{deleted text} shows text that was in SB0119 but was deleted in SB0119S01.

inserted text shows text that was not in SB0119 but was inserted into SB0119S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

{TO-GO}Senator Derek L. Kitchen proposes the following substitute bill:

BEVERAGE SERVICE AMENDMENTS

2021 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Derek L. Kitchen

House	Sponsor:		

LONG TITLE

General Description:

This bill amends provisions of the Alcoholic Beverage Control Act regarding full-service restaurant <u>and bar establishment</u> licensees providing spirituous liquor.

Highlighted Provisions:

This bill:

- ▶ amends provisions under which a full-service restaurant licensee or bar establishment licensee may sell, offer for sale, or furnish a spirituous liquor that is not dispensed through a calibrated metered dispensing system;
- permits a patron to carry a spirituous liquor from the licensed premises of a full-service restaurant licensee under certain conditions;
- amends the operational requirement of a full-service restaurant licensee to permit
 the licensee to sell, offer for sale, or furnish certain beverages to a patron for

consumption off the retail licensee's licensed premises under certain conditions;} and

makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

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

32B-5-304, as last amended by Laws of Utah 2019, Chapter 403

{32B-5-307}**32B-6-406**, as last amended by Laws of Utah 2020, Chapter 219

32B-6-205, as last amended by Laws of Utah 2020, Chapter 219

32B-6-205.2, as last amended by Laws of Utah 2020, Chapter 219

63I-2-232, as last amended by Laws of Utah 2020, Sixth Special Session, Chapter 6

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

Section 1. Section 32B-4-422 is amended to read:

32B-4-422. Unlawful dispensing.

- (1) A retail licensee licensed under this title to sell, offer for sale, or furnish spirituous liquor for consumption on the licensed premises, or staff of the retail licensee may not:
- (a) sell, offer for sale, or furnish a primary spirituous liquor to a person on the licensed premises [except] in a quantity that [does not exceed] exceeds 1.5 ounces per beverage dispensed through a calibrated metered dispensing system approved by the department, except that a retail licensee that is a full-service restaurant licensee or a bar establishment licensee may sell, offer for sale, or furnish a primary spirituous liquor that is not dispensed through a calibrated metered dispensing system if the primary spirituous liquor is in a beverage that:
 - (i) is in an original, sealed container;
 - (ii) is not more than 12 fluid ounces; and
 - (iii) contains no more than 10% alcohol by volume or 8% by weight;
 - (b) sell, offer for sale, or furnish more than:

- (i) a total of 2.5 ounces of spirituous liquor per beverage; or
- (ii) if the retail licensee is a full-service restaurant licensee or a bar establishment licensee, one beverage described in Subsection (1)(a)(i);
 - (c) allow a person on the licensed premises to have more than:
 - (i) a total of 2.5 ounces of spirituous liquor at a time; or
- (ii) if the retail licensee is a full-service restaurant licensee or a bar establishment licensee, one beverage described in Subsection (1)(a)(i) at a time; or
- (d) (i) except as provided in Subsection (1)(d)(ii), allow a person to have more than two spirituous liquor beverages at a time; or
- (ii) allow a person on the {licensed } premises of the following to have more than one spirituous liquor beverage at a time:
 - (A) a full-service restaurant licensee;
 - (B) a person operating under a full-service restaurant sublicense;
 - (C) an on-premise banquet licensee;
 - (D) a person operating under an on-premise banquet sublicense; or
 - (E) a single event permittee.
- (2) The provisions of Subsection (1) do not apply to spirituous liquor that a full-service restaurant licensee is licensed to sell, offer for sale, or furnish for consumption off the full-service restaurant licensee's licensed premises as provided in Sections 32B-6-205 and 32B-6-205.2.
- $\{f\}(2)\{f\}(3)\}$ A violation of this section is a class C misdemeanor.
 - Section 2. Section 32B-5-304 is amended to read:

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

- (1) (a) A retail licensee may sell, offer for sale, or furnish a primary spirituous liquor only in a quantity that does not exceed 1.5 ounces per beverage dispensed through a calibrated metered dispensing system approved by the department in accordance with commission rules adopted under this title, except that[:] a retail licensee may sell, offer for sale, or furnish a primary spirituous liquor that is not dispensed through a calibrated metered dispensing system if:
- [(a) spirituous liquor need not be dispensed through a calibrated metered dispensing system if]

[used as a secondary flavoring ingredient in a beverage subject to the following requirements:]

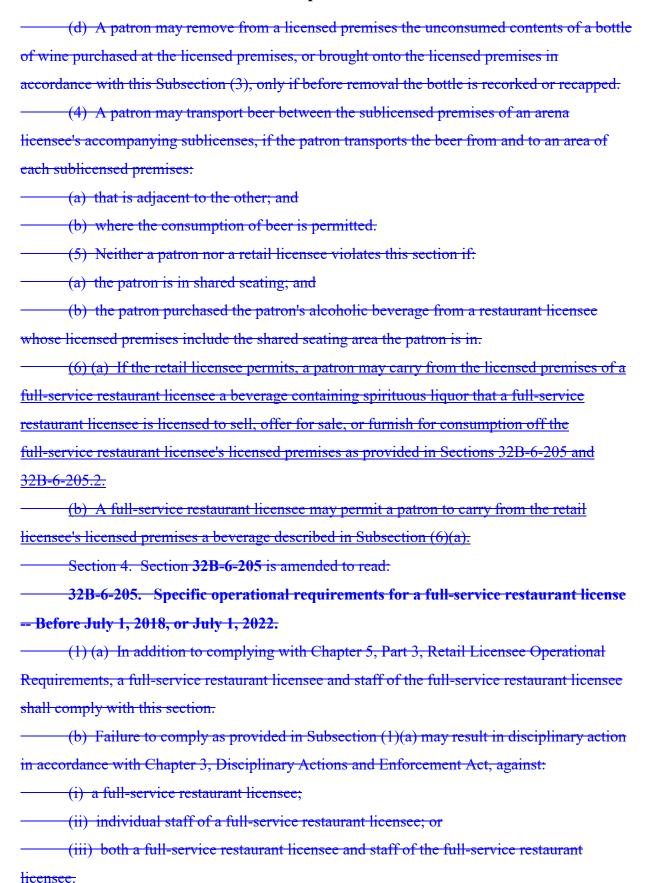
- (i) the secondary ingredient may be
- [dispensed only in conjunction with the purchase of a primary spirituous liquor;]
- [(ii) the secondary ingredient may not be]
- [the only spirituous liquor in the beverage;]
- [(iii) the retail licensee shall designate a location where flavorings are stored on the floor plan submitted to the department; and]
 - [(iv) a flavoring]
 - [container shall be plainly and conspicuously labeled "flavorings";]
- [(b) spirituous liquor need not be dispensed through a calibrated metered dispensing system if used:]
 - [(i) as a flavoring on a dessert; and]
 - [(ii) in the preparation of a flaming food dish, drink, or dessert; and]
 - (i) the retail licensee is a:
 - (A) full-service restaurant licensee; or
 - (B) bar establishment licensee;
 - (ii) the primary spirituous liquor is in a beverage that:
 - (A) is in an original, sealed container;
 - (B) is not more than 12 fluid ounces; and
 - (C) contains no more than 10% alcohol by volume or 8% by weight; and
- (iii) the retail licensee sells or offers for sale the beverage that contains the primary spirituous liquor at a price fixed by the commission \{\frac{1}{2}, \text{ and }\}.
- { (iv) the retail licensee does not allow a patron to consume the beverage containing the primary spirituous liquor on the retail licensee's licensed premises.
- † (b) A retail licensee may dispense a secondary flavoring ingredient, if the retail licensee:
- (i) designates a location where the retail licensee stores secondary flavoring ingredients on the floor plan the retail licensee submits to the department; and
- (ii) clearly and conspicuously labels each secondary flavoring ingredient's container "flavorings".

- (c) $\frac{1}{a}$ A patron may have no more than:
- (i) 2.5 ounces of spirituous liquor at a time[:]; or
- (ii) {This} one beverage described in Subsection (1)({c) does not apply to spirituous liquor that a full-service restaurant licensee is licensed to sell, offer for sale, or furnish for consumption off the full-service restaurant licensee's licensed premises as provided in Sections 32B-6-205 and 32B-6-205.2}a)(ii) at a time.
- (2) (a) (i) A retail licensee may sell, offer for sale, or furnish wine by the glass or in an individual portion that does not exceed 5 ounces per glass or individual portion.
- (ii) A retail licensee may sell, offer for sale, or furnish an individual portion of wine to a patron in more than one glass if the total amount of wine does not exceed 5 ounces.
- (b) (i) A retail licensee may sell, offer for sale, or furnish wine in a container not exceeding 1.5 liters at a price fixed by the commission to a table of four or more persons.
- (ii) A retail licensee may sell, offer for sale, or furnish wine in a container not to exceed 750 milliliters at a price fixed by the commission to a table of less than four persons.
- (3) A retail licensee may sell, offer for sale, or furnish heavy beer in an original container at a price fixed by the commission, except that the original container may not exceed one liter.
- (4) A retail licensee may sell, offer for sale, or furnish a flavored malt beverage in an original container at a price fixed by the commission, except that the original container may not exceed one liter.
- (5) (a) Subject to Subsection (5)(b), a retail licensee may sell, offer for sale, or furnish beer for on-premise consumption:
 - (i) in an open original container; and
 - (ii) in a container on draft.
 - (b) A retail licensee may not sell, offer for sale, or furnish beer under Subsection (5)(a):
 - (i) in a size of container that exceeds two liters; or
 - (ii) to an individual patron in a size of container that exceeds one liter.
- (c) A retail licensee may sell, offer for sale, or furnish a flight of beer to an individual patron if the total amount of beer does not exceed 16 ounces.

Section 3. Section (32B-5-307) 32B-6-406 is amended to read:

32B-5-307. Bringing alcoholic product onto or removing alcoholic product from

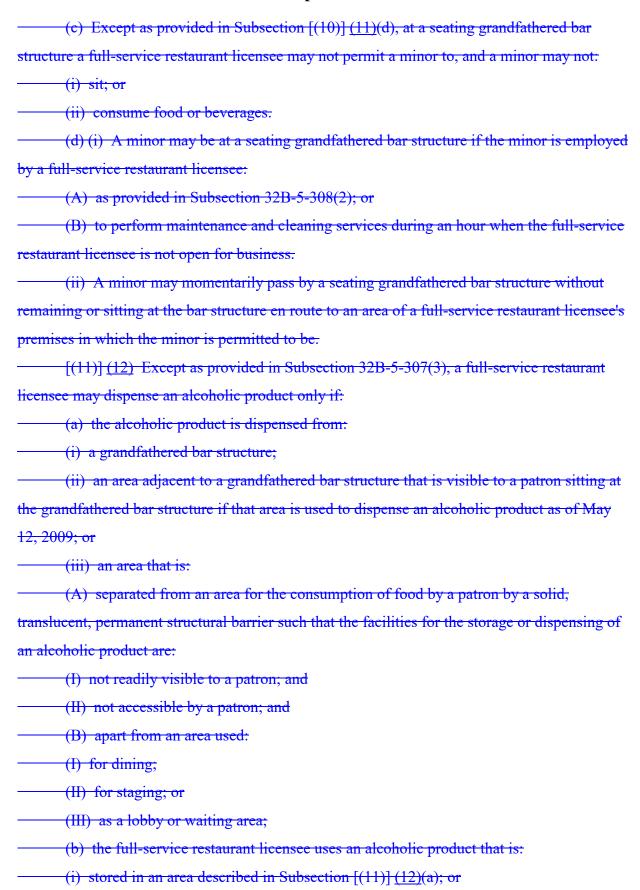
premises. (1) Except as provided in Subsections (3) through (5): (a) [A] a person may not bring onto the licensed premises of a retail licensee an alcoholic product for on-premise consumption[.]; (b) [A] a retail licensee may not allow a person to: (i) bring onto licensed premises an alcoholic product for on-premise consumption; or (ii) consume an alcoholic product brought onto the licensed premises by a person other than the retail licensee[.]; and (c) [A] a retail licensee may not sell, offer for sale, or furnish an alcoholic product through a window or door to a location off the licensed premises or to a vehicular traffic area. (2) Except as provided in Subsections (3) through [(5)] (6) and 32B-4-415(5): (a) a person may not carry from a licensed premises of a retail licensee an open container that: (i) is used primarily for drinking purposes; and (ii) contains an alcoholic product; (b) a retail licensee may not permit a patron to carry from the licensed premises an open container described in Subsection (2)(a); and (c) (i) a person may not carry from a licensed premises of a retail licensee a sealed container of liquor that has been purchased from the retail licensee; and (ii) a retail licensee may not permit a patron to carry from the licensed premises a sealed container of liquor that has been purchased from the retail licensee. (3) (a) A patron may bring a bottled wine onto the premises of a retail licensee for on-premise consumption if: (i) permitted by the retail licensee; and (ii) the retail licensee is authorized to sell, offer for sale, or furnish wine. (b) If a patron carries bottled wine onto the licensed premises of a retail licensee, the patron shall deliver the bottled wine to a server or other representative of the retail licensee upon entering the licensed premises. (c) A retail licensee authorized to sell, offer for sale, or furnish wine, may provide a wine service for a bottled wine carried onto the licensed premises in accordance with this Subsection (3) or a bottled wine purchased at the licensed premises.

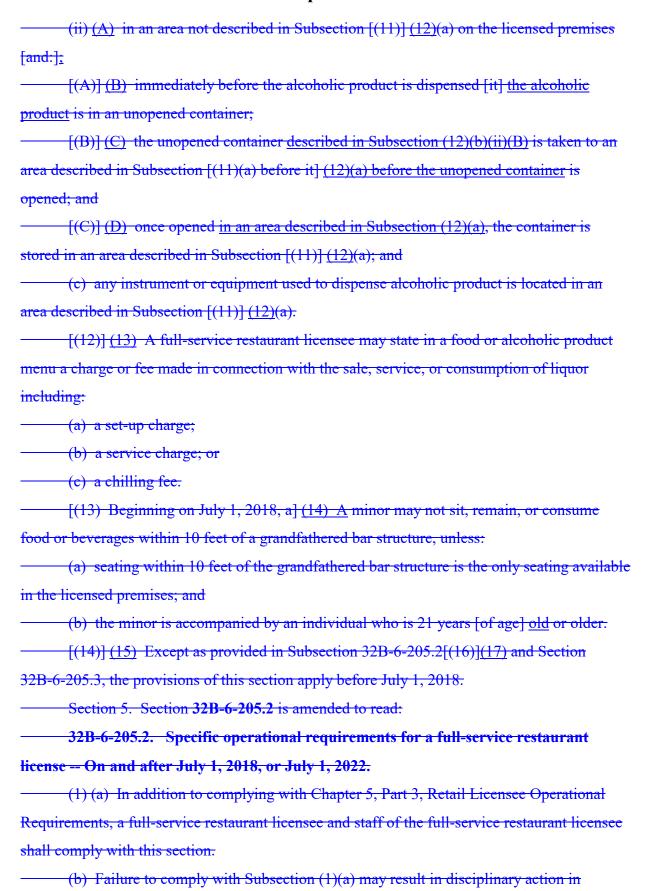


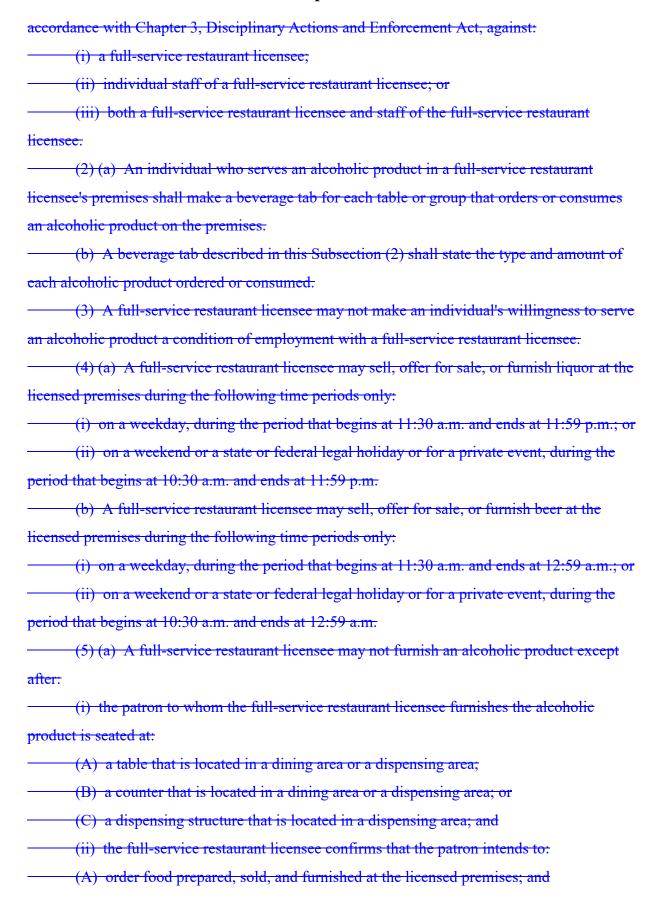
(2) In addition to complying with Subsection 32B-5-301(3), a full-service restaurant licensee shall display in a prominent place in the restaurant a list of the types and brand names of liquor being furnished through the full-service restaurant licensee's calibrated metered dispensing system. (3) In addition to complying with Section 32B-5-303, a full-service restaurant licensee shall store an alcoholic product in a storage area described in Subsection [(11)] (12)(a). (4) (a) An individual who serves an alcoholic product in a full-service restaurant licensee's premises shall make a written beverage tab for each table or group that orders or consumes an alcoholic product on the premises. (b) A beverage tab required by this Subsection (4) shall list the type and amount of an alcoholic product ordered or consumed. (5) A person's willingness to serve an alcoholic product may not be made a condition of employment as a server with a full-service restaurant licensee. (6) (a) A full-service restaurant licensee may sell, offer for sale, or furnish liquor at the licensed premises during the following time periods only: (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or (ii) on a weekend or a state or federal legal holiday or for a private event, during the period that begins at 10:30 a.m. and ends at 11:59 p.m. (b) A full-service restaurant licensee may sell, offer for sale, or furnish beer at the licensed premises during the following time periods only: (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or (ii) on a weekend or a state or federal legal holiday or for a private event, during the period that begins at 10:30 a.m. and ends at 12:59 a.m. (7) (a) A full-service restaurant licensee may not sell, offer for sale, or furnish an alcoholic product except after the full-service restaurant licensee confirms that the patron has the intent to order food prepared, sold, and furnished at the licensed premises. (b) A full-service restaurant licensee shall maintain on the licensed premises adequate culinary facilities for food preparation and dining accommodations. (8) (a) Subject to the other provisions of this Subsection (8), a patron may not have more than two alcoholic products of any kind at a time before the patron.

(b) A patron may not have more than one beverage containing spirituous liquor [drink]

at a time before the patron.
(c) An individual portion of wine is considered to be one alcoholic product under
Subsection (8)(a).
(d) This Subsection (8) does not apply to an alcoholic product described in Subsection
(10) that a patron purchases for consumption off the full-service restaurant licensee's licensed
premises.
(9) (a) A patron may consume an alcoholic product only:
[(a)] (<u>i)</u> at:
[(i)] (A) the patron's table;
[(ii)] (B) a counter; or
[(iii)] (C) a seating grandfathered bar structure; and
[(b)] (ii) where food is served.
(b) Subsection (9)(a) does not apply to an alcoholic product that a patron purchases to
consume off the full-service restaurant licensee's licensed premises in accordance with
Subsection (10).
(10) (a) A full-service restaurant licensee may sell, offer for sale, or furnish a beverag
containing spirituous liquor for consumption off the full-service restaurant licensee's licensed
premises, if the beverage:
(i) is in an original, sealed container;
(ii) is no more than 12 fluid ounces; and
(iii) contains no more than 10% alcohol by volume or 8% by weight.
(b) A full-service restaurant licensee may not allow a patron to consume a beverage
described in Subsection (10)(a) on the full-service restaurant licensee's licensed premises.
[(10)] (11) (a) A full-service restaurant licensee may not sell, offer for sale, or furnish
an alcoholic product to a patron, and a patron may not consume an alcoholic product at a bar
structure that is not a seating grandfathered bar structure.
(b) At a seating grandfathered bar structure a patron who is 21 years [of age] old or
older may:
(i) sit;
(ii) be furnished an alcoholic product; and
(iii) consume an alcoholic product.

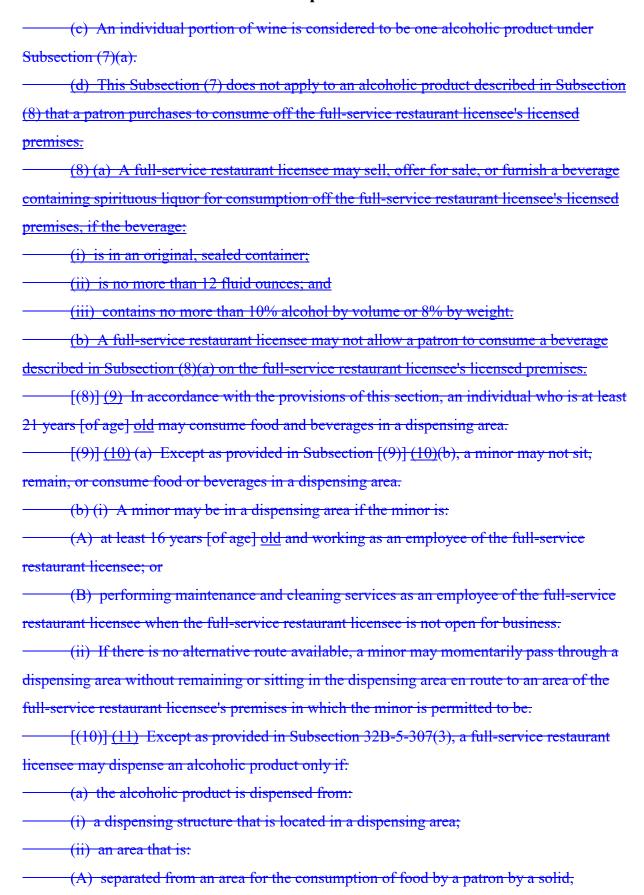




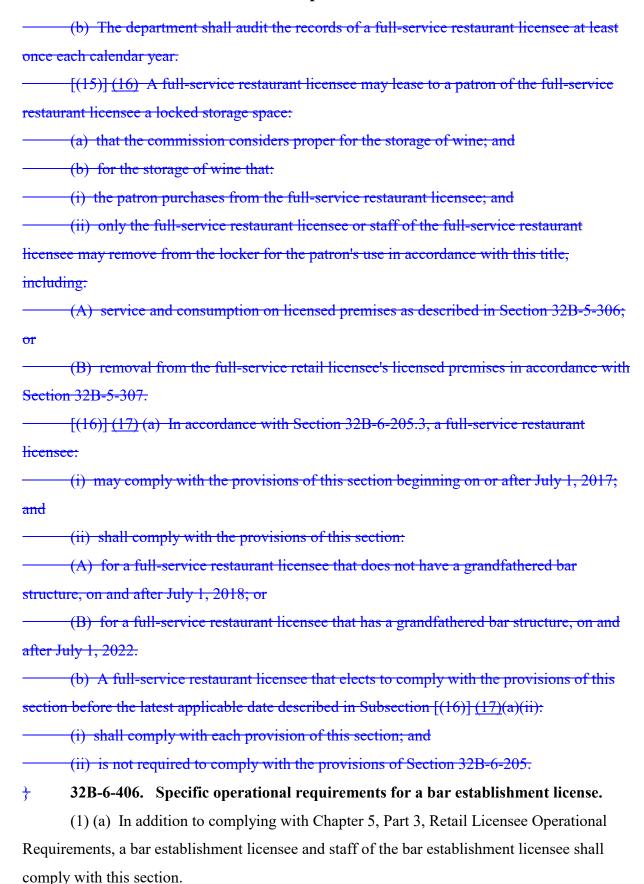


(B) except as provided in Subsection (5)(b), consume the food at the same location where the patron is seated and furnished the alcoholic product. (b) (i) While a patron waits for a seat at a table or counter in the dining area of a full-service restaurant licensee, the full-service restaurant licensee may sell, offer for sale, or furnish to the patron one drink that contains a single portion of an alcoholic product as described in Section 32B-5-304 if: (A) the patron is in a dispensing area and seated at a table, counter, or dispensing structure; and (B) the full-service restaurant licensee first confirms that after the patron is seated in the dining area, the patron intends to order food prepared, sold, and furnished at the licensed premises. (ii) If the patron does not finish the patron's alcoholic product before moving to a seat in the dining area, an employee of the full-service restaurant licensee who is qualified to sell and serve an alcoholic product under Section 32B-5-306 shall transport any unfinished portion of the patron's alcoholic product to the patron's seat in the dining area. (iii) For purposes of Subsection (5)(b)(i) a single portion of wine is five ounces or less. (c) A full-service restaurant licensee shall maintain on the licensed premises adequate culinary facilities for food preparation and dining accommodations. (d) Subsection (5)(a) does not apply to an alcoholic product described in Subsection (8) that a patron purchases to consume off the full-service restaurant licensee's licensed premises. (6) (a) A patron may consume an alcoholic product only if the patron is seated at: [(a)] (i) a table that is located in a dining area or dispensing area; [(b)] (ii) a counter that is located in a dining area or dispensing area; or [(c)] (iii) a dispensing structure located in a dispensing area. (b) Subsection (6)(a) does not apply to an alcoholic product that a patron purchases to consume off the full-service restaurant licensee's licensed premises in accordance with Subsection (8). (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have more than two alcoholic products of any kind at a time before the patron. (b) A patron may not have more than one spirituous liquor drink at a time before the

patron.



translucent, permanent structural barrier such that the facilities for the dispensing of an
alcoholic product are not readily visible to a patron and not accessible by a patron; and
(B) apart from an area used for dining, for staging, or as a waiting area; or
(iii) the premises of a bar licensee that is:
(A) owned by the same person or persons as the full-service restaurant licensee; and
(B) located immediately adjacent to the premises of the full-service restaurant licensee;
and
(b) any instrument or equipment used to dispense alcoholic product is located in an
area described in Subsection [(10)] (11)(a).
[(11)] (12) (a) A full-service restaurant licensee may have more than one dispensing
area in the licensed premises.
(b) Each dispensing area in a licensed premises may satisfy the requirements for a
dispensing area under Subsection 32B-6-202(2)(a)(i), (ii), or (iii), regardless of how any other
dispensing area in the licensed premises satisfies the requirements for a dispensing area.
[(12)] (13) A full-service restaurant licensee may not:
(a) transfer, dispense, or serve an alcoholic product on or from a movable cart; or
(b) display an alcoholic product or a product intended to appear like an alcoholic
product by moving a cart or similar device around the licensed premises.
[(13)] (14) A full-service restaurant licensee may state in a food or alcoholic product
menu a charge or fee made in connection with the sale, service, or consumption of liquor,
including:
(a) a set-up charge;
(b) a service charge; or
(c) a chilling fee.
[(14)] (15) (a) In addition to the requirements described in Section 32B-5-302, a
full-service restaurant licensee shall maintain each of the following records for at least three
years:
(i) a record required by Section 32B-5-302; and
(ii) a record that the commission requires a full-service restaurant licensee to use or
maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative
Rulemaking Act.



- (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
 - (i) a bar establishment licensee;
 - (ii) individual staff of a bar establishment licensee; or
 - (iii) both a bar establishment licensee and staff of the bar establishment licensee.
- (2) In addition to complying with Subsection 32B-5-301(3), a bar licensee shall display in a conspicuous place at the entrance to the licensed premises a sign that:
 - (a) measures at least 8-1/2 inches long and 11 inches wide; and
- (b) clearly states that the bar licensee is a bar and that no one under 21 years [of age] old is allowed.
- (3) (a) In addition to complying with Section 32B-5-302, a bar establishment licensee shall maintain for a minimum of three years:
 - (i) a record required by Section 32B-5-302; and
- (ii) a record maintained or used by the bar establishment licensee, as the department requires.
- (b) Section 32B-1-205 applies to a record required to be made, maintained, or used in accordance with this Subsection (3).
- (c) The department shall audit the records of a bar establishment licensee at least once annually.
- (4) (a) A bar establishment licensee may not sell, offer for sale, or furnish liquor on the licensed premises on any day during a period that:
 - (i) begins at 1 a.m.; and
 - (ii) ends at 9:59 a.m.
- (b) A bar establishment licensee may sell, offer for sale, or furnish beer during the hours specified in Part 7, On-Premise Beer Retailer License, for an on-premise beer retailer license.
- (c) (i) Notwithstanding Subsections (4)(a) and (b), a bar establishment licensee shall keep [its] the licensee's licensed premises open for one hour after the bar establishment licensee ceases the sale and furnishing of an alcoholic product during which time a patron of the bar establishment licensee may finish consuming:
 - (A) a single drink containing spirituous liquor;

- (B) a single serving of wine not exceeding five ounces;
- (C) a single serving of heavy beer;
- (D) a single serving of beer not exceeding 26 ounces; or
- (E) a single serving of a flavored malt beverage.
- (ii) A bar establishment licensee is not required to remain open:
- (A) after all patrons have vacated the premises; or
- (B) during an emergency.
- (5) (a) A minor:
- (i) may not be admitted into, use, or be in the licensed premises of:
- (A) a dining club licensee unless accompanied by an individual who is 21 years [of age] old or older; or
 - (B) a bar licensee, except to the extent provided for under Section 32B-6-406.1;
- (ii) may only be admitted into, use, or be in the lounge or bar area of an equity licensee's or fraternal licensee's licensed premises:
 - (A) when accompanied by an individual who is 21 years [of age] old or older; and
 - (B) momentarily while en route to another area of the licensee's premises; and
- (iii) may not remain or sit in the lounge or bar area of an equity licensee's or fraternal licensee's licensed premises.
- (b) Notwithstanding Section 32B-5-308, a bar establishment licensee may not employ a minor to:
- (i) work in a lounge or bar area of an equity licensee, fraternal licensee, or dining club licensee; or
 - (ii) handle an alcoholic product.
- (c) Notwithstanding Section 32B-5-308, a minor may not be employed on the licensed premises of a bar licensee.
- (d) Nothing in this part or Section 32B-5-308 precludes a local authority from being more restrictive of a minor's admittance to, use of, or presence on the licensed premises of a bar establishment licensee.
- (6) A bar establishment licensee shall have food available at all times when an alcoholic product is sold, offered for sale, furnished, or consumed on the licensed premises.
 - (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have

more than two alcoholic products of any kind at a time before the patron.

- (b) A patron may not have two spirituous liquor drinks before the bar establishment licensee patron if one of the spirituous liquor drinks:
- (i) consists only of the primary spirituous liquor for the other spirituous liquor drink[-];
 - (ii) is a beverage described in Subsection 32B-5-304(1)(a)(ii).
- (c) An individual portion of wine is considered to be one alcoholic product under Subsection (7)(a).
- (8) A bar establishment licensee shall have available on the premises for a patron to review at the time that the patron requests it, a written alcoholic product price list or a menu containing the price of an alcoholic product sold, offered for sale, or furnished by the bar establishment licensee including:
 - (a) a set-up charge;
 - (b) a service charge; or
 - (c) a chilling fee.
- (9) Subject to Section 32B-5-309, a bar establishment licensee may not temporarily rent or otherwise temporarily lease [its] the licensee's licensed premises to a person unless:
- (a) the person to whom the bar establishment licensee rents or leases the premises agrees in writing to comply with this title as if the person is the bar establishment licensee, except for a requirement related to making or maintaining a record; and
- (b) the bar establishment licensee takes reasonable steps to ensure that the person complies with this section as provided in Subsection (9)(a).
- (10) If a bar establishment licensee is an equity licensee or fraternal licensee, the bar establishment licensee shall comply with Section 32B-6-407.
- (11) If a bar establishment licensee is a dining club licensee or bar licensee, the bar establishment licensee shall comply with Section 32B-1-407.
- (12) (a) A bar establishment licensee shall own or lease premises suitable for the bar establishment licensee's activities.
- (b) A bar establishment licensee may not maintain licensed premises in a manner that barricades or conceals the bar establishment licensee's operation.

Section 6. Section 63I-2-232 is amended to read:

- 19 -

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63I-2-232. Repeal dates -- Title 32B.
      (1) Subsection 32B-1-102(9) is repealed July 1, 2022.
      (2) Subsection 32B-1-407(3)(d) is repealed July 1, 2022.
      (3) Section 32B-2-211.1 is repealed November 1, 2020.
       [(4) Subsection 32B-5-202(4), which addresses license renewal during 2020, is
repealed January 1, 2021.]
      [(5)] (3) Subsections 32B-6-202(3) and (4) are repealed July 1, 2022.
      [(6)] (4) Section 32B-6-205 is repealed July 1, 2022.
      [(7)] (5) Subsection 32B-6-205.2[(16)](17) is repealed July 1, 2022.
      [(8)] (6) Section 32B-6-205.3 is repealed July 1, 2022.
      [(9)] (7) Subsections 32B-6-302(3) and (4) are repealed July 1, 2022.
      [(10)] (8) Section 32B-6-305 is repealed July 1, 2022.
      [(11)] (9) Subsection 32B-6-305.2(15) is repealed July 1, 2022.
      [(12)] (10) Section 32B-6-305.3 is repealed July 1, 2022.
      [(13)] (11) Section 32B-6-404.1 is repealed July 1, 2022.
      [(14)] (12) Section 32B-6-409 is repealed July 1, 2022.
      [(15)] (13) Subsection 32B-6-703(2)(e)(iv) is repealed July 1, 2022.
      [(16)] (14) Subsections 32B-6-902(1)(c), (1)(d), and (2) are repealed July 1, 2022.
      [(17)] (15) Section 32B-6-905 is repealed July 1, 2022.
     [(18)] (16) Subsection 32B-6-905.1(15) is repealed July 1, 2022.
      [(19)] (17) Section 32B-6-905.2 is repealed July 1, 2022.
      [(20)] (18) Subsection 32B-8d-104(3) is repealed July 1, 2022.
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