

ALCOHOLIC BEVERAGE SERVICE AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kraig Powell

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies the Alcoholic Beverage Control Act to address issues related to the regulation of alcoholic products.

Highlighted Provisions:

This bill:

- ▶ addresses restrictions related to sitting at a bar structure;
- ▶ exempts a restaurant from certain restrictions on the dispensing and storage of alcoholic products if the restaurant complies with certain requirements;
- ▶ addresses a minor in a lounge or bar area of a restaurant; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

32B-6-202, as last amended by Laws of Utah 2011, Chapter 334

32B-6-205, as last amended by Laws of Utah 2013, Chapter 353

32B-6-302, as last amended by Laws of Utah 2011, Chapter 334

32B-6-305, as last amended by Laws of Utah 2013, Chapter 353



28 **32B-6-409**, as enacted by Laws of Utah 2011, Chapter 334

29 **32B-6-905**, as last amended by Laws of Utah 2013, Chapter 353



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

32 Section 1. Section **32B-6-202** is amended to read:

33 **32B-6-202. Definitions.**

34 As used in this part:

35 (1) ~~[(a)]~~ "Grandfathered bar structure" means a bar structure in a licensed premises of a
36 full-service restaurant licensee that:

37 ~~[(i)]~~ (a) as of May 11, 2009, has:

38 ~~[(A)]~~ (i) patron seating at the bar structure;

39 ~~[(B)]~~ (ii) a partition at one or more locations on the bar structure that is along:

40 ~~[(H)]~~ (A) the width of the bar structure; or

41 ~~[(H)]~~ (B) the length of the bar structure; and

42 ~~[(C)]~~ (iii) facilities for the dispensing or storage of an alcoholic product:

43 ~~[(H)]~~ (A) on the portion of the bar structure that is separated by the partition described
44 in Subsection (1)(a)~~[(i)]~~~~[(B)]~~(ii); or

45 ~~[(H)]~~ (B) if the partition as described in Subsection (1)(a)~~[(i)]~~~~[(B)]~~~~[(H)]~~(ii)(B) is adjacent
46 to the bar structure in a manner visible to a patron sitting at the bar structure;

47 ~~[(i)]~~ (b) is not operational as of May 12, 2009, if:

48 ~~[(A)]~~ (i) a person applying for a full-service restaurant license:

49 ~~[(H)]~~ (A) has as of May 12, 2009, a building permit to construct the restaurant;

50 ~~[(H)]~~ (B) is as of May 12, 2009, actively engaged in the construction of the restaurant,
51 as defined by rule made by the commission; and

52 ~~[(H)]~~ (C) is issued the full-service restaurant license by no later than December 31,
53 2009; and

54 ~~[(B)]~~ (ii) once constructed, the licensed premises has a bar structure described in
55 Subsection (1)(a)~~[(i)]~~;

56 ~~[(iii)]~~ (c) as of May 12, 2009, has no patron seating at the bar structure; or

57 ~~[(iv)]~~ (d) is not operational as of May 12, 2009, if:

58 ~~[(A)]~~ (i) a person applying for a full-service restaurant license:

59 [(~~F~~)] (A) has as of May 12, 2009, a building permit to construct the restaurant;
 60 [(~~F~~)] (B) is as of May 12, 2009, actively engaged in the construction of the restaurant,
 61 as defined by rule made by the commission; and

62 [(~~F~~)] (C) is issued a full-service restaurant license by no later than December 31,
 63 2009; and

64 [(~~F~~)] (ii) once constructed, the licensed premises has a bar structure with no patron
 65 seating.

66 [(~~b~~)] (2) "Grandfathered bar structure" does not include a grandfathered bar structure
 67 described in Subsection (1)[(~~a~~)] on or after the day on which a restaurant remodels the
 68 grandfathered bar structure, as defined by rule made by the commission.

69 [(~~e~~)] (3) Subject to Subsection [(~~f~~)](~~b~~) (2), a grandfathered bar structure remains a
 70 grandfathered bar structure notwithstanding whether a restaurant undergoes a change of
 71 ownership.

72 [(~~2~~) "Seating grandfathered bar structure" means:]

73 [(~~a~~) a grandfathered bar structure described in Subsection (1)(a)(i) or (ii); or]

74 [(~~b~~) a bar structure grandfathered under Section ~~32B-6-409~~.]

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

76 **32B-6-205. Specific operational requirements for a full-service restaurant license.**

77 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
 78 Requirements, a full-service restaurant licensee and staff of the full-service restaurant licensee
 79 shall comply with this section.

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

82 (i) a full-service restaurant licensee;

83 (ii) individual staff of a full-service restaurant licensee; or

84 (iii) both a full-service restaurant licensee and staff of the full-service restaurant
 85 licensee.

86 (2) In addition to complying with Subsection ~~32B-5-301~~(3), a full-service restaurant
 87 licensee shall display in a prominent place in the restaurant a list of the types and brand names
 88 of liquor being furnished through the full-service restaurant licensee's calibrated metered
 89 dispensing system.

90 (3) In addition to complying with Section 32B-5-303 and unless exempted under
91 Subsection (14), a full-service restaurant licensee shall store an alcoholic product in a storage
92 area described in Subsection (12)(a).

93 (4) (a) An individual who serves an alcoholic product in a full-service restaurant
94 licensee's premises shall make a written beverage tab for each table or group that orders or
95 consumes an alcoholic product on the premises.

96 (b) A beverage tab required by this Subsection (4) shall list the type and amount of an
97 alcoholic product ordered or consumed.

98 (5) A person's willingness to serve an alcoholic product may not be made a condition
99 of employment as a server with a full-service restaurant licensee.

100 (6) (a) A full-service restaurant licensee may not sell, offer for sale, or furnish liquor at
101 the licensed premises on any day during the period that:

102 (i) begins at midnight; and

103 (ii) ends at 11:29 a.m.

104 (b) A full-service restaurant licensee may sell, offer for sale, or furnish beer during the
105 hours specified in Part 7, On-Premise Beer Retailer License, for an on-premise beer retailer,
106 except that a full-service restaurant licensee may not sell, offer for sale, or furnish beer before
107 11:30 a.m. on any day.

108 (7) A full-service restaurant licensee shall maintain at least 70% of its total restaurant
109 business from the sale of food, which does not include:

110 (a) mix for an alcoholic product; or

111 (b) a service charge.

112 (8) (a) A full-service restaurant licensee may not sell, offer for sale, or furnish an
113 alcoholic product except after the full-service restaurant licensee confirms that the patron has
114 the intent to order food prepared, sold, and furnished at the licensed premises.

115 (b) A full-service restaurant licensee shall maintain on the licensed premises adequate
116 culinary facilities for food preparation and dining accommodations.

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

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

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

123 (10) A patron may consume an alcoholic product only:

124 (a) at:

125 (i) the patron's table;

126 (ii) a counter; or

127 (iii) a [~~seating grandfathered~~] bar structure; and

128 (b) where food is served.

129 [~~(11) (a) A full-service restaurant licensee may not sell, offer for sale, or furnish an~~
 130 ~~alcoholic product to a patron, and a patron may not consume an alcoholic product at a bar~~
 131 ~~structure that is not a seating grandfathered bar structure.]~~

132 [~~(b) At a seating grandfathered bar structure a patron who is 21 years of age or older~~
 133 ~~may:]~~

134 [~~(i) sit;~~]

135 [~~(ii) be furnished an alcoholic product; and]~~

136 [~~(iii) consume an alcoholic product.]~~

137 [~~(c)~~] (11) (a) Except as provided in Subsection [~~(11)(d)~~] (11)(b), at a [~~seating~~
 138 ~~grandfathered~~] bar structure a full-service restaurant licensee may not permit a minor to, and a
 139 minor may not:

140 (i) sit; or

141 (ii) consume food or beverages.

142 [~~(d)~~] (b) (i) A minor may be at a [~~seating grandfathered~~] bar structure if the minor is
 143 employed by a full-service restaurant licensee:

144 (A) as provided in Subsection [32B-5-308\(2\)](#); or

145 (B) to perform maintenance and cleaning services during an hour when the full-service
 146 restaurant licensee is not open for business.

147 (ii) A minor may momentarily pass by a [~~seating grandfathered~~] bar structure without
 148 remaining or sitting at the bar structure en route to an area of a full-service restaurant licensee's
 149 premises in which the minor is permitted to be.

150 (12) Except as provided in Subsection [32B-5-307\(3\)](#) or Subsection (14), a full-service
 151 restaurant licensee may dispense an alcoholic product only if:

- 152 (a) the alcoholic product is dispensed from:
- 153 (i) a grandfathered bar structure;
- 154 (ii) an area adjacent to a grandfathered bar structure that is visible to a patron sitting at
155 the grandfathered bar structure if that area is used to dispense an alcoholic product as of May
156 12, 2009; or
- 157 (iii) an area that is:
- 158 (A) separated from an area for the consumption of food by a patron by a solid,
159 translucent, permanent structural barrier such that the facilities for the storage or dispensing of
160 an alcoholic product are:
- 161 (I) not readily visible to a patron; and
- 162 (II) not accessible by a patron; and
- 163 (B) apart from an area used:
- 164 (I) for dining;
- 165 (II) for staging; or
- 166 (III) as a lobby or waiting area;
- 167 (b) the full-service restaurant licensee uses an alcoholic product that is:
- 168 (i) stored in an area described in Subsection (12)(a); or
- 169 (ii) in an area not described in Subsection (12)(a) on the licensed premises and:
- 170 (A) immediately before the alcoholic product is dispensed it is in an unopened
171 container;
- 172 (B) the unopened container is taken to an area described in Subsection (12)(a) before it
173 is opened; and
- 174 (C) once opened, the container is stored in an area described in Subsection (12)(a); and
- 175 (c) any instrument or equipment used to dispense alcoholic product is located in an
176 area described in Subsection (12)(a).
- 177 (13) A full-service restaurant licensee may state in a food or alcoholic product menu a
178 charge or fee made in connection with the sale, service, or consumption of liquor including:
- 179 (a) a set-up charge;
- 180 (b) a service charge; or
- 181 (c) a chilling fee.
- 182 (14) (a) A full-service restaurant licensee is not required to have a separate storage or

183 dispensing area described in Subsection (12) if the full-service restaurant licensee:

184 (i) establishes a lounge or bar area subject to the limitations in Subsection (14)(b); and

185 (ii) posts a conspicuous sign at all public entrances of the licensed premises stating in

186 large letters that: "Notice: This establishment prepares and dispenses alcoholic products in

187 public view."

188 (b) (i) Once a full-service restaurant licensee establishes a lounge or bar area, the

189 full-service restaurant licensee may not permit a minor to, and a minor may not, do the

190 following in a lounge or bar area of the licensed premises:

191 (A) sit;

192 (B) be served food or beverages; or

193 (C) consume food or beverages.

194 (ii) A minor may be at a lounge or bar area if the minor is employed by a full-service

195 restaurant licensee:

196 (A) as provided in Subsection [32B-5-308\(2\)](#); or

197 (B) to perform maintenance and cleaning services during an hour when the full-service

198 restaurant licensee is not open for business.

199 (c) A full-service restaurant licensee that has licensed premises of 1,000 square feet or
200 less is not subject to Subsection (14)(a)(i) to be exempt from Subsection (12).

201 (d) A full-service restaurant licensee that has a grandfathered bar structure shall comply
202 with Subsection (12)(a)(iii) or this Subsection (14) by no later than July 1, 2018.

203 (e) The commission and department shall facilitate consistency in the format of a sign
204 described in Subsection (14)(a).

205 Section 3. Section **32B-6-302** is amended to read:

206 **32B-6-302. Definitions.**

207 As used in this part:

208 (1) (a) "Grandfathered bar structure" means a bar structure in a licensed premises of a
209 limited-service restaurant licensee that:

210 (i) as of May 11, 2009, has:

211 (A) patron seating at the bar structure;

212 (B) a partition at one or more locations on the bar structure that is along:

213 (I) the width of the bar structure; or

214 (II) the length of the bar structure; and
215 (C) facilities for the dispensing or storage of an alcoholic product:
216 (I) on the portion of the bar structure that is separated by the partition described in
217 Subsection (1)(a)(i)(B); or
218 (II) if the partition as described in Subsection (1)(a)(i)(B)(II) is adjacent to the bar
219 structure in a manner visible to a patron sitting at the bar structure;
220 (ii) is not operational as of May 12, 2009, if:
221 (A) a person applying for a limited-service restaurant license:
222 (I) has as of May 12, 2009, a building permit to construct the restaurant;
223 (II) is as of May 12, 2009, actively engaged in the construction of the restaurant, as
224 defined by rule made by the commission; and
225 (III) is issued the limited-service restaurant license by no later than December 31,
226 2009; and
227 (B) once constructed, the licensed premises has a bar structure described in Subsection
228 (1)(a)(i);
229 (iii) as of May 12, 2009, has no patron seating at the bar structure; or
230 (iv) is not operational as of May 12, 2009, if:
231 (A) a person applying for a limited-service restaurant license:
232 (I) has as of May 12, 2009, a building permit to construct the restaurant;
233 (II) is as of May 12, 2009, actively engaged in the construction of the restaurant, as
234 defined by rule made by the commission; and
235 (III) is issued a limited-service restaurant license by no later than December 31, 2009;
236 and
237 (B) once constructed, the licensed premises has a bar structure with no patron seating.
238 (b) "Grandfathered bar structure" does not include a grandfathered bar structure
239 described in Subsection (1)(a) on or after the day on which a restaurant remodels the
240 grandfathered bar structure, as defined by rule made by the commission.
241 (c) Subject to Subsection (1)(b), a grandfathered bar structure remains a grandfathered
242 bar structure notwithstanding whether a restaurant undergoes a change of ownership.
243 [~~(2) "Seating grandfathered bar structure" means:~~]
244 [~~(a) a grandfathered bar structure described in Subsection (1)(a)(i) or (ii); or~~]

245 [~~(b) a bar structure grandfathered under Section 32B-6-409.~~]

246 [(3)] (2) "Wine" includes an alcoholic beverage defined as wine under 27 U.S.C. Sec.
247 211 and 27 C.F.R. Sec. 4.10, including the following alcoholic beverages made in the manner
248 of wine containing not less than 7% and not more than 24% of alcohol by volume:

- 249 (a) sparkling and carbonated wine;
- 250 (b) wine made from condensed grape must;
- 251 (c) wine made from other agricultural products than the juice of sound, ripe grapes;
- 252 (d) imitation wine;
- 253 (e) compounds sold as wine;
- 254 (f) vermouth;
- 255 (g) cider;
- 256 (h) perry; and
- 257 (i) sake.

258 Section 4. Section 32B-6-305 is amended to read:

259 **32B-6-305. Specific operational requirements for a limited-service restaurant**
260 **license.**

261 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
262 Requirements, a limited-service restaurant licensee and staff of the limited-service restaurant
263 licensee shall comply with this section.

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

- 266 (i) a limited-service restaurant licensee;
- 267 (ii) individual staff of a limited-service restaurant licensee; or
- 268 (iii) both a limited-service restaurant licensee and staff of the limited-service restaurant
269 licensee.

270 (2) (a) A limited-service restaurant licensee on the licensed premises may not sell, offer
271 for sale, furnish, or allow consumption of:

- 272 (i) spirituous liquor; or
- 273 (ii) a flavored malt beverage.

274 (b) A product listed in Subsection (2)(a) may not be on the premises of a
275 limited-service restaurant licensee except for use:

276 (i) as a flavoring on a dessert; and

277 (ii) in the preparation of a flaming food dish, drink, or dessert.

278 (3) In addition to complying with Section 32B-5-303 and unless exempted under

279 Subsection (14), a limited-service restaurant licensee shall store an alcoholic product in a

280 storage area described in Subsection (12)(a).

281 (4) (a) An individual who serves an alcoholic product in a limited-service restaurant

282 licensee's premises shall make a written beverage tab for each table or group that orders or

283 consumes an alcoholic product on the premises.

284 (b) A beverage tab required by this Subsection (4) shall list the type and amount of an

285 alcoholic product ordered or consumed.

286 (5) A person's willingness to serve an alcoholic product may not be made a condition

287 of employment as a server with a limited-service restaurant licensee.

288 (6) (a) A limited-service restaurant licensee may not sell, offer for sale, or furnish wine

289 or heavy beer at the licensed premises on any day during the period that:

290 (i) begins at midnight; and

291 (ii) ends at 11:29 a.m.

292 (b) A limited-service restaurant licensee may sell, offer for sale, or furnish beer during

293 the hours specified in Part 7, On-Premise Beer Retailer License, for an on-premise beer retailer,

294 except that a limited-service restaurant licensee may not sell, offer for sale, or furnish beer

295 before 11:30 a.m. on any day.

296 (7) A limited-service restaurant licensee shall maintain at least 70% of its total

297 restaurant business from the sale of food, which does not include a service charge.

298 (8) (a) A limited-service restaurant licensee may not sell, offer for sale, or furnish an

299 alcoholic product except after the limited-service restaurant licensee confirms that the patron

300 has the intent to order food prepared, sold, and furnished at the licensed premises.

301 (b) A limited-service restaurant licensee shall maintain on the licensed premises

302 adequate culinary facilities for food preparation and dining accommodations.

303 (9) (a) Subject to the other provisions of this Subsection (9), a patron may not have

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

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

306 Subsection (9)(a).

307 (10) A patron may consume an alcoholic product only:

308 (a) at:

309 (i) the patron's table;

310 (ii) a counter; or

311 (iii) a [~~seating grandfathered~~] bar structure; and

312 (b) where food is served.

313 [~~(11) (a) A limited-service restaurant licensee may not sell, offer for sale, or furnish an~~

314 alcoholic product to a patron, and a patron may not consume an alcoholic product at a bar

315 structure that is not a seating grandfathered bar structure.]

316 [~~(b) At a seating grandfathered bar structure a patron who is 21 years of age or older~~

317 may:]

318 [~~(i) sit;~~

319 [~~(ii) be furnished an alcoholic product; and]~~

320 [~~(iii) consume an alcoholic product.]~~

321 [~~(c)~~] (11) (a) Except as provided in Subsection [~~(11)(d)~~] (11)(b), at a [~~seating~~

322 grandfathered] bar structure a limited-service restaurant licensee may not permit a minor to,

323 and a minor may not:

324 (i) sit; or

325 (ii) consume food or beverages.

326 [~~(d)~~] (b) (i) A minor may be at a [~~seating grandfathered~~] bar structure if the minor is

327 employed by a limited-service restaurant licensee:

328 (A) as provided in Subsection [32B-5-308\(2\)](#); or

329 (B) to perform maintenance and cleaning services during an hour when the

330 limited-service restaurant licensee is not open for business.

331 (ii) A minor may momentarily pass by a [~~seating grandfathered~~] bar structure without

332 remaining or sitting at the bar structure en route to an area of a limited-service restaurant

333 licensee's premises in which the minor is permitted to be.

334 (12) Except as provided in Subsection [32B-5-307\(3\)](#) or exempted under Subsection

335 (14), a limited-service restaurant licensee may dispense an alcoholic product only if:

336 (a) the alcoholic product is dispensed from:

337 (i) a grandfathered bar structure;

338 (ii) an area adjacent to a grandfathered bar structure that is visible to a patron sitting at
339 the grandfathered bar structure if that area is used to dispense an alcoholic product as of May
340 12, 2009; or

341 (iii) an area that is:

342 (A) separated from an area for the consumption of food by a patron by a solid,
343 translucent, permanent structural barrier such that the facilities for the storage or dispensing of
344 an alcoholic product are:

345 (I) not readily visible to a patron; and

346 (II) not accessible by a patron; and

347 (B) apart from an area used:

348 (I) for dining;

349 (II) for staging; or

350 (III) as a lobby or waiting area;

351 (b) the limited-service restaurant licensee uses an alcoholic product that is:

352 (i) stored in an area described in Subsection (12)(a); or

353 (ii) in an area not described in Subsection (12)(a) on the licensed premises and:

354 (A) immediately before the alcoholic product is dispensed it is in an unopened
355 container;

356 (B) the unopened container is taken to an area described in Subsection (12)(a) before it
357 is opened; and

358 (C) once opened, the container is stored in an area described in Subsection (12)(a); and

359 (c) any instrument or equipment used to dispense alcoholic product is located in an
360 area described in Subsection (12)(a).

361 (13) A limited-service restaurant licensee may state in a food or alcoholic product
362 menu a charge or fee made in connection with the sale, service, or consumption of wine or
363 heavy beer including:

364 (a) a set-up charge;

365 (b) a service charge; or

366 (c) a chilling fee.

367 (14) (a) A limited-service restaurant licensee is not required to have a separate storage
368 or dispensing area described in Subsection (12) if the limited-service restaurant licensee:

369 (i) establishes a lounge or bar area subject to the limitations in Subsection (14)(b); and
370 (ii) posts a conspicuous sign at all public entrances of the licensed premises stating in
371 large letters that: "Notice: This establishment prepares and dispenses alcoholic products in
372 public view."

373 (b) (i) Once a limited-service restaurant licensee establishes a lounge or bar area, the
374 limited-service restaurant licensee may not permit a minor to, and a minor may not, do the
375 following in a lounge or bar area of the licensed premises:

376 (A) sit;
377 (B) be served food or beverages; or
378 (C) consume food or beverages.

379 (ii) A minor may be at a lounge or bar area if the minor is employed by a
380 limited-service restaurant licensee:

381 (A) as provided in Subsection 32B-5-308(2); or
382 (B) to perform maintenance and cleaning services during an hour when the
383 limited-service restaurant licensee is not open for business.

384 (c) A limited-service restaurant licensee that has licensed premises of 1,000 square feet
385 or less is not subject to Subsection (14)(a)(i) to be exempt from Subsection (12).

386 (d) A limited-service restaurant licensee that has a grandfathered bar structure shall
387 comply with Subsection (12)(a)(iii) or this Subsection (14) by no later than July 1, 2018.

388 (e) The commission and department shall facilitate consistency in the format of a sign
389 described in Subsection (14)(a).

390 Section 5. Section **32B-6-409** is amended to read:

391 **32B-6-409. Conversion from dining club license to different type of retail license.**

392 (1) In accordance with this section, a dining club licensee may convert its dining club
393 license to a different type of retail license, including a different type of club license during the
394 time period:

395 (a) beginning on July 1, 2011; and
396 (b) ending on June 30, 2013.

397 (2) A dining club licensee may convert its dining license only to a retail license for
398 which the dining club licensee qualifies.

399 (3) The commission shall provide a procedure for a dining club to convert to a different

400 type of retail license as provided in this section by rule made in accordance with Title 63G,
401 Chapter 3, Utah Administrative Rulemaking Act.

402 (4) After a dining club license is converted to another type of retail license, the retail
403 licensee shall operate under the provisions relevant to the type of retail license held by the retail
404 licensee, except that, in accordance with Section [32B-1-201](#), the retail license is not considered
405 in determining the total number of licenses available for that type of retail license.

406 (5) If a dining club license is converted to [~~full-service restaurant license,~~
407 ~~limited-service restaurant license, or~~] a beer-only restaurant license, the bar structure of the
408 dining club is considered[~~-(a) a seating grandfathered bar structure for purposes of a~~
409 ~~full-service restaurant license or a limited-service restaurant license; or (b)] a grandfathered bar
410 structure for purposes of a beer-only restaurant license.~~

411 Section 6. Section **32B-6-905** is amended to read:

412 **32B-6-905. Specific operational requirements for a beer-only restaurant license.**

413 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
414 Requirements, a beer-only restaurant licensee and staff of the beer-only restaurant licensee
415 shall comply with this section.

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

- 418 (i) a beer-only restaurant licensee;
419 (ii) individual staff of a beer-only restaurant licensee; or
420 (iii) both a beer-only restaurant licensee and staff of the beer-only restaurant licensee.

421 (2) (a) A beer-only restaurant licensee on the licensed premises may not sell, offer for
422 sale, furnish, or allow consumption of liquor.

423 (b) Liquor may not be on the premises of a beer-only restaurant licensee except for use:

- 424 (i) as a flavoring on a dessert; and
425 (ii) in the preparation of a flaming food dish, drink, or dessert.

426 (3) In addition to complying with Section [32B-5-303](#), and unless exempt under
427 Subsection (13), a beer-only restaurant licensee shall store beer in a storage area described in
428 Subsection (12)(a).

429 (4) (a) An individual who serves beer in a beer-only restaurant licensee's premises shall
430 make a written beverage tab for each table or group that orders or consumes an alcoholic

431 product on the premises.

432 (b) A beverage tab required by this Subsection (4) shall list the type and amount of
433 beer ordered or consumed.

434 (5) A person's willingness to serve beer may not be made a condition of employment as
435 a server with a beer-only restaurant licensee.

436 (6) A beer-only restaurant licensee may sell, offer for sale, or furnish beer during the
437 hours specified in Part 7, On-Premise Beer Retailer License, for an on-premise beer retailer,
438 except that a beer-only restaurant licensee may not sell, offer for sale, or furnish beer before
439 11:30 a.m. on any day.

440 (7) A beer-only restaurant licensee shall maintain at least 70% of its total restaurant
441 business from the sale of food, which does not include a service charge.

442 (8) (a) A beer-only restaurant may not sell, offer for sale, or furnish beer except after
443 the beer-only restaurant licensee confirms that the patron has the intent to order food prepared,
444 sold, and furnished at the licensed premises.

445 (b) A beer-only restaurant shall maintain on the licensed premises adequate culinary
446 facilities for food preparation and dining accommodations.

447 (9) A patron may not have more than two beers at a time before the patron.

448 (10) A patron may consume a beer only:

449 (a) at:

450 (i) the patron's table;

451 (ii) a ~~grandfathered~~ bar structure; or

452 (iii) a counter; and

453 (b) where food is served.

454 ~~[(11) (a) A beer-only restaurant licensee may not sell, offer for sale, or furnish a beer to~~
455 ~~a patron, and a patron may not consume an alcoholic product at a bar structure.]~~

456 ~~[(b) Notwithstanding Subsection (11)(a), at a grandfathered bar structure, a patron who~~
457 ~~is 21 years of age or older may:]~~

458 ~~[(i) sit;]~~

459 ~~[(ii) be furnished a beer; and]~~

460 ~~[(iii) consume a beer.]~~

461 ~~[(c)]~~ (11) (a) Except as provided in Subsection ~~[(11)(d)]~~ (11)(b), at a ~~grandfathered~~

462 bar structure, a beer-only restaurant licensee may not permit a minor to, and a minor may not:

463 (i) sit; or

464 (ii) consume food or beverages.

465 ~~[(d)]~~ (b) (i) A minor may be at a ~~[grandfathered]~~ bar structure if the minor is employed
466 by a beer-only restaurant licensee:

467 (A) as provided in Subsection 32B-5-308(2); or

468 (B) to perform maintenance and cleaning services during an hour when the beer-only
469 restaurant licensee is not open for business.

470 (ii) A minor may momentarily pass by a ~~[grandfathered]~~ bar structure without
471 remaining or sitting at the bar structure en route to an area of a beer-only restaurant licensee's
472 premises in which the minor is permitted to be.

473 (12) A beer-only restaurant licensee may dispense a beer only if:

474 (a) the beer is dispensed from an area that is:

475 (i) a grandfathered bar structure; or

476 (ii) separated from an area for the consumption of food by a patron by a solid,
477 translucent, permanent structural barrier such that the facilities for the storage or dispensing of
478 an alcoholic product are not readily visible to a patron, not accessible by a patron, and apart
479 from an area used for dining, for staging, or as a lobby or waiting area;

480 (b) the beer-only restaurant licensee uses a beer that is:

481 (i) stored in an area described in Subsection (12)(a); or

482 (ii) in an area not described in Subsection (12)(a) on the licensed premises and:

483 (A) immediately before the beer is dispensed it is in an unopened container;

484 (B) the unopened container is taken to an area described in Subsection (12)(a) before it
485 is opened; and

486 (C) once opened, the container is stored in an area described in Subsection (12)(a); and

487 (c) any instrument or equipment used to dispense the beer is located in an area
488 described in Subsection (12)(a).

489 (13) (a) A beer-only restaurant licensee is not required to have a separate storage or
490 dispensing area described in Subsection (12) if the beer-only restaurant licensee:

491 (i) establishes a lounge or bar area subject to the limitations in Subsection (13)(b); and

492 (ii) posts a conspicuous sign at all public entrances of the licensed premises stating in

493 large letters that: "Notice: This establishment prepares and dispenses alcoholic products in
494 public view."

495 (b) (i) Once a beer-only restaurant licensee establishes a lounge or bar area, the
496 beer-only restaurant licensee may not permit a minor to, and a minor may not, do the following
497 in a lounge or bar area of the licensed premises:

498 (A) sit;

499 (B) be served food or beverages; or

500 (C) consume food or beverages.

501 (ii) A minor may be at a lounge or bar area if the minor is employed by a beer-only
502 restaurant licensee:

503 (A) as provided in Subsection [32B-5-308\(2\)](#); or

504 (B) to perform maintenance and cleaning services during an hour when the beer-only
505 restaurant licensee is not open for business.

506 (c) A beer-only restaurant licensee that has licensed premises of 1,000 square feet or
507 less is not subject to Subsection (13)(a)(i) to be exempt from Subsection (12).

508 (d) A beer-only restaurant licensee that has a grandfathered bar structure shall comply
509 with Subsection (12)(a)(ii) or this Subsection (13) by no later than July 1, 2018.

510 (e) The commission and department shall facilitate consistency in the format of a sign
511 described in Subsection (13)(a).

Legislative Review Note
Office of Legislative Research and General Counsel