the \$750 initial license fee for the period that begins
1387 the day on which the initial license fee is paid and ends the day on which the on-premise
1388 banquet license expires.

1389 (c) The renewal fee for an on-premise banquet license is \$750.

1390 (4) The bond amount required for an on-premise banquet license is the penal sum of
1391 \$10,000.

1392 (5) Notwithstanding the other provisions of this part, if an applicant is a state agency or
1393 political subdivision of the state it is not required to:

1394 (a) pay an application fee, initial license fee, or renewal fee;

1395 (b) obtain the written consent of the local authority;

1396 (c) submit a copy of the applicant's current business license; or

1397 (d) post a bond as specified by Section 32B-5-204.

1398 (6) Notwithstanding Subsection 32B-5-303(3), the department may approve an
1399 additional location in or on the licensed premises of an on-premise banquet licensee from
1400 which the on-premise banquet licensee may store, sell, offer for sale, furnish, or allow the
1401 consumption of an alcoholic product that is not included in its original application only:

1402 (a) upon proper application by an on-premise banquet licensee; and

1403 (b) in accordance with guidelines approved by the commission.

1404 Section 25. Section 32B-6-605 is amended to read:

1405 **32B-6-605. Specific operational requirements for on-premise banquet license.**

1406 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
1407 Requirements, an on-premise banquet licensee and staff of the on-premise banquet licensee
1408 shall comply with this section.

1409 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
1410 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

1411 (i) an on-premise banquet licensee;

1412 (ii) individual staff of an on-premise banquet licensee; or

1413 (iii) both an on-premise banquet licensee and staff of the on-premise banquet licensee.

1414 (2) An on-premise banquet licensee shall comply with Subsections 32B-5-301(4) and
1415 (5) for the entire premises of the hotel, resort facility, sports center, convention center,
1416 performing arts facility, arena, or restaurant venue that is the basis for the on-premise banquet
1417 license.

1418 (3) (a) For the purpose described in Subsection (3)(b), an on-premise banquet licensee
1419 shall provide the department with advance notice of a scheduled banquet in accordance with
1420 rules made by the commission.

- 1421 (b) Any of the following may conduct a random inspection of a banquet:
- 1422 (i) an authorized representative of the commission or the department; or
- 1423 (ii) a law enforcement officer.
- 1424 (4) (a) An on-premise banquet licensee is not subject to Subsection [32B-5-302\(1\)](#), but
- 1425 shall make and maintain the records described in Subsection [32B-5-302\(2\)](#) and the records the
- 1426 commission or department requires.
- 1427 (b) Section [32B-1-205](#) applies to a record required to be made or maintained in
- 1428 accordance with this Subsection (4).
- 1429 (5) (a) Except as otherwise provided in this title, an on-premise banquet licensee may
- 1430 sell, offer for sale, or furnish an alcoholic product at a banquet only for consumption at the
- 1431 location of the banquet.
- 1432 (b) [~~Except as provided in Subsection [32B-5-307\(4\)](#),]~~ Notwithstanding Section
- 1433 [32B-5-307](#) and except as otherwise provided in this title:
- 1434 (i) [~~a host of a banquet, a patron, or~~] a person at a banquet other than the on-premise
- 1435 banquet licensee or staff of the on-premise banquet licensee, may not remove an alcoholic
- 1436 product from the premises of the banquet[-]; and
- 1437 [~~(c) Notwithstanding Subsections [32B-5-307\(3\)](#) and (5) and except as provided in~~
- 1438 ~~Subsection [32B-5-307\(4\)](#),]~~
- 1439 (ii) a patron at a banquet may not bring an alcoholic product into or onto[-; ~~or remove~~
- 1440 ~~an alcoholic product from,~~] the premises of [~~a~~] the banquet.
- 1441 (6) (a) An on-premise banquet licensee may not leave an unsold alcoholic product at
- 1442 the banquet following the conclusion of the banquet.
- 1443 (b) At the conclusion of a banquet, an on-premise banquet licensee shall:
- 1444 (i) destroy an opened and unused alcoholic product that is not saleable, under
- 1445 conditions established by the department; and
- 1446 (ii) return to the on-premise banquet licensee's approved locked storage area any:
- 1447 (A) opened and unused alcoholic product that is saleable; and
- 1448 (B) unopened container of an alcoholic product.
- 1449 (c) Except as provided in Subsection (6)(b) with regard to an open or sealed container
- 1450 of an alcoholic product not sold or consumed at a banquet, an on-premise banquet licensee:
- 1451 (i) shall store the alcoholic product in the on-premise banquet licensee's approved

1452 locked storage area; and

1453 (ii) may use the alcoholic product at more than one banquet.

1454 (7) Notwithstanding Section 32B-5-308, an on-premise banquet licensee may not
1455 employ a minor to sell, furnish, or dispense an alcoholic product in connection with the
1456 on-premise banquet licensee's banquet and room service activities.

1457 (8) An on-premise banquet licensee:

1458 (a) may provide room service in portions described in Section 32B-5-304;

1459 (b) may not sell, offer for sale, or furnish an alcoholic product at a banquet or in
1460 connection with room service any day during a period that:

1461 (i) begins at 1 a.m.; and

1462 (ii) ends at 9:59 a.m.; and

1463 (c) notwithstanding Section 32B-5-305, may provide as room service one alcoholic
1464 product free of charge per guest reservation, per guest room, if the alcoholic product:

1465 (i) is not a spirituous liquor; and

1466 (ii) is in an unopened container not to exceed 750 milliliters.

1467 (9) (a) Subject to the other provisions of this Subsection (9), a patron may not have
1468 more than two alcoholic products of any kind at a time before the patron.

1469 (b) A patron may not have more than one spirituous liquor drink at a time before the
1470 patron.

1471 (c) An individual portion of wine is considered to be one alcoholic product under
1472 Subsection (9)(a).

1473 (10) (a) An on-premise banquet licensee shall supervise and direct a person involved in
1474 the sale, offer for sale, or furnishing of an alcoholic product.

1475 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product
1476 shall complete an alcohol training and education seminar.

1477 (11) A staff person of an on-premise banquet licensee shall remain at the banquet at all
1478 times when an alcoholic product is sold, offered for sale, furnished, or consumed at the
1479 banquet.

1480 (12) (a) Room service of an alcoholic product to a guest room or privately owned
1481 dwelling unit of a hotel or resort facility shall be provided in person by staff of an on-premise
1482 banquet licensee only to an adult guest in the guest room or privately owned dwelling unit.

1483 (b) An alcoholic product may not be left outside a guest room or privately owned
1484 dwelling unit for retrieval by a guest or resident.

1485 (13) An on-premise banquet licensee may not maintain a minibar.

1486 Section 26. Section **32B-6-702** is amended to read:

1487 **32B-6-702. Definitions.**

1488 As used in this part:

1489 (1) "Commission-approved activity" means a leisure activity that:

1490 (a) the commission approves by rule made in accordance with Title 63G, Chapter 3,

1491 Utah Administrative Rulemaking Act; and

1492 (b) does not involve the use of a dangerous weapon.

1493 (2) (a) "Recreational amenity" means:

1494 (i) a billiard parlor;

1495 (ii) a pool parlor;

1496 (iii) a bowling facility;

1497 (iv) a golf course;

1498 (v) miniature golf;

1499 (vi) a golf driving range;

1500 (vii) a tennis club;

1501 (viii) a sports facility that hosts professional sporting events and has a seating capacity
1502 equal to or greater than [~~6,500~~] 5,000;

1503 (ix) a concert venue that has a seating capacity equal to or greater than [~~6,500~~] 5,000;

1504 (x) one of the following if owned by a government agency:

1505 (A) a convention center;

1506 (B) a fair facility;

1507 (C) an equestrian park;

1508 (D) a theater; or

1509 (E) a concert venue;

1510 (xi) an amusement park:

1511 (A) with one or more permanent amusement rides; and

1512 (B) located on at least 50 acres;

1513 (xii) a ski resort;

1514 (xiii) a venue for live entertainment if the venue:
1515 (A) is not regularly open for more than five hours on any day;
1516 (B) is operated so that food is available whenever beer is sold, offered for sale, or
1517 furnished at the venue; and
1518 (C) is operated so that no more than 15% of its total annual receipts are from the sale
1519 of beer;

1520 (xiv) concessions operated within the boundary of a park administered by the:

1521 (A) Division of State Parks; or

1522 (B) National Parks Service;

1523 (xv) a facility or venue that is a recreational amenity for a person licensed under this
1524 part before May 12, 2020;

1525 (xvi) a venue for karaoke; or

1526 (xvii) an enterprise developed around a commission-approved activity.

1527 (b) "Recreational amenity" does not include an item described in Subsection (2)(a), if
1528 the item is tangential to an enterprise or activity that is not included in Subsection (2)(a).

1529 Section 27. Section **32B-6-705** is amended to read:

1530 **32B-6-705. Specific licensing requirements for on-premise beer retailer license.**

1531 (1) To obtain an on-premise beer retailer license a person shall comply with Chapter 5,
1532 Part 2, Retail Licensing Process, except that an on-premise beer retailer is required to carry
1533 dramshop insurance coverage in accordance with Section **32B-5-201** only if the on-premise
1534 beer retailer sells more than \$5,000 of beer annually.

1535 (2) (a) An on-premise beer retailer license expires on the last day of February each
1536 year.

1537 (b) To renew a person's on-premise beer retailer license, a person shall comply with the
1538 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than January
1539 31.

1540 (3) (a) The nonrefundable application fee for an on-premise beer retailer license is
1541 \$300.

1542 (b) (i) (A) The initial license fee for an on-premise beer retailer license that is not a
1543 tavern is \$300.

1544 (B) The department shall prorate the \$300 initial license fee for the period that begins

1545 the day on which the initial license fee is paid and ends the day on which the on-premise beer
1546 retailer license expires.

1547 (ii) (A) The initial license fee for an on-premise beer retailer license that is a tavern is
1548 \$1,500.

1549 (B) The department shall prorate the \$1,500 initial license fee for the period that begins
1550 the day on which the initial license fee is paid and ends the day on which the on-premise beer
1551 retailer license expires.

1552 (c) (i) The renewal fee for an on-premise beer retailer license that is not a tavern is
1553 \$350.

1554 (ii) The renewal fee for an on-premise beer retailer license that is a tavern is \$1,250.

1555 (4) The bond amount required for an on-premise beer retailer license is the penal sum
1556 of \$5,000.

1557 (5) Notwithstanding the other provisions of this part, if an applicant is a state agency or
1558 political subdivision of the state it is not required to:

1559 (a) pay an application fee, initial license fee, or renewal fee;

1560 (b) obtain the written consent of the local authority;

1561 (c) submit a copy of the applicant's current business license; or

1562 (d) post a bond as specified by Section 32B-5-204.

1563 Section 28. Section 32B-6-804 is amended to read:

1564 **32B-6-804. Specific licensing requirements for reception center license.**

1565 (1) To obtain a reception center license a person shall comply with Chapter 5, Part 2,
1566 Retail Licensing Process.

1567 (2) (a) A reception center license expires on October 31 of each year.

1568 (b) To renew a person's reception center license, a person shall comply with the
1569 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1570 September 30.

1571 (3) (a) The nonrefundable application fee for a reception center license is \$300.

1572 (b) (i) The initial license fee for a reception center license is \$750.

1573 (ii) The department shall prorate the \$750 initial license fee for the period that begins
1574 the day on which the initial license fee is paid and ends the day on which the reception center
1575 license expires.

1576 (c) The renewal fee for a reception center license is \$750.

1577 (4) The bond amount required for a reception center license is the penal sum of
1578 \$10,000.

1579 Section 29. Section **32B-6-902** is amended to read:

1580 **32B-6-902. Definitions.**

1581 (1) As used in this part:

1582 (a) (i) "Dining area" means an area in the licensed premises of a beer-only restaurant
1583 licensee that is primarily used for the service and consumption of food by one or more patrons.

1584 (ii) "Dining area" does not include a dispensing area.

1585 (b) (i) "Dispensing area" means an area in the licensed premises of a beer-only
1586 restaurant licensee where a dispensing structure is located and that:

1587 (A) is physically separated from the dining area and any waiting area by a structure or
1588 other barrier that prevents a patron seated in the dining area or a waiting area from viewing the
1589 dispensing of beer;

1590 (B) except as provided in Subsection (1)(b)(ii), measures at least 10 feet from the
1591 dining area and any waiting area to the nearest edge of the dispensing structure; or

1592 (C) is physically separated from the dining area and any waiting area by a permanent
1593 physical structure that complies with the provisions of Title 15A, State Construction and Fire
1594 Codes Act, and, to the extent allowed under Title 15A, State Construction and Fire Codes Act,
1595 measures at least 42 inches high, and at least 60 inches from the inside edge of the barrier to
1596 the nearest edge of the dispensing structure.

1597 (ii) "Dispensing area" does not include any area described in Subsection (1)(b)(i)(B)
1598 that is less than 10 feet from an area where beer is dispensed, but from which a patron seated at
1599 a table or counter cannot view the dispensing of beer.

1600 (c) "Small beer-only restaurant licensee" means a beer-only restaurant licensee [~~that~~
1601 ~~has a grandfathered bar structure~~] whose dispensing area includes more than 45% of the
1602 available seating for patrons on the licensed premises, excluding outdoor seating:

1603 (i) when measured in accordance with Subsection (1)(b)(i)(B); and

1604 (ii) based on the licensee's floor plan on file with the department on July 1, 2017.

1605 (d) "Waiting area" includes a lobby.

1606 Section 30. Section **32B-6-904** is amended to read:

1607 **32B-6-904. Specific licensing requirements for beer-only restaurant license.**

1608 (1) To obtain a beer-only restaurant license a person shall comply with Chapter 5, Part
1609 2, Retail Licensing Process.

1610 (2) (a) A beer-only restaurant license expires the last day of February of each year.

1611 (b) To renew a person's beer-only restaurant license, a person shall comply with the
1612 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than January
1613 31.

1614 (3) (a) The nonrefundable application fee for a beer-only restaurant license is \$330.

1615 (b) (i) The initial license fee for a beer-only restaurant license is \$825.

1616 (ii) The department shall prorate the \$825 initial license fee for the period that begins
1617 the day on which the initial license fee is paid and ends the day on which the beer-only license
1618 expires.

1619 (c) The renewal fee for a beer-only restaurant license is \$605.

1620 (4) The bond amount required for a beer-only restaurant license is the penal sum of
1621 \$5,000.

1622 Section 31. Section **32B-6-1004** is amended to read:

1623 **32B-6-1004. Specific licensing requirements for a hospitality amenity license.**

1624 (1) To obtain a hospitality amenity license a person shall comply with Chapter 5, Part
1625 2, Retail Licensing Process.

1626 (2) (a) A hospitality amenity license expires on October 31 of each year.

1627 (b) To renew a person's hospitality amenity license, a person shall comply with the
1628 renewal requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than
1629 September 30.

1630 (3) (a) The nonrefundable application fee for a hospitality amenity license is \$330.

1631 (b) (i) The initial license fee for a hospitality amenity license is \$2,000.

1632 (ii) The department shall prorate the \$2,000 initial license fee for the period that begins
1633 the day on which the initial license fee is paid and ends the day on which the hospitality
1634 amenity license expires.

1635 (c) The renewal fee for a hospitality amenity license is \$1,000.

1636 (4) The bond amount required for a hospitality amenity license is the penal sum of
1637 \$10,000.

1638 (5) Notwithstanding Subsection [32B-5-303\(3\)](#), the commission may approve an
1639 additional location in or on the licensed premises of a hospitality amenity licensee from which
1640 the hospitality amenity licensee may store, sell, offer for sale, furnish, or allow the
1641 consumption of an alcoholic product that is not included in the person's original application
1642 only:

1643 (a) upon proper application by a hospitality amenity licensee; and

1644 (b) in accordance with guidelines the commission approves.

1645 Section 32. Section **32B-7-202** is amended to read:

1646 **32B-7-202. General operational requirements for off-premise beer retailer.**

1647 (1) (a) An off-premise beer retailer or staff of the off-premise beer retailer shall comply
1648 with the provisions of this title and any applicable rules made by the commission.

1649 (b) Failure to comply with this section may result in a suspension or revocation of a
1650 local license and, on or after July 1, 2018, disciplinary action in accordance with Chapter 3,
1651 Disciplinary Actions and Enforcement Act.

1652 (2) (a) (i) An off-premise beer retailer may not purchase, acquire, possess for the
1653 purpose of resale, or sell beer, except beer that the off-premise beer retailer lawfully purchases
1654 from:

1655 (A) a beer wholesaler licensee; or

1656 (B) a small brewer that manufactures the beer.

1657 (ii) A violation of Subsection (2)(a) is a class A misdemeanor.

1658 (b) (i) If an off-premise beer retailer purchases beer under this Subsection (2) from a
1659 beer wholesaler licensee, the off-premise beer retailer shall purchase beer only from a beer
1660 wholesaler licensee who is designated by the manufacturer to sell beer in the geographical area
1661 in which the off-premise beer retailer is located, unless an alternate wholesaler is authorized by
1662 the department to sell to the off-premise beer retailer as provided in Section [32B-13-301](#).

1663 (ii) A violation of Subsection (2)(b) is a class B misdemeanor.

1664 (3) An off-premise beer retailer may not possess, sell, offer for sale, or furnish beer in a
1665 container larger than two liters.

1666 (4) (a) Staff of an off-premise beer retailer, while on duty, may not:

1667 (i) consume an alcoholic product; or

1668 (ii) be intoxicated.

1669 (b) A minor may not sell beer on the licensed premises of an off-premise beer retailer
1670 unless:

1671 (i) the sale is done under the supervision of a person 21 years old or older who is on the
1672 licensed premises; and

1673 (ii) the minor is at least 16 years old.

1674 (5) An off-premise beer retailer may not sell, offer for sale, or furnish an alcoholic
1675 product to:

1676 (a) a minor;

1677 (b) a person actually, apparently, or obviously intoxicated;

1678 (c) a known interdicted person; or

1679 (d) a known habitual drunkard.

1680 (6) (a) Subject to the other provisions of this Subsection (6), an off-premise beer
1681 retailer shall:

1682 (i) display all beer accessible by and visible to a patron in no more than two locations
1683 on the retail sales floor, each of which is:

1684 (A) a display cabinet, cooler, aisle, floor display, or room where beer is the only
1685 beverage displayed; and

1686 (B) not adjacent to a display of nonalcoholic beverages, unless the location is a cooler
1687 with a door from which the nonalcoholic beverages are not accessible, or the beer is separated
1688 from the display of nonalcoholic beverages by a display of one or more nonbeverage products
1689 or another physical divider; and

1690 (ii) display a sign in the area described in Subsection (6)(a)(i) that:

1691 (A) is prominent;

1692 (B) is easily readable by a consumer;

1693 (C) meets the requirements for format established by the commission by rule; and

1694 (D) reads in print that is no smaller than .5 inches, bold type, "These beverages contain
1695 alcohol. Please read the label carefully."

1696 (b) Notwithstanding Subsection (6)(a), a nonalcoholic beer may be displayed with beer
1697 if the nonalcoholic beer is labeled, packaged, or advertised as a nonalcoholic beer.

1698 (c) The requirements of this Subsection (6) apply to beer notwithstanding that it is
1699 labeled, packaged, or advertised as:

- 1700 (i) a malt cooler; or
- 1701 (ii) a beverage that may provide energy.
- 1702 (d) A violation of this Subsection (6) is an infraction.
- 1703 (e) (i) Except as provided in Subsection (6)(e)(ii), the provisions of Subsection (6)(a)(i)
- 1704 apply on and after May 9, 2017.
- 1705 (ii) For a beer retailer that operates two or more off-premise beer retailers, the
- 1706 provisions of Subsection (6)(a)(i) apply on and after August 1, 2017.
- 1707 (7) (a) Staff of an off-premise beer retailer who directly supervises the sale of beer or
- 1708 who sells beer to a patron for consumption off the premises of the off-premise beer retailer
- 1709 shall wear a unique identification badge:
- 1710 (i) on the front of the staff's clothing;
- 1711 (ii) visible above the waist;
- 1712 (iii) bearing the staff's:
- 1713 (A) first or last name;
- 1714 (B) initials; or
- 1715 (C) unique identification in letters or numbers; and
- 1716 (iv) with the number or letters on the unique identification badge being sufficiently
- 1717 large to be clearly visible and identifiable while engaging in or directly supervising the retail
- 1718 sale of beer.
- 1719 (b) An off-premise beer retailer shall make and maintain a record of each current staff's
- 1720 unique identification badge assigned by the off-premise beer retailer that includes the staff's:
- 1721 (i) full name;
- 1722 (ii) address; and
- 1723 (iii) (A) driver license number; or
- 1724 (B) similar identification number.
- 1725 (c) An off-premise beer retailer shall make available a record required to be made or
- 1726 maintained under this Subsection (7) for immediate inspection by:
- 1727 (i) a peace officer;
- 1728 (ii) a representative of the local authority that issues the off-premise beer retailer
- 1729 license; or
- 1730 (iii) for an off-premise beer retailer state license, a representative of the commission or

1731 department.

1732 (d) A local authority may impose a fine of up to \$250 against an off-premise beer
1733 retailer that does not comply or require its staff to comply with this Subsection (7).

1734 (8) (a) An off-premise beer retailer may sell, offer for sale, or furnish beer through a
1735 drive through window.

1736 (b) Subsection (8)(a) does not modify the display limitations and requirements
1737 described in Subsection (6).

1738 (9) An off-premise beer retailer may not on the licensed premises:

1739 (a) engage in or permit any form of:

1740 (i) gambling, as defined in Section 76-10-1101; or

1741 (ii) fringe gambling, as defined in Section 76-10-1101;

1742 (b) have any fringe gaming device, video gaming device, or gambling device or record
1743 as defined in Section 76-10-1101; or

1744 (c) engage in or permit a contest, game, gaming scheme, or gaming device that requires
1745 the risking of something of value for a return or for an outcome when the return or outcome is
1746 based upon an element of chance, excluding the playing of an amusement device that confers
1747 only an immediate and unrecorded right of replay not exchangeable for value.

1748 (10) An off-premise beer retailer may not knowingly allow a person on the licensed
1749 premises to, in violation of Title 58, Chapter 37, Utah Controlled Substances Act, or Chapter
1750 37a, Utah Drug Paraphernalia Act:

1751 (a) sell, distribute, possess, or use a controlled substance, as defined in Section
1752 58-37-2; or

1753 (b) use, deliver, or possess, with the intent to deliver, drug paraphernalia, as defined in
1754 Section 58-37a-3.

1755 (11) An off-premise beer retailer may not sell, offer for sale, or furnish a beer that is
1756 intended to be frozen and consumed in a manner other than as a beverage, including beer in the
1757 form of a freeze pop, popsicle, ice cream, or sorbet.

1758 Section 33. Section 32B-8-102 is amended to read:

1759 **32B-8-102. Definitions.**

1760 As used in this chapter:

1761 (1) "Boundary of a resort building" means the physical boundary of the real property

1762 reasonably related to a resort building and any structure or improvement to that land as
1763 determined by the commission.

1764 (2) "Designated conveyance area" means a route within a hotel or resort:

1765 (a) that connects one or more of the following:

1766 (i) the premises of a bar establishment sublicensee;

1767 (ii) the premises of a hospitality amenity sublicensee;

1768 (iii) the premises of an on-premise banquet sublicensee; or

1769 (iv) a guest's room; and

1770 (b) that does not begin, end, or pass through a pool area or other recreation area, a
1771 designated business center, or a sublicensed premises not described in Subsection (2)(a).

1772 [~~2~~] (3) "Dwelling" means a portion of a resort building:

1773 (a) owned by one or more individuals;

1774 (b) that is used or designated for use as a residence by one or more persons; and

1775 (c) that may be rented, loaned, leased, or hired out for a period of no longer than 30

1776 consecutive days by a person who uses it for a residence.

1777 [~~3~~] (4) "Engaged in the management of the resort" may be defined by the commission
1778 by rule.

1779 [~~4~~] (5) "Resident" means an individual who:

1780 (a) owns a dwelling located within a resort building; or

1781 (b) rents lodging accommodations for 30 consecutive days or less from:

1782 (i) an owner of a dwelling described in Subsection [~~4~~](a) (5)(a); or

1783 (ii) the resort licensee.

1784 [~~5~~] (6) "Resort" means a location:

1785 (a) on which is located one resort building; and

1786 (b) that is affiliated with a ski area that physically touches the boundary of the resort
1787 building.

1788 [~~6~~] (7) "Resort building" means a building:

1789 (a) that is primarily operated to provide dwellings or lodging accommodations;

1790 (b) that has at least 150 units that consist of a dwelling or lodging accommodations;

1791 (c) that consists of at least 400,000 square feet:

1792 (i) including only the building itself; and

1793 (ii) not including areas such as above ground surface parking; and
1794 (d) of which at least 50% of the units described in Subsection [~~(6)(b)~~] (7)(b) consist of
1795 dwellings owned by a person other than the resort licensee.

1796 Section 34. Section **32B-8-201** is amended to read:

1797 **32B-8-201. Commission's power to issue a resort license.**

1798 (1) Before a person as a resort under a single license may store, sell, offer for sale,
1799 furnish, or allow the consumption of an alcoholic product on sublicense premises, the person
1800 shall first obtain a resort license from the commission in accordance with this part.

1801 (2) (a) The commission may issue to a person a resort license to allow the storage, sale,
1802 offer for sale, furnishing, and consumption of an alcoholic product in connection with a resort
1803 designated in the resort license if the person operates at least four sublicenses under the resort
1804 license.

1805 (b) A resort license shall:

1806 (i) consist of:

1807 (A) a general resort license; and

1808 (B) four or more sublicenses; and

1809 (ii) designate the boundary of the resort building, each sublicense, and each designated
1810 conveyance area.

1811 (c) This chapter does not prohibit an alcoholic product in or on the boundary of the
1812 resort building to the extent otherwise permitted by this title.

1813 (3) The commission may not issue a total number of resort licenses that at any time
1814 totals more than eight.

1815 Section 35. Section **32B-8-202** is amended to read:

1816 **32B-8-202. Specific licensing requirements for resort license.**

1817 (1) To obtain a resort license, in addition to complying with Chapter 5, Part 2, Retail
1818 Licensing Process, a person shall submit with the person's written application:

1819 (a) evidence:

1820 (i) of proximity of the resort building to any community location;

1821 (ii) that each proposed sublicensed premises is entirely within the boundaries of the
1822 resort building; and

1823 (iii) that the building designated in the application as the resort building qualifies as a

1824 resort building; ~~[and]~~

1825 (b) a description and boundary map of the resort building~~[-];~~

1826 (c) a description, floor plan, and boundary map of each proposed designated

1827 conveyance area; and

1828 (d) a signed consent form stating that the resort licensee will permit any authorized

1829 representative of the commission or department, or any law enforcement officer, to have an

1830 unrestricted right to enter any proposed designated conveyance area.

1831 (2) (a) A resort license expires on October 31 of each year.

1832 (b) To renew a person's resort license, the person shall comply with the requirements of
1833 Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.

1834 (3) (a) The nonrefundable application fee for a resort license is \$300.

1835 (b) The initial license fee for a resort license is calculated as follows:

1836 (i) if four sublicenses are being applied for under the resort license, \$10,000; or

1837 (ii) if more than four sublicenses are being applied for under the resort license, the sum

1838 of:

1839 (A) \$10,000; and

1840 (B) \$2,000 for each sublicense in excess of four sublicenses for which the person is
1841 applying.

1842 (c) The renewal fee for a resort license is \$1,000 for each sublicense under the resort
1843 license.

1844 (4) (a) The bond amount required for a resort license is the penal sum of \$25,000~~[-]~~,
1845 covering each sublicense and each designated conveyance area under the resort license.

1846 (b) A resort licensee is not required to have a separate bond for each sublicense~~[-~~
1847 ~~except that the aggregate of the bonds posted by the resort licensee shall cover each sublicense~~
1848 ~~under the resort license]~~ or each designated conveyance area.

1849 (5) The commission may not issue a resort license for a resort building that does not
1850 meet the proximity requirements of Section [32B-1-202](#).

1851 (6) In accordance with Subsection [32B-8d-103\(4\)](#), a resort licensee may request to add
1852 a sublicense after the commission issues the resort licensee's resort license.

1853 (7) (a) A resort licensee may request to add a designated conveyance area after the
1854 commission issues the resort licensee's resort license.

1855 (b) If a resort licensee seeks to add a designated conveyance area under Subsection
1856 (7)(a), the resort licensee shall submit to the department:

1857 (i) the information and evidence described in Subsections (1)(a)(iii), (1)(c), and (1)(d);
1858 and

1859 (ii) if the resort licensee is an entity, proper verification evidencing that the person who
1860 signs the submission is authorized to sign on behalf of the entity.

1861 Section 36. Section **32B-8-401** is amended to read:

1862 **32B-8-401. Specific operational requirements for resort license.**

1863 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
1864 Requirements, a resort licensee, staff of the resort licensee, and a sublicensee or a person
1865 otherwise operating under a sublicense shall comply with this section.

1866 (b) Subject to Section **32B-8-502**, failure to comply as provided in Subsection (1)(a)
1867 may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and
1868 Enforcement Act, against:

1869 (i) the resort licensee;

1870 (ii) individual staff of the resort licensee;

1871 (iii) a sublicensee or person otherwise operating under a sublicense of the resort
1872 licensee;

1873 (iv) individual staff of a sublicensee or person otherwise operating under a sublicense
1874 of the resort licensee; or

1875 (v) any combination of the persons listed in Subsections (1)(b)(i) through (iv).

1876 (2) (a) A resort licensee may not sell, offer for sale, or furnish an alcoholic product
1877 except:

1878 (i) on sublicensed premises;

1879 (ii) pursuant to a permit issued under this title;

1880 (iii) under a package agency agreement with the department, subject to Chapter 2, Part
1881 6, Package Agency; or

1882 (iv) through room service.

1883 (b) A resort licensee who sells, offers for sale, or furnishes an alcoholic product as
1884 provided in Subsection (2)(a), shall sell, offer for sale, or furnish the alcoholic product:

1885 (i) if on a sublicense premises, in accordance with the operational requirements

1886 described in Section [32B-8d-104](#);

1887 (ii) if under a permit issued under this title, in accordance with the operational
1888 requirements under the provisions applicable to the permit;

1889 (iii) if as a package agency, in accordance with the contract with the department and
1890 Chapter 2, Part 6, Package Agency; and

1891 (iv) if through room service, in accordance with Subsection ~~[(5)]~~ (6).

1892 (3) A resort licensee shall operate in a manner so that at least 70% of the annual
1893 aggregate of the gross receipts related to the sale of food or beverages for the resort license and
1894 each of the resort licensee's sublicenses is from the sale of food, not including:

1895 (a) mix for an alcoholic product; and

1896 (b) a charge in connection with the service of an alcoholic product.

1897 (4) (a) A resort licensee shall supervise and direct a person involved in the sale, offer
1898 for sale, or furnishing of an alcoholic product under a resort license.

1899 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product
1900 under a resort license shall complete the alcohol training and education seminar.

1901 (5) (a) A resort licensee shall:

1902 (i) in accordance with commission rule, establish and maintain signage that clearly
1903 identifies each designated conveyance area and conspicuously states that a patron may not take
1904 an alcoholic beverage beyond the designated conveyance area except as otherwise provided in
1905 this chapter;

1906 (ii) ensure that an alcoholic beverage is not left unattended in a designated conveyance
1907 area; and

1908 (iii) ensure that each patron complies with the requirements of Subsection
1909 [32B-8d-104\(5\)\(b\)\(ii\)](#).

1910 ~~[(5)]~~ (6) (a) ~~[Room]~~ Staff of the resort licensee shall provide room service of an
1911 alcoholic product to a lodging accommodation of a resort licensee ~~[shall be provided]~~ in person
1912 ~~[by staff of the resort licensee]~~ only to an adult occupant in the lodging accommodation.

1913 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval
1914 by an occupant.

1915 Section 37. Section **32B-8b-102** is amended to read:

1916 **32B-8b-102. Definitions.**

1917 As used in this chapter:

1918 (1) "Boundary of a hotel" means the physical boundary of one or more contiguous
1919 parcels of real property owned or managed by the same person and on which a hotel is located.

1920 (2) "Designated conveyance area" means a route within a hotel or resort:

1921 (a) that connects one or more of the following:

1922 (i) the premises of a bar establishment sublicensee;

1923 (ii) the premises of a hospitality amenity sublicensee;

1924 (iii) the premises of an on-premise banquet sublicensee; or

1925 (iv) a guest's room; and

1926 (b) does not begin, end, or pass through a pool area or other recreation area, a
1927 designated business center, or a sublicensed premises not described in Subsection (2)(a).

1928 [~~2~~] (3) "Hotel" means one or more buildings that:

1929 (a) comprise a hotel, as defined by the commission;

1930 (b) are owned or managed by the same person or by a person who has a majority
1931 interest in or can direct or exercise control over the management or policy of the person who
1932 owns or manages any other building under the hotel license within the boundary of the hotel;

1933 (c) primarily operate to provide lodging accommodations;

1934 (d) have on-premise banquet space and provide on-premise banquet service within the
1935 boundary of the hotel meeting the requirements of this title;

1936 (e) have a restaurant or bar establishment within the boundary of the hotel meeting the
1937 requirements of this title; and

1938 (f) have at least 40 rooms as temporary sleeping accommodations for compensation.

1939 Section 38. Section **32B-8b-201** is amended to read:

1940 **32B-8b-201. Commission's power to issue a hotel license.**

1941 (1) Before a person as a hotel under a single license may store, sell, offer for sale,
1942 furnish, or allow the consumption of an alcoholic product on sublicense premises, the person
1943 shall first obtain a hotel license from the commission in accordance with this part.

1944 (2) (a) The commission may issue to a person a hotel license to allow the storage, sale,
1945 offer for sale, furnishing, and consumption of an alcoholic product in connection with a hotel
1946 designated in the hotel license if the person operates at least three sublicenses under the hotel
1947 license:

- 1948 (i) one of which is an on-premise banquet license; and
1949 (ii) one of which is:
1950 (A) a full-service restaurant sublicense;
1951 (B) a limited-service restaurant sublicense;
1952 (C) a beer-only restaurant sublicense; or
1953 (D) a bar establishment sublicense.
1954 (b) A hotel license shall:
1955 (i) consist of:
1956 (A) a general hotel license; and
1957 (B) three or more sublicenses meeting the requirements of Subsection (2)(a); and
1958 (ii) designate the boundary of the hotel [~~and~~], sublicenses[-], and each designated
1959 conveyance area.
1960 (c) This chapter does not prohibit an alcoholic product on the boundary of the hotel to
1961 the extent otherwise permitted by this title.
1962 (3) The commission may not issue a total number of hotel licenses that at any time
1963 totals more than 80.
1964 Section 39. Section **32B-8b-202** is amended to read:
1965 **32B-8b-202. Specific licensing requirements for hotel license.**
1966 (1) To obtain a hotel license, in addition to complying with Chapter 5, Part 2, Retail
1967 Licensing Process, a person shall submit with the person's written application:
1968 (a) evidence:
1969 (i) of proximity of each building under the hotel license to any community location;
1970 (ii) that each proposed sublicensed premises is entirely within the boundary of the
1971 hotel; and
1972 (iii) that each building designated in the application as a building under the hotel
1973 license qualifies to be under the hotel license; [~~and~~]
1974 (b) a description and boundary map of the hotel[-];
1975 (c) a description, floor plan, and boundary map of each proposed designated
1976 conveyance area; and
1977 (d) a signed consent form stating that the hotel licensee will permit any authorized
1978 representative of the commission or department, or any law enforcement officer, to have an

1979 unrestricted right to enter any proposed designated conveyance area.

1980 (2) (a) A hotel license expires on October 31 of each year.

1981 (b) To renew a person's hotel license, the person shall comply with the requirements of
1982 Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.

1983 (3) (a) The nonrefundable application fee for a hotel license is \$500.

1984 (b) The initial license fee for a hotel license is calculated as follows:

1985 (i) if three sublicenses are being applied for under the hotel license, \$5,000; or

1986 (ii) if more than three sublicenses are being applied for under the hotel license, the sum

1987 of:

1988 (A) \$5,000; and

1989 (B) \$2,000 for each sublicense in excess of three sublicenses for which the person is
1990 applying.

1991 (c) The renewal fee for a hotel license is \$1,000 for each sublicense under the hotel
1992 license.

1993 (4) (a) The bond amount required for a hotel license is the penal sum of \$10,000,
1994 covering each sublicense and each designated conveyance area under the hotel license.

1995 (b) A hotel licensee is not required to have a separate bond for each sublicense~~], except~~
1996 ~~that the aggregate of the bonds posted by the hotel licensee shall cover each sublicense under~~
1997 ~~the hotel license] or each designated conveyance area.~~

1998 (5) The commission may not issue a hotel license that includes a building under the
1999 hotel license that does not meet the proximity requirements of Section [32B-1-202](#).

2000 (6) In accordance with Subsection [32B-8d-103\(4\)](#), a hotel licensee may request to add a
2001 sublicense after the commission issues the hotel licensee's hotel license.

2002 (7) (a) A hotel licensee may request to add a designated conveyance area after the
2003 commission issues the hotel licensee's hotel license.

2004 (b) If a hotel licensee seeks to add a designated conveyance area under Subsection
2005 (7)(a), the hotel licensee shall submit to the department:

2006 (i) the information and evidence described in Subsections (1)(a)(iii), (1)(c), and (1)(d);
2007 and

2008 (ii) if the hotel licensee is an entity, proper verification evidencing that the person who
2009 signs the submission is authorized to sign on behalf of the entity.

2010 Section 40. Section **32B-8b-301** is amended to read:

2011 **32B-8b-301. Specific operational requirements for hotel license.**

2012 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
2013 Requirements, a hotel licensee, staff of the hotel licensee, and a sublicensee or person
2014 otherwise operating under a sublicense shall comply with this section.

2015 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
2016 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2017 (i) the hotel licensee;

2018 (ii) individual staff of the hotel licensee;

2019 (iii) a sublicensee or person otherwise operating under a sublicense of the hotel
2020 licensee;

2021 (iv) individual staff of a sublicensee or person otherwise operating under a sublicense
2022 of the hotel licensee; or

2023 (v) any combination of the persons listed in this Subsection (1)(b).

2024 (2) (a) A hotel licensee may not sell, offer for sale, or furnish an alcoholic product
2025 except:

2026 (i) on sublicensed premises;

2027 (ii) pursuant to a permit issued under this title;

2028 (iii) under a package agency agreement with the department, subject to Chapter 2, Part
2029 6, Package Agency; or

2030 (iv) through room service.

2031 (b) A hotel licensee who sells, offers for sale, or furnishes an alcoholic product as
2032 provided in Subsection (2)(a) shall sell, offer for sale, or furnish the alcoholic product:

2033 (i) if on sublicensed premises, in accordance with the operational requirements
2034 described in Section [32B-8d-104](#);

2035 (ii) if under a permit issued under this title, in accordance with the operational
2036 requirements under the provisions applicable to the permit;

2037 (iii) if as a package agency, in accordance with the contract with the department and
2038 Chapter 2, Part 6, Package Agency; and

2039 (iv) if through room service, in accordance with Subsection [~~(4)~~] (5).

2040 (c) Notwithstanding the other provisions of this Subsection (2) and except as provided

2041 in Section [32B-8d-104](#), a hotel licensee may not permit a patron to carry an alcoholic product
2042 off the premises of a sublicense in violation of Section [32B-5-307](#) [~~or~~], off an area designated
2043 under a permit, or off a designated conveyance area.

2044 (3) A hotel licensee shall supervise and direct a person involved in the sale, offer for
2045 sale, or furnishing of an alcoholic product under a hotel license.

2046 (4) (a) A hotel licensee shall:

2047 (i) in accordance with commission rule, establish and maintain signage that clearly
2048 identifies each designated conveyance area and conspicuously states that a patron may not take
2049 an alcoholic beverage beyond the designated conveyance area except as otherwise provided in
2050 this chapter;

2051 (ii) ensure that an alcoholic beverage is not left unattended in a designated conveyance
2052 area; and

2053 (iii) ensure that each patron complies with the requirements of Subsection
2054 [32B-8d-104\(5\)\(b\)\(ii\)](#).

2055 (b) In accordance with Subsection (2), a hotel licensee may not sell, offer for sale, or
2056 furnish an alcoholic product in a designated conveyance area.

2057 [~~4~~] (5) (a) [~~Room~~] Staff of the hotel licensee shall provide room service of an
2058 alcoholic product to a lodging accommodation of a hotel licensee [~~shall be provided~~] in person
2059 [~~by staff of the hotel licensee~~] only to an adult occupant in the lodging accommodation.

2060 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval
2061 by an occupant.

2062 [~~5~~] (6) A hotel licensee shall operate in a manner so that at least 70% of the annual
2063 aggregate of the gross receipts related to the sale of food or beverages for the hotel license and
2064 each of the hotel license's sublicenses is from the sale of food, not including:

2065 (a) mix for an alcoholic product; and

2066 (b) a charge in connection with the service of an alcoholic product.

2067 Section 41. Section **32B-8d-104** is amended to read:

2068 **32B-8d-104. General operational requirements for a sublicense.**

2069 (1) Except as provided in Subsections (2) through [~~3~~] (5), a person operating under a
2070 sublicense is subject to the operational requirements under the provisions applicable to the
2071 sublicense.

2072 (2) Notwithstanding a requirement in the provisions applicable to the sublicense, a
2073 person operating under the sublicense is not subject to a requirement that a certain percentage
2074 of the gross receipts for the sublicense be from the sale of food, except to the extent that the
2075 gross receipts for the sublicense are included in calculating the percentages under Subsections
2076 [32B-8-401\(3\)](#), ~~[[32B-8b-301\(5\)](#)]~~ [32B-8b-301\(6\)](#), and [32B-8c-301\(3\)](#).

2077 (3) Notwithstanding [~~Section [32B-5-307](#);~~] [Sections 32B-5-307](#) and,

2078 ~~[(a)]~~ a patron may transport beer between the sublicensed premises of an arena
2079 licensee's accompanying sublicenses, if the patron transports the beer from and to an area of
2080 each sublicensed premises:

2081 ~~[(i)]~~ (a) that is adjacent to the other; and

2082 ~~[(ii)]~~ (b) where the consumption of beer is permitted~~[-and]~~.

2083 ~~[(b)]~~ (4) Notwithstanding [Section 32B-5-307](#), staff of a sublicensee or person
2084 otherwise operating under a sublicense of a hotel licensee or a resort licensee may transport an
2085 alcoholic beverage from and to sublicensed premises of the hotel license or resort license, if:

2086 ~~[(i)]~~ (a) the sublicensee is:

2087 ~~[(A)]~~ (i) a full-service restaurant sublicensee;

2088 ~~[(B)]~~ (ii) a limited-service restaurant sublicensee;

2089 ~~[(C)]~~ (iii) a bar establishment sublicensee;

2090 ~~[(D)]~~ (iv) a beer-only restaurant sublicensee; or

2091 ~~[(E)]~~ (v) an on-premise beer retailer sublicensee;

2092 ~~[(i)]~~ (b) the individual staff carries the alcoholic beverage:

2093 ~~[(A)]~~ (i) from the sublicensed premises of a sublicensee described in Subsection

2094 ~~[(3)(b)(i)]~~ (4)(a);

2095 ~~[(B)]~~ (ii) briefly through an unlicensed area or briefly through sublicensed premises on
2096 which the type of alcoholic beverage that the individual staff carries is permitted; and

2097 ~~[(C)]~~ (iii) to the sublicensed premises of a sublicensee described in Subsection

2098 ~~[(3)(b)(i)]~~ (4)(a); and

2099 ~~[(iii)]~~ (c) the individual staff at all times stays within:

2100 ~~[(A)]~~ (i) the boundary of the hotel; or

2101 ~~[(B)]~~ (ii) the boundary of the resort building.

2102 ~~[(4)]~~ (5) (a) Notwithstanding [Section 32B-5-307](#), [32B-6-605](#), or [32B-6-1005](#), a patron

2103 may transport an alcoholic beverage between any of the following locations, if the patron
2104 lawfully obtained the alcoholic beverage on the premises of a sublicensee described in
2105 Subsections (5)(a)(i) through (iv) and complies with Subsection (5)(b):
2106 (i) a bar establishment sublicensee's sublicensed premises;
2107 (ii) a hospitality amenity sublicensee's sublicensed premises;
2108 (iii) an on-premise banquet sublicensee's sublicensed premises; and
2109 (iv) a guest room.
2110 (b) A patron may transport an alcoholic beverage in accordance with Subsection (5)(a)
2111 only if:
2112 (i) the patron travels exclusively within a designated conveyance area as defined in
2113 Section [32B-8-102](#) or [32B-8b-102](#); and
2114 (ii) the alcoholic beverage:
2115 (A) is not in the alcoholic beverage's original container; and
2116 (B) is in an opaque or solid color container that is readily identifiable as intended for
2117 use in a designated conveyance area.
2118 (6) Except as provided in Section [32B-8-502](#), for purposes of interpreting an
2119 operational requirement imposed by the provisions applicable to a sublicense:
2120 (a) a requirement imposed on a sublicensee or person operating under a sublicense
2121 applies to the principal licensee; and
2122 (b) a requirement imposed on staff of a sublicensee or person operating under a
2123 sublicense applies to staff of the principal licensee.
2124 Section 42. Section **32B-10-202** is amended to read:
2125 **32B-10-202. Application for special use permit -- Qualifications.**
2126 (1) To obtain a special use permit, a person shall submit to the department:
2127 (a) a written application in a form prescribed by the department;
2128 (b) a nonrefundable application fee, if required by the relevant part of this chapter
2129 applicable to the type of special use permit for which the person applies;
2130 (c) an initial permit fee:
2131 (i) if required by the relevant part of this chapter applicable to the type of special use
2132 permit for which the person applies; and
2133 (ii) that is refundable if a special use permit is not issued;

- 2134 (d) a one-time special use permit fee if required by a section of this chapter:
- 2135 (i) applicable to the type of special use permit for which the person applies; and
- 2136 (ii) that is refundable if a special use permit is not issued;
- 2137 (e) a statement of the purpose for which the person applies for the special use permit;
- 2138 (f) a description of the types of alcoholic product the person intends to use under
- 2139 authority of the special use permit;
- 2140 (g) written consent of the local authority;
- 2141 (h) if required, a bond as provided in Section 32B-10-205;
- 2142 (i) a floor plan of the immediate area within the premises in which the person proposes
- 2143 that an alcoholic product will be used, mixed, stored, sold, or consumed if required by the
- 2144 relevant part of this chapter applicable to the type of special use permit for which the person
- 2145 applies;
- 2146 (j) a signed consent form stating that the special use permittee will permit any
- 2147 authorized representative of the commission, department, or any other law enforcement officer
- 2148 to have unrestricted right to enter the special use permittee's premises;
- 2149 (k) if the person is an entity, proper verification evidencing that a person who signs the
- 2150 application is authorized to sign on behalf of the entity; and
- 2151 (l) any other information the commission or department may require.
- 2152 (2) (a) The commission may issue a special use permit only to a person who qualifies
- 2153 as follows:
- 2154 (i) the commission may issue a religious wine use permit to a religious organization;
- 2155 (ii) the commission may issue an industrial or manufacturing use permit to a person
- 2156 engaged in an industrial or manufacturing pursuit;
- 2157 (iii) the commission may issue a scientific or educational use permit to a person
- 2158 engaged in a scientific or educational pursuit; and
- 2159 (iv) the commission may issue a public service permit to:
- 2160 (A) an operator of an airline, railroad, or other public conveyance[-]; or
- 2161 (B) an entity with authorization from an international airport to establish and operate a
- 2162 hospitality room at the international airport.
- 2163 (b) The commission may not issue a special use permit to a person who is disqualified
- 2164 under Section 32B-1-304.

2165 (c) If a person to whom a special use permit is issued no longer possesses the
2166 qualifications required by this title for obtaining that special use permit, the commission may
2167 suspend or revoke that special use permit.

2168 Section 43. Section **32B-10-303** is amended to read:

2169 **32B-10-303. Specific application and renewal requirements for public service**
2170 **permit.**

2171 (1) To obtain a public service permit, in addition to complying with Section
2172 [32B-10-202](#), a person shall submit to the department:

2173 (a) a statement of the total of regularly numbered flights, trains, buses, boats, or other
2174 types of public conveyance for which the person plans to use the special use permit;

2175 (b) a floor plan of any room or facility in which the person plans to establish a
2176 hospitality room; and

2177 (c) evidence of proximity of a proposed hospitality room to:

2178 (i) the arrival and departure area used by a person traveling on the person's airline,
2179 railroad, bus, boat, or other public conveyance[-]; or

2180 (ii) if the applicant is a person described in Subsection [32B-10-202\(2\)\(a\)\(iv\)\(B\)](#), the
2181 arrival and departure area of another person's airline.

2182 (2) (a) The nonrefundable application fee for a public service permit is \$75.

2183 (b) The initial permit fee for a public service permit is \$250.

2184 (c) The bond amount required for a public service permittee is the penal sum of \$1,000.

2185 (3) (a) To renew a public service permit, a person shall comply with Section
2186 [32B-10-203](#).

2187 (b) (i) [The] Except as provided in Subsection (3)(b)(ii), the renewal fee for a public
2188 service permit is \$30 for each regularly numbered passenger airplane flight, passenger train,
2189 bus, boat, or any other regularly scheduled public conveyance upon which an alcoholic product
2190 is sold, offered for sale, or furnished.

2191 (ii) For an applicant described in Subsection [32B-10-202\(2\)\(a\)\(iv\)\(B\)](#), the renewal fee
2192 for a public service permit is \$5,000.

2193 Section 44. Section **32B-10-304** is amended to read:

2194 **32B-10-304. Specific operational requirements for a public service permit.**

2195 (1) (a) In addition to complying with Section [32B-10-206](#), a public service permittee

2196 and staff of the public service permittee shall comply with this section.

2197 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
2198 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2199 (i) a public service permittee;

2200 (ii) individual staff of a public service permittee; or

2201 (iii) both a public service permittee and staff of the public service permittee.

2202 (2) (a) A public service permittee described in Subsection 32B-10-202(2)(a)(iv)(A)
2203 whose public conveyances operate on an interstate basis may do the following:

2204 (i) purchase an alcoholic product outside of the state;

2205 (ii) bring an alcoholic product purchased outside of the state into the state; and

2206 (iii) sell, offer for sale, and furnish an alcoholic product purchased outside of the state
2207 to a passenger traveling on the public service permittee's public conveyance for consumption
2208 while en route on the public conveyance.

2209 (b) A public service permittee described in Subsection 32B-10-202(2)(a)(iv)(A) whose
2210 public conveyance operates solely within the state~~[-, to]~~:

2211 (i) may sell, offer for sale, or furnish an alcoholic product to a passenger traveling on
2212 the public service permittee's public conveyance for consumption while en route on the public
2213 conveyance~~[-, shall purchase:]~~; and

2214 (ii) shall purchase:

2215 ~~[(i)]~~ (A) liquor from a state store or package agency; and

2216 ~~[(i)]~~ (B) beer from a beer wholesaler licensee.

2217 (c) A public service permittee described in Subsection 32B-10-202(2)(a)(iv)(B):

2218 (i) may sell, offer for sale, or furnish an alcoholic product to a patron at the public
2219 service permittee's hospitality room; and

2220 (ii) shall purchase:

2221 (A) liquor from a state store or package agency; and

2222 (B) beer from a beer wholesaler licensee.

2223 (3) (a) A public service permittee may establish a hospitality room, if:

2224 (i) (A) the room is located within a depot, terminal, or similar facility adjacent to and
2225 servicing the public service permittee's airline, railroad, bus, boat, or other public conveyance;

2226 or

2227 (B) the room is located within a terminal at an international airport and servicing
2228 another public service permittee's airline;
2229 (ii) the room is completely enclosed and the interior is not visible to the public;
2230 (iii) the sale, offer for sale, or furnishing of an alcoholic product is made only to a
2231 person:
2232 (A) then in transit using the public service permittee's airline, railroad, bus line, or
2233 other public conveyance or, for a public service permittee described in Subsection (2), another
2234 public service permittee's airline; and
2235 (B) holding a valid boarding pass or similar travel document issued by [~~the~~] a public
2236 service permittee; and
2237 (iv) (A) liquor is purchased from:
2238 (I) a state store; or
2239 (II) a package agency; and
2240 (B) beer is purchased from a beer wholesaler licensee.
2241 (b) (i) A public service permittee operating a hospitality room shall display in a
2242 prominent place in the hospitality room, a sign in large letters that consists of text in the
2243 following order:
2244 (A) a header that reads: "WARNING";
2245 (B) a warning statement that reads: "Drinking alcoholic beverages during pregnancy
2246 can cause birth defects and permanent brain damage for the child.";
2247 (C) a statement in smaller font that reads: "Call the Utah Department of Health at
2248 [insert most current toll-free number] with questions or for more information.";
2249 (D) a header that reads: "WARNING"; and
2250 (E) a warning statement that reads: "Driving under the influence of alcohol or drugs is
2251 a serious crime that is prosecuted aggressively in Utah."
2252 (ii) (A) The text described in Subsections (3)(b)(i)(A) through (C) shall be in a
2253 different font style than the text described in Subsections (3)(b)(i)(D) and (E).
2254 (B) The warning statements in the sign described in Subsection (3)(b)(i) shall be in the
2255 same font size.
2256 (iii) The Department of Health shall work with the commission and department to
2257 facilitate consistency in the format of a sign required under this section.

2258 (c) A hospitality room shall be operated in accordance with this chapter and rules
2259 adopted by the commission.

2260 Section 45. Section **32B-15-201** is amended to read:

2261 **32B-15-201. Liability for injuries and damage resulting from distribution of**
2262 **alcoholic products -- Prima facie evidence.**

2263 (1) (a) Except as provided in Subsections **32B-15-202**(2) and (3), a person described in
2264 Subsection (1)(b) is liable for:

2265 (i) any and all injury and damage, except punitive damages to:

2266 (A) a third person; or

2267 (B) the heir, as defined in Section **78B-3-105**, of the third person; or

2268 (ii) the death of a third person.

2269 (b) A person is liable under Subsection (1)(a) if:

2270 (i) the person directly gives, sells, or otherwise provides an alcoholic product:

2271 (A) to a person described in Subsection (1)(b)(ii); and

2272 (B) as part of the commercial sale, storage, service, manufacture, distribution, or
2273 consumption of an alcoholic product;

2274 (ii) those actions cause the intoxication of:

2275 (A) an individual under 21 years old;

2276 (B) an individual who is apparently under the influence of an alcoholic product or
2277 drug;

2278 (C) an individual whom the person furnishing the alcoholic product knew or should
2279 have known from the circumstances was under the influence of an alcoholic product or drug; or

2280 (D) an individual who is a known interdicted person; and

2281 (iii) the injury or death described in Subsection (1)(a) results from the intoxication of
2282 the individual who is provided the alcoholic product.

2283 (c) It is prima facie evidence that a person is liable under Subsection (1)(a) for an
2284 injury or death that results from the intoxication of an individual described in Subsection
2285 (1)(b)(ii)(B) or (C) if:

2286 (i) the person directly gives, sells, or otherwise provides the individual the last
2287 alcoholic product the individual consumes before the injury or death described in Subsection
2288 (1)(b)(iii);

2289 (ii) the individual consumes the alcoholic product at the location where the person
2290 directly gives, sells, or otherwise provides the individual the alcoholic product;

2291 (iii) the injury or death occurs within 30 minutes after the time at which the individual
2292 leaves, and within a 10 mile radius of, the location where the person gives, sells, or otherwise
2293 provides the individual the alcoholic product; and

2294 (iv) (A) the individual is charged with [~~a criminal violation of Section 41-6a-502 for~~
2295 ~~driving under the influence of an alcoholic product in relation to the injury or death.~~] an offense
2296 described in Subsection 41-6a-501(2)(a); or

2297 (B) if the individual dies as a result of the event that caused the injury or death, a
2298 subsequent chemical test shows that the individual had a blood alcohol concentration of .05
2299 grams or greater at the time of the test.

2300 (2) (a) A person 21 years old or older who is described in Subsection (2)(b) is liable
2301 for:

2302 (i) any and all injury and damage, except punitive damages to:

2303 (A) a third person; or

2304 (B) the heir, as defined in Section 78B-3-105, of the third person; or

2305 (ii) the death of the third person.

2306 (b) A person is liable under Subsection (2)(a) if:

2307 (i) the person directly gives or otherwise provides an alcoholic product to an individual
2308 who the person knows or should have known is under 21 years old;

2309 (ii) those actions caused the intoxication of the individual provided the alcoholic
2310 product;

2311 (iii) the injury or death described in Subsection (2)(a) results from the intoxication of
2312 the individual who is provided the alcoholic product; and

2313 (iv) the person is not liable under Subsection (1), because the person did not directly
2314 give or provide the alcoholic product as part of the commercial sale, storage, service,
2315 manufacture, distribution, or consumption of an alcoholic product.

2316 (3) This section does not apply to a business licensed in accordance with Chapter 7,
2317 Off-Premise Beer Retailer Act, to sell beer at retail only for off-premise consumption.

2318 Section 46. Section 41-6a-531 is enacted to read:

2319 **41-6a-531. Access to DUI investigative reports.**

2320 (1) As used in this section:

2321 (a) "Agent" means a person's attorney that has been formally engaged.

2322 (b) "DUI investigative report" means all materials that a peace officer gathers as part of
2323 investigating an offense described in Subsection 41-6a-501 including:

2324 (i) the identity of witnesses and, if known, contact information;

2325 (ii) witness statements;

2326 (iii) photographs and videotapes;

2327 (iv) diagrams;

2328 (v) field notes;

2329 (vi) test results; and

2330 (vii) any Targeted Responsibility for Alcohol Connected Emergencies investigation
2331 report.

2332 (2) (a) Upon request, a law enforcement agency shall disclose an unredacted DUI
2333 investigative report to:

2334 (i) a person who suffers loss or injury related to the person's actions that gave rise to
2335 the investigation; or

2336 (ii) an agent, parent, or legal guardian of the person described in Subsection (2)(a)(i).

2337 (b) A law enforcement agency responding to a request under Subsection (2)(a) may:

2338 (i) withhold a portion of the DUI investigative report if disclosure would materially
2339 prejudice an ongoing criminal investigation or criminal prosecution;

2340 (ii) redact or withhold any privileged information;

2341 (iii) redact an individual's phone number or address, if disclosure of the individual's
2342 phone number or address may endanger an individual's physical safety; or

2343 (iv) provide the DUI investigative report subject to an agreement that limits the
2344 recipient's use of the DUI investigative report to use solely for the purpose of pursuing a civil
2345 claim related to the incident.

2346 (3) A law enforcement agency may charge a reasonable fee to cover the cost incurred
2347 by disclosing a DUI investigative report in accordance with this section.

2348 Section 47. Section 53-28-101 is enacted to read:

2349 **CHAPTER 28. PLACE OF LAST DRINK PROGRAM**

2350 **53-28-101. Definitions.**

2351 (1) "Alcohol-related law enforcement officer" means the same as that term is defined in
2352 Section [32B-1-201](#).

2353 (2) "Alcohol-related traffic stop" means a traffic stop that results in an individual being
2354 arrested for an offense described in Subsection [41-6a-501\(2\)\(a\)](#) related to alcohol.

2355 (3) "Alcoholic beverage" means the same as that term is defined in Section [32B-1-102](#).

2356 (4) "Place of last drink" means the location where an individual obtains and consumes
2357 the last alcoholic beverage before the individual is the subject of an alcohol-related traffic stop.

2358 (5) "Retail licensee" means the same as that term is defined in Section [32B-1-102](#).

2359 Section 48. Section **53-28-102** is enacted to read:

2360 **53-28-102. Place of last drink reporting requirements.**

2361 (1) The department shall establish a program in accordance with this chapter to:

2362 (a) identify when an individual's place of last drink is a retail licensee; and

2363 (b) efficiently share information with alcohol-related law enforcement officers about

2364 each retail licensee that is an individual's place of last drink for the purpose of allowing the

2365 alcohol-related law enforcement officers to investigate a possible violation of Section

2366 [32B-5-306](#).

2367 (2) In developing the program described in this section, the department shall coordinate
2368 with and take input from the Department of Alcoholic Beverage Services created in Section

2369 [32B-2-203](#).

2370 (3) Before November 1, 2025, the department shall provide a written report to the
2371 Criminal Justice and Law Enforcement Interim Committee that describes how the department
2372 implemented the program, the extent to which the program accomplishes the objectives
2373 described in Subsection (1), and any planned or recommended changes.

2374 Section 49. Section **59-15-101** is amended to read:

2375 **59-15-101. Tax basis -- Rate.**

2376 (1) As used in this chapter, "beer" means:

2377 (a) beer as defined in Section [32B-1-102](#); or

2378 (b) heavy beer as defined in Section [32B-1-102](#).

2379 (2) (a) A tax is imposed at the rate specified in [~~Subsection (1)(b) on all beer, as~~
2380 defined in Section ~~32B-1-102~~]; Subsection (2)(b) on beer that is imported or manufactured for
2381 sale, use, or distribution in this state.

2382 ~~[(b) The tax described in Subsection (1)(a) shall be imposed at a rate of:]~~
2383 ~~[(i) \$11 per 31-gallon barrel for beer imported or manufactured:]~~
2384 ~~[(A) before July 1, 2003; and]~~
2385 ~~[(B) for sale, use, or distribution in this state; and]~~
2386 ~~[(ii) \$13.10 per 31-gallon barrel for beer imported or manufactured:]~~
2387 ~~[(A) on or after July 1, 2003; and]~~
2388 ~~[(B) for sale, use, or distribution in this state.]~~
2389 (b) The rate of the tax imposed under this Subsection (2) is:
2390 (i) \$13.10 per 31-gallon barrel for beer imported or manufactured before July 1, 2024;
2391 (ii) \$13.35 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2392 2024, and before July 1, 2025;
2393 (iii) \$13.60 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2394 2025, and before July 1, 2026;
2395 (iv) \$13.85 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2396 2026, and before July 1, 2027; and
2397 (v) \$14.10 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2398 2027.
2399 (c) The tax imposed under this Subsection ~~[(1)]~~ (2):
2400 (i) shall be imposed at a proportionate rate for:
2401 (A) any quantity of beer other than a 31-gallon barrel; or
2402 (B) the fractional parts of a 31-gallon barrel; and
2403 (ii) may not be imposed more than once on the same beer.
2404 ~~[(2)]~~ (3) A tax may not be imposed on beer:
2405 (a) sold to the United States and its agencies; or
2406 (b) (i) manufactured or imported for sale, use, or distribution outside the state; and
2407 (ii) exported from the state.
2408 Section 50. Section **59-15-109** is amended to read:
2409 **59-15-109. Commission to deposit beer tax revenue.**
2410 (1) ~~[Except as provided in Subsection (2), taxes collected under this chapter shall be~~
2411 ~~paid by the commission to the state treasurer daily for deposit] Except as provided in~~
2412 Subsections (2) and (3), the commission shall deposit revenue collected under this chapter as

2413 follows:

2414 (a) the greater of the following shall be deposited into the Alcoholic Beverage
2415 Enforcement and Treatment Restricted Account created in Section 32B-2-403:

2416 (i) an amount calculated by:

2417 (A) determining an amount equal to 50% of the revenue collected for the fiscal year
2418 two years preceding the fiscal year for which the deposit is made; and

2419 (B) subtracting \$30,000 from the amount determined under Subsection (1)(a)(i)(A); or

2420 (ii) \$4,350,000; and

2421 (b) the revenue collected in excess of the amount deposited in accordance with
2422 Subsection (1)(a) shall be deposited into the General Fund.

2423 (2) The ~~[state treasurer]~~ commission shall annually deposit into the Alcoholic Beverage
2424 Enforcement and Treatment Restricted Account created in Section 32B-2-403 an amount equal
2425 to the amount of revenue generated in the current fiscal year by the portion of the tax imposed
2426 under Section 59-15-101 that ~~[exceeds]~~ is equal to:

2427 ~~[(a) \$12.80 per 31-gallon barrel for beer imported or manufactured:]~~

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

2429 ~~[(ii) for sale, use, or distribution in this state; and]~~

2430 (a) \$0.30 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2431 2003; and

2432 (b) a proportionate rate to the rate described in Subsection (2)(a) for:

2433 (i) any quantity of beer other than a 31-gallon barrel; or

2434 (ii) the fractional parts of a 31-gallon barrel.

2435 (3) Beginning fiscal year 2024-25, the commission shall annually deposit into the
2436 Alcoholic Beverage Control Act Enforcement Fund created in Section 32B-2-305 an amount
2437 equal to the amount of revenue generated in the current fiscal year by the portion of the tax
2438 imposed under Section 59-15-101 that exceeds:

2439 (a) \$13.10 per 31-gallon barrel for beer imported or manufactured on or after July 1,
2440 2024; and

2441 (b) a proportionate rate to the rate described in Subsection (3)(a) for:

2442 (i) any quantity of beer other than a 31-gallon barrel; or

2443 (ii) the fractional parts of a 31-gallon barrel.

2444 ~~[(3)]~~ (4) (a) The commission shall notify the entities described in Subsection ~~[(3)(b)]~~
2445 (4)(b) not later than the September 1 preceding the fiscal year of the deposit of:

2446 (i) the amount of the proceeds of the beer excise tax collected in accordance with this
2447 section for the fiscal year two years preceding the fiscal year of deposit; and

2448 (ii) an amount equal to 50% of the amount listed in Subsection ~~[(3)(a)(i)]~~ (4)(a)(i).

2449 (b) The notification required by Subsection ~~[(3)(a)]~~ (4)(a) shall be sent to:

2450 (i) the Governor's Office of Planning and Budget; and

2451 (ii) the Legislative Fiscal Analyst.

2452 Section 51. Section **63I-2-232** is amended to read:

2453 **63I-2-232. Repeal dates: Title 32B.**

2454 (1) Subsection 32B-1-603.5(7), regarding the Department of Alcoholic Beverage
2455 Services' review of beer that is sold or distributed in the state, is repealed December 31, 2024.

2456 (2) Subsection 32B-2-205(4), which creates a workgroup to make recommendations
2457 regarding training and recordkeeping for certain cash transactions, is repealed January 1, 2025.

2458 Section 52. **Repealer.**

2459 This bill repeals:

2460 Section **32B-2-210, Alcoholic Beverage Services Advisory Board.**

2461 Section 53. **Effective date.**

2462 This bill takes effect on May 1, 2024.

2463 Section 54. **Coordinating H.B. 548 with S.B. 272.**

2464 If S.B. 272, Capital City Reinvestment Zone Amendments, does not pass and become
2465 law, the Legislature intends that, on May 1, 2024, the changes to Section 32B-1-202 in H.B.
2466 548, Alcohol Amendments, not be made.