

**Representative Brad R. Wilson** proposes the following substitute bill:

**ALCOHOL AMENDMENTS**

2017 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Brad R. Wilson**

Senate Sponsor: Jerry W. Stevenson

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**LONG TITLE**

**General Description:**

This bill modifies provisions related to the regulation of alcoholic beverages.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ modifies the name of certain retail licenses;
- ▶ provides that a local authority may issue a business license to a retail licensee only if the licensee is lawfully present in the United States;
- ▶ provides that a licensee or permittee may only engage in behavior expressly allowed by Title 32B, Alcoholic Beverage Control Act, or local ordinance;
- ▶ requires the Department of Alcoholic Beverage Control and the Alcoholic Beverage Control Commission to implement and enforce the provisions of Title 32B, Alcoholic Beverage Control Act, in accordance with its express language and stated policy purpose;
- ▶ reduces the permissible proximity of a restaurant licensee to a community location;
- ▶ removes the commission's authority to grant a variance to the proximity requirements;
- ▶ modifies the calculation of the money from the sale of a bottle of wine by a retail



- 26 licensee or sublicensee in determining the percentage of gross receipts from the sale of food or  
27 an alcoholic product;
- 28       ▶ requires electronic age verification of certain individuals who procure an alcoholic  
29 product in a dispensing area in a restaurant;
  - 30       ▶ modifies the application requirements for approval of the label and packaging of a  
31 malted beverage;
  - 32       ▶ modifies the labeling and packaging requirements for certain malted beverages;
  - 33       ▶ reduces and modifies the membership of the Alcoholic Beverage Control Advisory  
34 Board;
  - 35       ▶ increases the mark-up on alcoholic beverages;
  - 36       ▶ creates two school-based underage drinking prevention programs that are presented  
37 to students in grades 8 and 10 in the state;
  - 38       ▶ requires a presiding officer to consider any aggravating circumstances or mitigating  
39 circumstances when imposing a fine;
  - 40       ▶ provides that each retail licensee shall submit a responsible alcohol service plan to  
41 the department upon application for or renewal of a retail license;
  - 42       ▶ prohibits more than one type of retail license for the same room, unless the licenses  
43 are a combination of two or more of the following:
    - 44           • a restaurant license;
    - 45           • an on-premise beer retailer license that is not a tavern; and
    - 46           • an on-premise banquet license or reception center license;
  - 47       ▶ provides that an individual may not carry a sealed container of an alcoholic  
48 beverage from the premises of a retail licensee;
  - 49       ▶ states that a retail licensee may provide wine service for a bottled wine carried onto  
50 the licensed premises or purchased at the licensed premises;
  - 51       ▶ requires the department to develop the following training programs:
    - 52           • a training program for retail managers;
    - 53           • a training program for off-premise retail managers; and
    - 54           • a training program for an individual who commits a violation related to service  
55 to an intoxicated individual or a minor;
  - 56       ▶ enacts a process for the Department of Public Safety to track violations of each

57 retail licensee involving the sale of an alcoholic product to a minor;

58       ▶ establishes a flat renewal fee for a full-service restaurant licensee;

59       ▶ provides that beginning on July 1, 2017, and no later than July 1, 2018, a restaurant

60 licensee that does not have a grandfathered bar structure shall designate a

61 dispensing area within which:

62       • the restaurant licensee may store and dispense alcoholic product at a dispensing

63 structure;

64       • an individual 21 years of age or older may consume food and beverages; and

65       • except under certain circumstances, a minor may not be present;

66       ▶ removes grandfathered bar structures beginning on July 1, 2022;

67       ▶ extends the hours during which a restaurant licensee may sell, offer for sale, or

68 furnish an alcoholic product on a weekend or a state or federal legal holiday;

69       ▶ provides that a restaurant licensee may sell, offer for sale, or furnish an alcoholic

70 product to a patron only if:

71       • the patron is seated in a dispensing area and furnished no more than one portion

72 or an alcoholic product while waiting for a seat in the dining area where the

73 patron intends to order and consume food; or

74       • the patron is seated at a table, counter, or dispensing structure, and the patron

75 intends to order and consume food in the same location where the patron is

76 seated;

77       ▶ provides that a restaurant licensee may not transfer, dispense, or serve an alcoholic

78 product from a movable cart;

79       ▶ addresses the retention of certain records for restaurant licensees;

80       ▶ requires a restaurant licensee or a bar licensee to display a sign that states whether

81 the licensee is a restaurant or a bar;

82       ▶ prohibits the commission from issuing or renewing a dining club license on or after

83 July 1, 2017;

84       ▶ provides that effective July 1, 2018, each dining club licensee converts to a

85 full-service restaurant licensee or a bar licensee;

86       ▶ provides a phased transition for a dining club licensee that converts to a full-service

87 restaurant licensee;

- 88           ▶ allows a performing arts facility to obtain an on-premise banquet license;
- 89           ▶ beginning July 1, 2018, establishes an off-premise beer retailer state license,
- 90 including an application process, fees, and renewal procedures;
- 91           ▶ provides that an off-premise beer retailer shall display beer in no more than two
- 92 locations that are separate from any nonalcoholic beverage;
- 93           ▶ addresses notification to the department if an off-premise beer retailer changes
- 94 ownership;
- 95           ▶ modifies and repeals certain provisions related to local authority enforcement of
- 96 off-premise beer retailers to correspond with the state enforcement mechanisms
- 97 available under the off-premise beer retailer state license; and
- 98           ▶ makes technical and conforming changes.

99 **Money Appropriated in this Bill:**

100           None

101 **Other Special Clauses:**

102           None

103 **Utah Code Sections Affected:**

104 AMENDS:

- 105           **11-10-1**, as last amended by Laws of Utah 2010, Chapter 276
- 106           **11-10-2**, as last amended by Laws of Utah 1990, Chapter 23
- 107           **26-38-2**, as last amended by Laws of Utah 2012, Chapter 171
- 108           **32B-1-102**, as last amended by Laws of Utah 2016, Chapters 80, 176, and 348
- 109           **32B-1-104**, as enacted by Laws of Utah 2010, Chapter 276
- 110           **32B-1-201**, as last amended by Laws of Utah 2013, Chapter 349
- 111           **32B-1-202**, as last amended by Laws of Utah 2016, Chapter 176
- 112           **32B-1-207**, as enacted by Laws of Utah 2011, Chapter 334
- 113           **32B-1-305**, as last amended by Laws of Utah 2015, Chapter 351
- 114           **32B-1-407**, as last amended by Laws of Utah 2011, Chapters 297 and 334
- 115           **32B-1-505**, as last amended by Laws of Utah 2011, Chapter 297
- 116           **32B-1-604**, as enacted by Laws of Utah 2010, Chapter 276
- 117           **32B-1-605**, as last amended by Laws of Utah 2011, Chapters 307 and 334
- 118           **32B-1-606**, as enacted by Laws of Utah 2010, Chapter 276

- 119 [32B-2-202](#), as last amended by Laws of Utah 2016, Chapter 80  
120 [32B-2-210](#), as last amended by Laws of Utah 2016, Chapter 158  
121 [32B-2-304](#), as last amended by Laws of Utah 2012, Chapter 357  
122 [32B-2-306](#), as enacted by Laws of Utah 2012, Chapter 388  
123 [32B-3-102](#), as enacted by Laws of Utah 2010, Chapter 276  
124 [32B-3-205](#), as enacted by Laws of Utah 2010, Chapter 276  
125 [32B-4-410](#), as last amended by Laws of Utah 2015, Chapter 165  
126 [32B-4-415](#), as last amended by Laws of Utah 2016, Chapters 80, 245, and 348  
127 [32B-4-501](#), as last amended by Laws of Utah 2016, Chapter 80  
128 [32B-5-201](#), as enacted by Laws of Utah 2010, Chapter 276  
129 [32B-5-202](#), as enacted by Laws of Utah 2010, Chapter 276  
130 [32B-5-307](#), as last amended by Laws of Utah 2016, Chapter 82  
131 [32B-5-402](#), as enacted by Laws of Utah 2010, Chapter 276  
132 [32B-5-403](#), as last amended by Laws of Utah 2016, Chapter 176  
133 [32B-5-404](#), as enacted by Laws of Utah 2010, Chapter 276  
134 [32B-6-202](#), as last amended by Laws of Utah 2011, Chapter 334  
135 [32B-6-204](#), as last amended by Laws of Utah 2012, Fourth Special Session, Chapter 1  
136 [32B-6-205](#), as last amended by Laws of Utah 2013, Chapter 353  
137 [32B-6-302](#), as last amended by Laws of Utah 2011, Chapter 334  
138 [32B-6-305](#), as last amended by Laws of Utah 2013, Chapter 353  
139 [32B-6-401](#), as enacted by Laws of Utah 2010, Chapter 276  
140 [32B-6-403](#), as last amended by Laws of Utah 2016, Chapter 80  
141 [32B-6-404](#), as last amended by Laws of Utah 2016, Chapter 348  
142 [32B-6-405](#), as last amended by Laws of Utah 2011, Chapters 307 and 334  
143 [32B-6-406](#), as last amended by Laws of Utah 2011, Chapter 334  
144 [32B-6-406.1](#), as enacted by Laws of Utah 2010, Chapter 276  
145 [32B-6-407](#), as last amended by Laws of Utah 2013, Chapter 349  
146 [32B-6-408](#), as enacted by Laws of Utah 2010, Chapter 276  
147 [32B-6-603](#), as last amended by Laws of Utah 2016, Chapter 82  
148 [32B-6-605](#), as last amended by Laws of Utah 2011, Chapters 307 and 334  
149 [32B-6-703](#), as last amended by Laws of Utah 2016, Chapter 82

- 150 **32B-6-706**, as last amended by Laws of Utah 2011, Second Special Session, Chapter 2
- 151 **32B-6-902**, as last amended by Laws of Utah 2011, Second Special Session, Chapter 2
- 152 **32B-6-905**, as last amended by Laws of Utah 2013, Chapter 353
- 153 **32B-7-202**, as last amended by Laws of Utah 2011, Chapter 307
- 154 **32B-7-305**, as enacted by Laws of Utah 2010, Chapter 276 and last amended by
- 155 Coordination Clause, Laws of Utah 2010, Chapter 276
- 156 **32B-8-102**, as last amended by Laws of Utah 2015, Chapter 258
- 157 **32B-8-304**, as last amended by Laws of Utah 2011, Chapters 297 and 334
- 158 **32B-8a-302**, as last amended by Laws of Utah 2016, Chapter 82
- 159 **32B-8b-102**, as enacted by Laws of Utah 2016, Chapter 80
- 160 **32B-8b-201**, as enacted by Laws of Utah 2016, Chapter 80
- 161 **53-10-305**, as last amended by Laws of Utah 2010, Chapter 276
- 162 **53A-13-102**, as last amended by Laws of Utah 2002, Fifth Special Session, Chapter 8
- 163 **62A-15-401**, as last amended by Laws of Utah 2011, Chapter 334
- 164 **63I-2-232**, as renumbered and amended by Laws of Utah 2008, Chapter 382

165 ENACTS:

- 166 **32B-5-207**, Utah Code Annotated 1953
- 167 **32B-5-405**, Utah Code Annotated 1953
- 168 **32B-5-406**, Utah Code Annotated 1953
- 169 **32B-6-205.2**, Utah Code Annotated 1953
- 170 **32B-6-205.3**, Utah Code Annotated 1953
- 171 **32B-6-305.2**, Utah Code Annotated 1953
- 172 **32B-6-305.3**, Utah Code Annotated 1953
- 173 **32B-6-404.1**, Utah Code Annotated 1953
- 174 **32B-6-905.1**, Utah Code Annotated 1953
- 175 **32B-6-905.2**, Utah Code Annotated 1953
- 176 **32B-7-401**, Utah Code Annotated 1953
- 177 **32B-7-402**, Utah Code Annotated 1953
- 178 **32B-7-403**, Utah Code Annotated 1953
- 179 **32B-7-404**, Utah Code Annotated 1953
- 180 **32B-7-405**, Utah Code Annotated 1953

181 REPEALS:

182 **32B-6-205.1**, as enacted by Laws of Utah 2010, Chapter 276

183 **32B-6-305.1**, as enacted by Laws of Utah 2010, Chapter 276



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

186 Section 1. Section **11-10-1** is amended to read:

187 **11-10-1. Business license required -- Authorization for issuance, denial,**  
188 **suspension, or revocation by local authority.**

189 (1) As used in this chapter, the following have the meaning set forth in Section  
190 **32B-1-102**:

- 191 (a) "alcoholic product";
- 192 (b) "~~club~~ bar establishment license";
- 193 (c) "local authority"; and
- 194 (d) "restaurant."

195 (2) A person may not operate an association, a restaurant, a bar, or a business similar to  
196 a business operated under a ~~club~~ bar establishment license, or other similar business that  
197 allows a person to possess or consume an alcoholic product on the premises of the association,  
198 restaurant, ~~club~~ bar, or similar business premises without a business license.

199 (3) (a) A local authority may issue a business license to a person who owns or operates  
200 an association, restaurant, ~~club~~ bar, or similar business that allows a person to hold, store,  
201 possess, or consume an alcoholic product on the premises.

202 (b) A business license issued under this Subsection (3) does not permit a person to  
203 hold, store, possess, or consume an alcoholic product on the premises other than as provided in  
204 Title 32B, Alcoholic Beverage Control Act.

205 (4) A local authority may suspend or revoke a business license for a violation of Title  
206 32B, Alcoholic Beverage Control Act.

207 (5) A local authority shall set policy by written rules that establish criteria and  
208 procedures for granting, denying, suspending, or revoking a business license issued under this  
209 chapter.

210 (6) A business license issued under this section does not constitute written consent of  
211 the local authority within the meaning of Title 32B, Alcoholic Beverage Control Act.

212 Section 2. Section 11-10-2 is amended to read:

213 **11-10-2. Qualifications of licensee.**

214 (1) A license may not be granted:

215 (a) unless the licensee is of good moral character, over the age of 21 years, and [~~a~~  
216 ~~citizen of~~] lawfully present in the United States;

217 (b) to anyone who has been convicted of a felony or misdemeanor involving moral  
218 turpitude;

219 (c) to any partnership or association, any member of which lacks any of the  
220 qualifications set out in this section; or

221 (d) to any corporation, if any of its directors or officers lacks any qualification set out  
222 in this section.

223 (2) The local authority shall, before issuing licenses, satisfy itself by written evidence  
224 executed by the applicant that the applicant meets the standards set forth.

225 Section 3. Section 26-38-2 is amended to read:

226 **26-38-2. Definitions.**

227 As used in this chapter:

228 (1) "E-cigarette":

229 (a) means any electronic oral device:

230 (i) that provides a vapor of nicotine or other substance; and

231 (ii) which simulates smoking through its use or through inhalation of the device; and

232 (b) includes an oral device that is:

233 (i) composed of a heating element, battery, or electronic circuit; and

234 (ii) marketed, manufactured, distributed, or sold as:

235 (A) an e-cigarette;

236 (B) e-cigar;

237 (C) e-pipe; or

238 (D) any other product name or descriptor, if the function of the product meets the  
239 definition of Subsection (1)(a).

240 (2) "Place of public access" means any enclosed indoor place of business, commerce,  
241 banking, financial service, or other service-related activity, whether publicly or privately owned  
242 and whether operated for profit or not, to which persons not employed at the place of public



- 243 access have general and regular access or which the public uses, including:
- 244 (a) buildings, offices, shops, elevators, or restrooms;
- 245 (b) means of transportation or common carrier waiting rooms;
- 246 (c) restaurants, cafes, or cafeterias;
- 247 (d) taverns as defined in Section [32B-1-102](#), or cabarets;
- 248 (e) shopping malls, retail stores, grocery stores, or arcades;
- 249 (f) libraries, theaters, concert halls, museums, art galleries, planetariums, historical
- 250 sites, auditoriums, or arenas;
- 251 (g) barber shops, hair salons, or laundromats;
- 252 (h) sports or fitness facilities;
- 253 (i) common areas of nursing homes, hospitals, resorts, hotels, motels, "bed and
- 254 breakfast" lodging facilities, and other similar lodging facilities, including the lobbies,
- 255 hallways, elevators, restaurants, cafeterias, other designated dining areas, and restrooms of any
- 256 of these;
- 257 (j) (i) any child care facility or program subject to licensure or certification under this
- 258 title, including those operated in private homes, when any child cared for under that license is
- 259 present; and
- 260 (ii) any child care, other than child care as defined in Section [26-39-102](#), that is not
- 261 subject to licensure or certification under this title, when any child cared for by the provider,
- 262 other than the child of the provider, is present;
- 263 (k) public or private elementary or secondary school buildings and educational
- 264 facilities or the property on which those facilities are located;
- 265 (l) any building owned, rented, leased, or otherwise operated by a social, fraternal, or
- 266 religious organization when used solely by the organization members or their guests or
- 267 families;
- 268 (m) any facility rented or leased for private functions from which the general public is
- 269 excluded and arrangements for the function are under the control of the function sponsor;
- 270 (n) any workplace that is not a place of public access or a publicly owned building or
- 271 office but has one or more employees who are not owner-operators of the business;
- 272 (o) any area where the proprietor or manager of the area has posted a conspicuous sign
- 273 stating "no smoking", "thank you for not smoking", or similar statement; and

274 (p) a holder of a ~~club~~ bar establishment license, as defined in Section 32B-1-102.

275 (3) "Publicly owned building or office" means any enclosed indoor place or portion of  
276 a place owned, leased, or rented by any state, county, or municipal government, or by any  
277 agency supported by appropriation of, or by contracts or grants from, funds derived from the  
278 collection of federal, state, county, or municipal taxes.

279 (4) "Smoking" means:

280 (a) the possession of any lighted or heated tobacco product in any form;

281 (b) inhaling, exhaling, burning, or heating a substance containing tobacco or nicotine  
282 intended for inhalation through a cigar, cigarette, pipe, or hookah;

283 (c) except as provided in Section 26-38-2.6, using an e-cigarette; or

284 (d) using an oral smoking device intended to circumvent the prohibition of smoking in  
285 this chapter.

286 Section 4. Section 32B-1-102 is amended to read:

287 **32B-1-102. Definitions.**

288 As used in this title:

289 (1) "Airport lounge" means a business location:

290 (a) at which an alcoholic product is sold at retail for consumption on the premises; and

291 (b) that is located at an international airport with a United States Customs office on the  
292 premises of the international airport.

293 (2) "Airport lounge license" means a license issued in accordance with Chapter 5,  
294 Retail License Act, and Chapter 6, Part 5, Airport Lounge License.

295 (3) "Alcoholic beverage" means the following:

296 (a) beer; or

297 (b) liquor.

298 (4) (a) "Alcoholic product" means a product that:

299 (i) contains at least .5% of alcohol by volume; and

300 (ii) is obtained by fermentation, infusion, decoction, brewing, distillation, or other  
301 process that uses liquid or combinations of liquids, whether drinkable or not, to create alcohol  
302 in an amount equal to or greater than .5% of alcohol by volume.

303 (b) "Alcoholic product" includes an alcoholic beverage.

304 (c) "Alcoholic product" does not include any of the following common items that

305 otherwise come within the definition of an alcoholic product:

306 (i) except as provided in Subsection (4)(d), an extract;

307 (ii) vinegar;

308 (iii) cider;

309 (iv) essence;

310 (v) tincture;

311 (vi) food preparation; or

312 (vii) an over-the-counter medicine.

313 (d) "Alcoholic product" includes an extract containing alcohol obtained by distillation  
314 when it is used as a flavoring in the manufacturing of an alcoholic product.

315 (5) "Alcohol training and education seminar" means a seminar that is:

316 (a) required by Chapter 5, Part 4, Alcohol Training and Education Act; and

317 (b) described in Section 62A-15-401.

318 (6) "Banquet" means an event:

319 (a) that is held at one or more designated locations approved by the commission in or  
320 on the premises of a:

321 (i) hotel;

322 (ii) resort facility;

323 (iii) sports center; [or]

324 (iv) convention center; or

325 (v) performing arts facility;

326 (b) for which there is a contract:

327 (i) between a person operating a facility listed in Subsection (6)(a) and another person;

328 and

329 (ii) under which the person operating a facility listed in Subsection (6)(a) is required to  
330 provide an alcoholic product at the event; and

331 (c) at which food and alcoholic products may be sold, offered for sale, or furnished.

332 [~~(7)(a) "Bar" means a surface or structure:~~]

333 [~~(i) at which an alcoholic product is:~~]

334 [~~(A) stored; or~~]

335 [~~(B) dispensed; or~~]

336           ~~[(ii) from which an alcoholic product is served.]~~  
337           ~~[(b)]~~ (7) "Bar structure" means a surface or structure on a licensed premises if on or at  
338 any place of the surface or structure an alcoholic product is:  
339           ~~[(i)]~~ (a) stored; or  
340           ~~[(i)]~~ (b) dispensed.  
341           ~~[(18)]~~ (8) (a) "~~[Club]~~ Bar establishment license" means a license issued in accordance  
342 with Chapter 5, Retail License Act, and Chapter 6, Part 4, ~~[Club]~~ Bar Establishment License.  
343           (b) "~~[Club]~~ Bar establishment license" includes:  
344           (i) a dining club license;  
345           (ii) an equity ~~[club]~~ license;  
346           (iii) a fraternal ~~[club]~~ license; or  
347           (iv) a ~~[social club]~~ bar license.  
348           ~~[(102)]~~ (9) "~~[Social club]~~ Bar license" means a license issued in accordance with  
349 Chapter 5, Retail License Act, and Chapter 6, Part 4, ~~[Club License, that is designated by the~~  
350 ~~commission as a social club license]~~ Bar Establishment License.  
351           ~~[(8)]~~ (10) (a) Subject to Subsection ~~[(8)]~~ (10)(d), "beer" means a product that:  
352           (i) contains at least .5% of alcohol by volume, but not more than 4% of alcohol by  
353 volume or 3.2% by weight; and  
354           (ii) is obtained by fermentation, infusion, or decoction of malted grain.  
355           (b) "Beer" may or may not contain hops or other vegetable products.  
356           (c) "Beer" includes a product that:  
357           (i) contains alcohol in the percentages described in Subsection ~~[(8)]~~ (10)(a); and  
358           (ii) is referred to as:  
359           (A) beer;  
360           (B) ale;  
361           (C) porter;  
362           (D) stout;  
363           (E) lager; or  
364           (F) a malt or malted beverage.  
365           (d) "Beer" does not include a flavored malt beverage.  
366           ~~[(9)]~~ (11) "Beer-only restaurant license" means a license issued in accordance with

367 Chapter 5, Retail License Act, and Chapter 6, Part 9, Beer-Only Restaurant License.

368 ~~[(10)]~~ (12) "Beer retailer" means a business that:

369 (a) ~~[that]~~ is engaged, primarily or incidentally, in the retail sale of beer to a patron,  
370 whether for consumption on or off the business premises; and

371 ~~[(b) to whom a license is issued:]~~

372 (b) is licensed as:

373 (i) ~~[for]~~ an off-premise beer retailer, in accordance with Chapter 7, Part 2, Off-Premise  
374 Beer Retailer Local Authority; or

375 (ii) ~~[for]~~ an on-premise beer retailer, in accordance with Chapter 5, Retail License Act,  
376 and Chapter 6, Part 7, On-Premise Beer Retailer License.

377 ~~[(11)]~~ (13) "Beer wholesaling license" means a license:

378 (a) issued in accordance with Chapter 13, Beer Wholesaling License Act; and

379 (b) to import for sale, or sell beer in wholesale or jobbing quantities to one or more  
380 retail licensees or off-premise beer retailers.

381 ~~[(12)]~~ (14) "Billboard" means a public display used to advertise, including:

382 (a) a light device;

383 (b) a painting;

384 (c) a drawing;

385 (d) a poster;

386 (e) a sign;

387 (f) a signboard; or

388 (g) a scoreboard.

389 ~~[(13)]~~ (15) "Brewer" means a person engaged in manufacturing:

390 (a) beer;

391 (b) heavy beer; or

392 (c) a flavored malt beverage.

393 ~~[(14)]~~ (16) "Brewery manufacturing license" means a license issued in accordance with  
394 Chapter 11, Part 5, Brewery Manufacturing License.

395 ~~[(15)]~~ (17) "Certificate of approval" means a certificate of approval obtained from the  
396 department under Section [32B-11-201](#).

397 ~~[(16)]~~ (18) "Chartered bus" means a passenger bus, coach, or other motor vehicle

398 provided by a bus company to a group of persons pursuant to a common purpose:

- 399 (a) under a single contract;
- 400 (b) at a fixed charge in accordance with the bus company's tariff; and
- 401 (c) to give the group of persons the exclusive use of the passenger bus, coach, or other
- 402 motor vehicle, and a driver to travel together to one or more specified destinations.

403 [~~17~~] (19) "Church" means a building:

- 404 (a) set apart for worship;
- 405 (b) in which religious services are held;
- 406 (c) with which clergy is associated; and
- 407 (d) that is tax exempt under the laws of this state.

408 [~~19~~] (20) "Commission" means the Alcoholic Beverage Control Commission created

409 in Section [32B-2-201](#).

410 [~~20~~] (21) "Commissioner" means a member of the commission.

411 [~~21~~] (22) "Community location" means:

- 412 (a) a public or private school;
- 413 (b) a church;
- 414 (c) a public library;
- 415 (d) a public playground; or
- 416 (e) a public park.

417 [~~22~~] (23) "Community location governing authority" means:

- 418 (a) the governing body of the community location; or
- 419 (b) if the commission does not know who is the governing body of a community
- 420 location, a person who appears to the commission to have been given on behalf of the
- 421 community location the authority to prohibit an activity at the community location.

422 [~~23~~] (24) "Container" means a receptacle that contains an alcoholic product,

423 including:

- 424 (a) a bottle;
- 425 (b) a vessel; or
- 426 (c) a similar item.

427 [~~24~~] (25) "Convention center" means a facility that is:

- 428 (a) in total at least 30,000 square feet; and

429 (b) otherwise defined as a "convention center" by the commission by rule.

430 ~~[(25)]~~ (26) (a) ~~[Subject to Subsection (25)(b), "counter"]~~ "Counter" means a surface or  
 431 structure in a dining area of a licensed premises where seating is provided to a patron for  
 432 service of food.

433 (b) "Counter" does not include ~~[a surface or structure if on or at any point of the~~  
 434 ~~surface or structure an alcoholic product is:]~~ a dispensing structure.

435 ~~[(i) stored; or]~~

436 ~~[(ii) dispensed.]~~

437 ~~[(26)]~~ (27) "Department" means the Department of Alcoholic Beverage Control created  
 438 in Section [32B-2-203](#).

439 ~~[(27)]~~ (28) "Department compliance officer" means an individual who is:

440 (a) an auditor or inspector; and

441 (b) employed by the department.

442 ~~[(28)]~~ (29) "Department sample" means liquor that is placed in the possession of the  
 443 department for testing, analysis, and sampling.

444 ~~[(29)]~~ (30) "Dining club license" means a license issued in accordance with Chapter 5,  
 445 Retail License Act, and Chapter 6, Part 4, ~~[Club]~~ Bar Establishment License, that is designated  
 446 by the commission as a dining club license.

447 ~~[(30)]~~ (31) "Director," unless the context requires otherwise, means the director of the  
 448 department.

449 ~~[(31)]~~ (32) "Disciplinary proceeding" means an adjudicative proceeding permitted  
 450 under this title:

451 (a) against a person subject to administrative action; and

452 (b) that is brought on the basis of a violation of this title.

453 ~~[(32)]~~ (33) (a) Subject to Subsection ~~[(32)]~~ (33)(b), "dispense" means:

454 (i) drawing of an alcoholic product:

455 (A) from an area where it is stored; or

456 (B) as provided in Subsection [32B-6-205\(12\)\(b\)\(ii\)](#), [32B-6-305\(12\)\(b\)\(ii\)](#),  
 457 [32B-6-805\(15\)\(b\)\(ii\)](#), or [32B-6-905\(12\)\(b\)\(ii\)](#); and

458 (ii) using the alcoholic product described in Subsection ~~[(32)]~~ (33)(a)(i) on the  
 459 premises of the licensed premises to mix or prepare an alcoholic product to be furnished to a

460 patron of the retail licensee.

461 (b) The definition of "dispense" in this Subsection [~~(32)~~] (33) applies only to:

462 (i) a full-service restaurant license;

463 (ii) a limited-service restaurant license;

464 (iii) a reception center license; and

465 (iv) a beer-only restaurant license.

466 (34) "Dispensing structure" means a surface or structure on a licensed premises:

467 (a) where an alcoholic product is stored or dispensed; or

468 (b) from which an alcoholic product is served.

469 [~~(33)~~] (35) "Distillery manufacturing license" means a license issued in accordance  
470 with Chapter 11, Part 4, Distillery Manufacturing License.

471 [~~(34)~~] (36) "Distressed merchandise" means an alcoholic product in the possession of  
472 the department that is saleable, but for some reason is unappealing to the public.

473 [~~(35)~~] (37) "Educational facility" includes:

474 (a) a nursery school;

475 (b) an infant day care center; and

476 (c) a trade and technical school.

477 [~~(36)~~] (38) "Equity [~~club~~] license" means a license issued in accordance with Chapter  
478 5, Retail License Act, and Chapter 6, Part 4, [~~Club~~] Bar Establishment License, that is  
479 designated by the commission as an equity [~~club~~] license.

480 [~~(37)~~] (39) "Event permit" means:

481 (a) a single event permit; or

482 (b) a temporary beer event permit.

483 [~~(38)~~] (40) "Exempt license" means a license exempt under Section [32B-1-201](#) from  
484 being considered in determining the total number of retail licenses that the commission may  
485 issue at any time.

486 [~~(39)~~] (41) (a) "Flavored malt beverage" means a beverage:

487 (i) that contains at least .5% alcohol by volume;

488 (ii) that is treated by processing, filtration, or another method of manufacture that is not  
489 generally recognized as a traditional process in the production of a beer as described in 27  
490 C.F.R. Sec. 25.55;



491 (iii) to which is added a flavor or other ingredient containing alcohol, except for a hop  
492 extract; and

493 (iv) (A) for which the producer is required to file a formula for approval with the  
494 federal Alcohol and Tobacco Tax and Trade Bureau pursuant to 27 C.F.R. Sec. 25.55; or

495 (B) that is not exempt under Subdivision (f) of 27 C.F.R. Sec. 25.55.

496 (b) "Flavored malt beverage" is considered liquor for purposes of this title.

497 [~~(40)~~] (42) "Fraternal [~~club~~] license" means a license issued in accordance with  
498 Chapter 5, Retail License Act, and Chapter 6, Part 4, [~~Club~~] Bar Establishment License, that is  
499 designated by the commission as a fraternal [~~club~~] license.

500 [~~(41)~~] (43) "Full-service restaurant license" means a license issued in accordance with  
501 Chapter 5, Retail License Act, and Chapter 6, Part 2, Full-Service Restaurant License.

502 [~~(42)~~] (44) (a) "Furnish" means by any means to provide with, supply, or give an  
503 individual an alcoholic product, by sale or otherwise.

504 (b) "Furnish" includes to:

505 (i) serve;

506 (ii) deliver; or

507 (iii) otherwise make available.

508 [~~(43)~~] (45) "Guest" means an individual who meets the requirements of Subsection  
509 [32B-6-407\(9\)](#).

510 [~~(44)~~] (46) "Health care practitioner" means:

511 (a) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;

512 (b) an optometrist licensed under Title 58, Chapter 16a, Utah Optometry Practice Act;

513 (c) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;

514 (d) a physical therapist licensed under Title 58, Chapter 24b, Physical Therapy Practice  
515 Act;

516 (e) a nurse or advanced practice registered nurse licensed under Title 58, Chapter 31b,  
517 Nurse Practice Act;

518 (f) a recreational therapist licensed under Title 58, Chapter 40, Recreational Therapy  
519 Practice Act;

520 (g) an occupational therapist licensed under Title 58, Chapter 42a, Occupational  
521 Therapy Practice Act;

522 (h) a nurse midwife licensed under Title 58, Chapter 44a, Nurse Midwife Practice Act;

523 (i) a mental health professional licensed under Title 58, Chapter 60, Mental Health

524 Professional Practice Act;

525 (j) a physician licensed under Title 58, Chapter 67, Utah Medical Practice Act;

526 (k) an osteopath licensed under Title 58, Chapter 68, Utah Osteopathic Medical

527 Practice Act;

528 (l) a dentist or dental hygienist licensed under Title 58, Chapter 69, Dentist and Dental

529 Hygienist Practice Act; and

530 (m) a physician assistant licensed under Title 58, Chapter 70a, Physician Assistant Act.

531 [~~45~~] (47) (a) "Heavy beer" means a product that:

532 (i) contains more than 4% alcohol by volume; and

533 (ii) is obtained by fermentation, infusion, or decoction of malted grain.

534 (b) "Heavy beer" is considered liquor for the purposes of this title.

535 [~~46~~] (48) "Hotel" is as defined by the commission by rule.

536 [~~47~~] (49) "Hotel license" means a license issued in accordance with Chapter 5, Retail

537 License Act, and Chapter 8b, Hotel License Act.

538 [~~48~~] (50) "Identification card" means an identification card issued under Title 53,

539 Chapter 3, Part 8, Identification Card Act.

540 [~~49~~] (51) "Industry representative" means an individual who is compensated by

541 salary, commission, or other means for representing and selling an alcoholic product of a

542 manufacturer, supplier, or importer of liquor.

543 [~~50~~] (52) "Industry representative sample" means liquor that is placed in the

544 possession of the department for testing, analysis, and sampling by a local industry

545 representative on the premises of the department to educate the local industry representative of

546 the quality and characteristics of the product.

547 [~~51~~] (53) "Interdicted person" means a person to whom the sale, offer for sale, or

548 furnishing of an alcoholic product is prohibited by:

549 (a) law; or

550 (b) court order.

551 [~~52~~] (54) "Intoxicated" means that a person:

552 (a) is significantly impaired as to the person's mental or physical functions as a result of

553 the use of:

- 554 (i) an alcoholic product;
- 555 (ii) a controlled substance;
- 556 (iii) a substance having the property of releasing toxic vapors; or
- 557 (iv) a combination of Subsections [~~(52)~~] (54)(a)(i) through (iii); and
- 558 (b) exhibits plain and easily observed outward manifestations of behavior or physical
- 559 signs produced by the overconsumption of an alcoholic product.

560 [~~(53)~~] (55) "Investigator" means an individual who is:

- 561 (a) a department compliance officer; or
- 562 (b) a nondepartment enforcement officer.

563 [~~(54)~~] (56) "Invitee" means the same as that term is defined in Section 32B-8-102.

564 [~~(55)~~] (57) "License" means:

- 565 (a) a retail license;
- 566 (b) a license issued in accordance with Chapter 11, Manufacturing and Related
- 567 Licenses Act;

568 (c) a license issued in accordance with Chapter 12, Liquor Warehousing License Act;

569 or

570 (d) a license issued in accordance with Chapter 13, Beer Wholesaling License Act.

571 [~~(56)~~] (58) "Licensee" means a person who holds a license.

572 [~~(57)~~] (59) "Limited-service restaurant license" means a license issued in accordance

573 with Chapter 5, Retail License Act, and Chapter 6, Part 3, Limited-Service Restaurant License.

574 [~~(58)~~] (60) "Limousine" means a motor vehicle licensed by the state or a local

575 authority, other than a bus or taxicab:

576 (a) in which the driver and a passenger are separated by a partition, glass, or other

577 barrier;

578 (b) that is provided by a business entity to one or more individuals at a fixed charge in

579 accordance with the business entity's tariff; and

580 (c) to give the one or more individuals the exclusive use of the limousine and a driver

581 to travel to one or more specified destinations.

582 [~~(59)~~] (61) (a) (i) "Liquor" means a liquid that:

583 (A) is:

- 584 (I) alcohol;
- 585 (II) an alcoholic, spirituous, vinous, fermented, malt, or other liquid;
- 586 (III) a combination of liquids a part of which is spirituous, vinous, or fermented; or
- 587 (IV) other drink or drinkable liquid; and
- 588 (B) (I) contains at least .5% alcohol by volume; and
- 589 (II) is suitable to use for beverage purposes.
- 590 (ii) "Liquor" includes:
- 591 (A) heavy beer;
- 592 (B) wine; and
- 593 (C) a flavored malt beverage.
- 594 (b) "Liquor" does not include beer.
- 595 ~~[(60)]~~ (62) "Liquor Control Fund" means the enterprise fund created by Section
- 596 32B-2-301.
- 597 ~~[(61)]~~ (63) "Liquor warehousing license" means a license that is issued:
- 598 (a) in accordance with Chapter 12, Liquor Warehousing License Act; and
- 599 (b) to a person, other than a licensed manufacturer, who engages in the importation for
- 600 storage, sale, or distribution of liquor regardless of amount.
- 601 ~~[(62)]~~ (64) "Local authority" means:
- 602 (a) for premises that are located in an unincorporated area of a county, the governing
- 603 body of a county; or
- 604 (b) for premises that are located in an incorporated city, town, or metro township, the
- 605 governing body of the city, town, or metro township.
- 606 ~~[(63)]~~ (65) "Lounge or bar area" is as defined by rule made by the commission.
- 607 ~~[(64)]~~ (66) "Manufacture" means to distill, brew, rectify, mix, compound, process,
- 608 ferment, or otherwise make an alcoholic product for personal use or for sale or distribution to
- 609 others.
- 610 ~~[(65)]~~ (67) "Member" means an individual who, after paying regular dues, has full
- 611 privileges in an equity ~~[club]~~ licensee or fraternal ~~[club]~~ licensee.
- 612 ~~[(66)]~~ (68) (a) "Military installation" means a base, air field, camp, post, station, yard,
- 613 center, or homeport facility for a ship:
- 614 (i) (A) under the control of the United States Department of Defense; or

615 (B) of the National Guard;

616 (ii) that is located within the state; and

617 (iii) including a leased facility.

618 (b) "Military installation" does not include a facility used primarily for:

619 (i) civil works;

620 (ii) a rivers and harbors project; or

621 (iii) a flood control project.

622 [(67)] (69) "Minor" means an individual under the age of 21 years.

623 [(68)] (70) "Nondepartment enforcement agency" means an agency that:

624 (a) (i) is a state agency other than the department; or

625 (ii) is an agency of a county, city, town, or metro township; and

626 (b) has a responsibility to enforce one or more provisions of this title.

627 [(69)] (71) "Nondepartment enforcement officer" means an individual who is:

628 (a) a peace officer, examiner, or investigator; and

629 (b) employed by a nondepartment enforcement agency.

630 [(70)] (72) (a) "Off-premise beer retailer" means a beer retailer who is:

631 (i) licensed in accordance with Chapter 7, ~~[Part 2,]~~ Off-Premise Beer Retailer ~~[Local~~

632 ~~Authority]~~ Act; and

633 (ii) engaged in the retail sale of beer to a patron for consumption off the beer retailer's

634 premises.

635 (b) "Off-premise beer retailer" does not include an on-premise beer retailer.

636 (73) "Off-premise beer retailer state license" means a state license issued in accordance

637 with Chapter 7, Part 4, Off-Premise Beer Retailer State License.

638 [(71)] (74) "On-premise banquet license" means a license issued in accordance with

639 Chapter 5, Retail License Act, and Chapter 6, Part 6, On-Premise Banquet License.

640 [(72)] (75) "On-premise beer retailer" means a beer retailer who is:

641 (a) authorized to sell, offer for sale, or furnish beer under a license issued in

642 accordance with Chapter 5, Retail License Act, and Chapter 6, Part 7, On-Premise Beer

643 Retailer License; and

644 (b) engaged in the sale of beer to a patron for consumption on the beer retailer's

645 premises:

646 (i) regardless of whether the beer retailer sells beer for consumption off the licensed  
647 premises; and

648 (ii) on and after March 1, 2012, operating:

649 (A) as a tavern; or

650 (B) in a manner that meets the requirements of Subsection 32B-6-703(2)(e)(i).

651 [~~73~~] (76) "Opaque" means impenetrable to sight.

652 [~~74~~] (77) "Package agency" means a retail liquor location operated:

653 (a) under an agreement with the department; and

654 (b) by a person:

655 (i) other than the state; and

656 (ii) who is authorized by the commission in accordance with Chapter 2, Part 6, Package  
657 Agency, to sell packaged liquor for consumption off the premises of the package agency.

658 [~~75~~] (78) "Package agent" means a person who holds a package agency.

659 [~~76~~] (79) "Patron" means an individual to whom food, beverages, or services are sold,  
660 offered for sale, or furnished, or who consumes an alcoholic product including:

661 (a) a customer;

662 (b) a member;

663 (c) a guest;

664 (d) an attendee of a banquet or event;

665 (e) an individual who receives room service;

666 (f) a resident of a resort;

667 (g) a public customer under a resort spa sublicense, as defined in Section 32B-8-102;

668 or

669 (h) an invitee.

670 (80) (a) "Performing arts facility" means a multi-use performance space that:

671 (i) is primarily used to present various types of performing arts, including dance,  
672 music, and theater;

673 (ii) contains over 2,500 seats;

674 (iii) is owned and operated by a governmental entity; and

675 (iv) is located in a city of the first class.

676 (b) "Performing arts facility" does not include a space that is used to present sporting

677 events or sporting competitions.

678 [~~77~~] (81) "Permittee" means a person issued a permit under:

- 679 (a) Chapter 9, Event Permit Act; or
- 680 (b) Chapter 10, Special Use Permit Act.

681 [~~78~~] (82) "Person subject to administrative action" means:

- 682 (a) a licensee;
- 683 (b) a permittee;
- 684 (c) a manufacturer;
- 685 (d) a supplier;
- 686 (e) an importer;
- 687 (f) one of the following holding a certificate of approval:
  - 688 (i) an out-of-state brewer;
  - 689 (ii) an out-of-state importer of beer, heavy beer, or flavored malt beverages; or
  - 690 (iii) an out-of-state supplier of beer, heavy beer, or flavored malt beverages; or
- 691 (g) staff of:
  - 692 (i) a person listed in Subsections [~~78~~] (82)(a) through (f); or
  - 693 (ii) a package agent.

694 [~~79~~] (83) "Premises" means a building, enclosure, or room used in connection with  
695 the storage, sale, furnishing, consumption, manufacture, or distribution, of an alcoholic  
696 product, unless otherwise defined in this title or rules made by the commission.

697 [~~80~~] (84) "Prescription" means an order issued by a health care practitioner when:

- 698 (a) the health care practitioner is licensed under Title 58, Occupations and Professions,  
699 to prescribe a controlled substance, other drug, or device for medicinal purposes;
- 700 (b) the order is made in the course of that health care practitioner's professional  
701 practice; and
- 702 (c) the order is made for obtaining an alcoholic product for medicinal purposes only.

703 [~~81~~] (85) (a) "Private event" means a specific social, business, or recreational event:

- 704 (i) for which an entire room, area, or hall is leased or rented in advance by an identified  
705 group; and
- 706 (ii) that is limited in attendance to people who are specifically designated and their  
707 guests.

708 (b) "Private event" does not include an event to which the general public is invited,  
709 whether for an admission fee or not.

710 [~~82~~] (86) (a) "Proof of age" means:

711 (i) an identification card;

712 (ii) an identification that:

713 (A) is substantially similar to an identification card;

714 (B) is issued in accordance with the laws of a state other than Utah in which the  
715 identification is issued;

716 (C) includes date of birth; and

717 (D) has a picture affixed;

718 (iii) a valid driver license certificate that:

719 (A) includes date of birth;

720 (B) has a picture affixed; and

721 (C) is issued:

722 (I) under Title 53, Chapter 3, Uniform Driver License Act; or

723 (II) in accordance with the laws of the state in which it is issued;

724 (iv) a military identification card that:

725 (A) includes date of birth; and

726 (B) has a picture affixed; or

727 (v) a valid passport.

728 (b) "Proof of age" does not include a driving privilege card issued in accordance with  
729 Section [53-3-207](#).

730 [~~83~~] (87) (a) "Public building" means a building or permanent structure that is:

731 (i) owned or leased by:

732 (A) the state; or

733 (B) a local government entity; and

734 (ii) used for:

735 (A) public education;

736 (B) transacting public business; or

737 (C) regularly conducting government activities.

738 (b) "Public building" does not include a building owned by the state or a local



739 government entity when the building is used by a person, in whole or in part, for a proprietary  
740 function.

741 ~~[(84)]~~ (88) "Public conveyance" means a conveyance that the public or a portion of the  
742 public has access to and a right to use for transportation, including an airline, railroad, bus,  
743 boat, or other public conveyance.

744 ~~[(85)]~~ (89) "Reception center" means a business that:

745 (a) operates facilities that are at least 5,000 square feet; and

746 (b) has as its primary purpose the leasing of the facilities described in Subsection ~~[(85)]~~

747 ~~(89)~~(a) to a third party for the third party's event.

748 ~~[(86)]~~ (90) "Reception center license" means a license issued in accordance with  
749 Chapter 5, Retail License Act, and Chapter 6, Part 8, Reception Center License.

750 ~~[(87)]~~ (91) (a) "Record" means information that is:

751 (i) inscribed on a tangible medium; or

752 (ii) stored in an electronic or other medium and is retrievable in a perceivable form.

753 (b) "Record" includes:

754 (i) a book;

755 (ii) a book of account;

756 (iii) a paper;

757 (iv) a contract;

758 (v) an agreement;

759 (vi) a document; or

760 (vii) a recording in any medium.

761 ~~[(88)]~~ (92) "Residence" means a person's principal place of abode within Utah.

762 ~~[(89)]~~ (93) "Resident," in relation to a resort, means the same as that term is defined in  
763 Section [32B-8-102](#).

764 ~~[(90)]~~ (94) "Resort" means the same as that term is defined in Section [32B-8-102](#).

765 ~~[(91)]~~ (95) "Resort facility" is as defined by the commission by rule.

766 ~~[(92)]~~ (96) "Resort license" means a license issued in accordance with Chapter 5,  
767 Retail License Act, and Chapter 8, Resort License Act.

768 (97) "Responsible alcohol service plan" means a written set of policies and procedures  
769 that outlines measures to prevent employees from:

- 770           (a) over-serving alcoholic beverages to customers;
- 771           (b) serving alcoholic beverages to customers who are actually, apparently, or obviously
- 772 intoxicated; and
- 773           (c) serving alcoholic beverages to minors.
- 774           ~~[(93)]~~ (98) "Restaurant" means a business location:
- 775           (a) at which a variety of foods are prepared;
- 776           (b) at which complete meals are served to the general public; and
- 777           (c) that is engaged primarily in serving meals to the general public.
- 778           ~~[(94)]~~ (99) "Retail license" means one of the following licenses issued under this title:
- 779           (a) a full-service restaurant license;
- 780           (b) a master full-service restaurant license;
- 781           (c) a limited-service restaurant license;
- 782           (d) a master limited-service restaurant license;
- 783           (e) a ~~[club]~~ bar establishment license;
- 784           (f) an airport lounge license;
- 785           (g) an on-premise banquet license;
- 786           (h) an on-premise beer license;
- 787           (i) a reception center license;
- 788           (j) a beer-only restaurant license;
- 789           (k) a resort license; or
- 790           (l) a hotel license.
- 791           ~~[(95)]~~ (100) "Room service" means furnishing an alcoholic product to a person in a
- 792 guest room of a:
- 793           (a) hotel; or
- 794           (b) resort facility.
- 795           ~~[(96)]~~ (101) (a) "School" means a building used primarily for the general education of
- 796 minors.
- 797           (b) "School" does not include an educational facility.
- 798           ~~[(97)]~~ (102) "Sell" or "offer for sale" means a transaction, exchange, or barter whereby,
- 799 for consideration, an alcoholic product is either directly or indirectly transferred, solicited,
- 800 ordered, delivered for value, or by a means or under a pretext is promised or obtained, whether

801 done by a person as a principal, proprietor, or as staff, unless otherwise defined in this title or  
802 the rules made by the commission.

803 ~~[(98)]~~ (103) "Serve" means to place an alcoholic product before an individual.

804 ~~[(99)]~~ (104) "Sexually oriented entertainer" means a person who while in a state of  
805 seminudity appears at or performs:

806 (a) for the entertainment of one or more patrons;

807 (b) on the premises of:

808 (i) a ~~[social club]~~ bar licensee; or

809 (ii) a tavern;

810 (c) on behalf of or at the request of the licensee described in Subsection ~~[(99)]~~

811 (104)(b);

812 (d) on a contractual or voluntary basis; and

813 (e) whether or not the person is designated as:

814 (i) an employee;

815 (ii) an independent contractor;

816 (iii) an agent of the licensee; or

817 (iv) a different type of classification.

818 ~~[(100)]~~ (105) "Single event permit" means a permit issued in accordance with Chapter  
819 9, Part 3, Single Event Permit.

820 ~~[(101)]~~ (106) "Small brewer" means a brewer who manufactures less than 60,000  
821 barrels of beer, heavy beer, and flavored malt beverages per year.

822 ~~[(103)]~~ (107) "Special use permit" means a permit issued in accordance with Chapter  
823 10, Special Use Permit Act.

824 ~~[(104)]~~ (108) (a) "Spirituous liquor" means liquor that is distilled.

825 (b) "Spirituous liquor" includes an alcoholic product defined as a "distilled spirit" by  
826 27 U.S.C. Sec. 211 and 27 C.F.R. Sec. 5.11 through 5.23.

827 ~~[(105)]~~ (109) "Sports center" is as defined by the commission by rule.

828 ~~[(106)]~~ (110) (a) "Staff" means an individual who engages in activity governed by this  
829 title:

830 (i) on behalf of a business, including a package agent, licensee, permittee, or certificate  
831 holder;

832 (ii) at the request of the business, including a package agent, licensee, permittee, or  
833 certificate holder; or

834 (iii) under the authority of the business, including a package agent, licensee, permittee,  
835 or certificate holder.

836 (b) "Staff" includes:

837 (i) an officer;

838 (ii) a director;

839 (iii) an employee;

840 (iv) personnel management;

841 (v) an agent of the licensee, including a managing agent;

842 (vi) an operator; or

843 (vii) a representative.

844 [~~(107)~~] (111) "State of nudity" means:

845 (a) the appearance of:

846 (i) the nipple or areola of a female human breast;

847 (ii) a human genital;

848 (iii) a human pubic area; or

849 (iv) a human anus; or

850 (b) a state of dress that fails to opaquely cover:

851 (i) the nipple or areola of a female human breast;

852 (ii) a human genital;

853 (iii) a human pubic area; or

854 (iv) a human anus.

855 [~~(108)~~] (112) "State of seminudity" means a state of dress in which opaque clothing  
856 covers no more than:

857 (a) the nipple and areola of the female human breast in a shape and color other than the  
858 natural shape and color of the nipple and areola; and

859 (b) the human genitals, pubic area, and anus:

860 (i) with no less than the following at its widest point:

861 (A) four inches coverage width in the front of the human body; and

862 (B) five inches coverage width in the back of the human body; and

863 (ii) with coverage that does not taper to less than one inch wide at the narrowest point.

864 [~~(109)~~] (113) (a) "State store" means a facility for the sale of packaged liquor:

865 (i) located on premises owned or leased by the state; and

866 (ii) operated by a state employee.

867 (b) "State store" does not include:

868 (i) a package agency;

869 (ii) a licensee; or

870 (iii) a permittee.

871 [~~(110)~~] (114) (a) "Storage area" means an area on licensed premises where the licensee  
872 stores an alcoholic product.

873 (b) "Store" means to place or maintain in a location an alcoholic product from which a  
874 person draws to prepare an alcoholic product to be furnished to a patron, except as provided in  
875 Subsection 32B-6-205(12)(b)(ii), 32B-6-305(12)(b)(ii), 32B-6-805(15)(b)(ii), or  
876 32B-6-905(12)(b)(ii).

877 [~~(111)~~] (115) "Sublicense" means the same as that term is defined in Section  
878 32B-8-102 or 32B-8b-102.

879 [~~(112)~~] (116) "Supplier" means a person who sells an alcoholic product to the  
880 department.

881 [~~(113)~~] (117) "Tavern" means an on-premise beer retailer who is:

882 (a) issued a license by the commission in accordance with Chapter 5, Retail License  
883 Act, and Chapter 6, Part 7, On-Premise Beer Retailer License; and

884 (b) designated by the commission as a tavern in accordance with Chapter 6, Part 7,  
885 On-Premise Beer Retailer License.

886 [~~(114)~~] (118) "Temporary beer event permit" means a permit issued in accordance with  
887 Chapter 9, Part 4, Temporary Beer Event Permit.

888 [~~(115)~~] (119) "Temporary domicile" means the principal place of abode within Utah of  
889 a person who does not have a present intention to continue residency within Utah permanently  
890 or indefinitely.

891 [~~(116)~~] (120) "Translucent" means a substance that allows light to pass through, but  
892 does not allow an object or person to be seen through the substance.

893 [~~(117)~~] (121) "Unsaleable liquor merchandise" means a container that:

894 (a) is unsaleable because the container is:

895 (i) unlabeled;

896 (ii) leaky;

897 (iii) damaged;

898 (iv) difficult to open; or

899 (v) partly filled;

900 (b) (i) has faded labels or defective caps or corks;

901 (ii) has contents that are:

902 (A) cloudy;

903 (B) spoiled; or

904 (C) chemically determined to be impure; or

905 (iii) contains:

906 (A) sediment; or

907 (B) a foreign substance; or

908 (c) is otherwise considered by the department as unfit for sale.

909 [~~(H8)~~] (122) (a) "Wine" means an alcoholic product obtained by the fermentation of  
910 the natural sugar content of fruits, plants, honey, or milk, or other like substance, whether or  
911 not another ingredient is added.

912 (b) "Wine" is considered liquor for purposes of this title, except as otherwise provided  
913 in this title.

914 [~~(H9)~~] (123) "Winery manufacturing license" means a license issued in accordance  
915 with Chapter 11, Part 3, Winery Manufacturing License.

916 Section 5. Section **32B-1-104** is amended to read:

917 **32B-1-104. Exercise of police powers -- Severability.**

918 (1) (a) This title is an exercise of the police powers of the state for the protection of the  
919 public health, peace, safety, welfare, and morals, and regulates the storage, sale, offer for sale,  
920 furnishing, consumption, manufacture, and distribution of an alcoholic product.

921 (b) This title governs alcoholic product control unless otherwise provided in this title.

922 (c) If this title or a local ordinance adopted in accordance with Section [32B-1-204](#) does  
923 not expressly permit a licensee or permittee to engage in an activity related to the storage, sale,  
924 offer for sale, furnishing, consumption, manufacture, and distribution of an alcoholic product,

925 the licensee or permittee may not engage in that activity.

926 (2) The department and the commission:

927 (a) shall implement and enforce the provisions of this title in accordance with the  
928 express language of the provisions and in a manner consistent with the policy described in  
929 Section [32B-1-103](#); and

930 (b) may not waive any provision of this title.

931 [~~2~~] (3) If a provision of this title or the application of a provision to a person or  
932 circumstance is held invalid, the remainder of this title shall be given effect without the invalid  
933 provision or application. The provisions of this title are severable.

934 Section 6. Section **32B-1-201** is amended to read:

935 **32B-1-201. Restrictions on number of retail licenses that may be issued --**  
936 **Determining population -- Exempt licenses.**

937 (1) As used in this section:

938 (a) "Alcohol-related law enforcement officer" means a law enforcement officer  
939 employed by the Department of Public Safety that has as a primary responsibility:

940 (i) the enforcement of this title; or

941 (ii) the enforcement of Title 41, Chapter 6a, Part 5, Driving Under the Influence and  
942 Reckless Driving.

943 (b) "Enforcement ratio" is the number calculated as follows:

944 (i) determine the quotient equal to the sum of the total number of quota retail licenses  
945 available and the total number of licensed premises operating under a master full-service  
946 restaurant license or under a master limited-service restaurant license divided by the total  
947 number of alcohol-related law enforcement officers; and

948 (ii) round the number determined in accordance with Subsection (1)(b)(i) up to the  
949 nearest whole number.

950 (c) "Quota retail license" means:

951 (i) a full-service restaurant license;

952 (ii) a limited-service restaurant license;

953 (iii) a [~~club~~] bar establishment license;

954 (iv) an on-premise banquet license;

955 (v) an on-premise beer retailer operating as a tavern; and

956 (vi) a reception center license.

957 (d) "Total number of alcohol-related law enforcement officers" means the total number  
958 of positions designated as alcohol-related law enforcement officers that are funded as of a  
959 specified date as certified by the Department of Public Safety to the department.

960 (e) "Total number of quota retail licenses available" means the number calculated by:

961 (i) determining as of a specified date for each quota retail license the number of  
962 licenses that the commission may not exceed calculated by dividing the population of the state  
963 by the number specified in the relevant provision for the quota retail license; and

964 (ii) adding together the numbers determined under Subsection (1)(e)(i).

965 (2) (a) Beginning on July 1, 2012, the department shall annually determine the  
966 enforcement ratio as of July 1 of that year.

967 (b) If, beginning on July 1, 2012, the enforcement ratio is greater than 52, the  
968 commission may not issue a quota retail license for the 12-month period beginning on the July  
969 1 for which the enforcement ratio is greater than 52.

970 (c) Notwithstanding Subsection (2)(b), the commission may issue a quota retail license  
971 during the 12-month period described in Subsection (2)(b) beginning on the day on which a  
972 sufficient number of alcohol-related law enforcement officers are employed so that if the  
973 enforcement ratio is calculated, the enforcement ratio would be equal to or less than 52.

974 (d) Once the Department of Public Safety certifies under Subsection (1)(d) the total  
975 number of positions designated as alcohol-related law enforcement officers that are funded as  
976 of July 1, the Department of Public Safety may not use the funding for the designated  
977 alcohol-related law enforcement officers for a purpose other than funding those positions.

978 (3) For purposes of determining the number of state stores that the commission may  
979 establish or the number of package agencies or retail licenses that the commission may issue,  
980 the commission shall determine population by:

981 (a) the most recent United States decennial or special census; or

982 (b) another population determination made by the United States or state governments.

983 (4) The commission may not consider a retail license that meets the following  
984 conditions in determining the total number of licenses available for that type of retail license  
985 that the commission may issue at any time:

986 (a) the retail license was issued to a club licensee designated as a dining club as of July



987 1, 2011; and

988 (b) the dining club license is converted to another type of retail license in accordance  
989 with Section [32B-6-409](#).

990 Section 7. Section **32B-1-202** is amended to read:

991 **32B-1-202. Proximity to community location.**

992 (1) ~~[For purposes of]~~ As used in this section~~[-,"outlet" means]:~~

993 (a) (i) "Outlet" means:

994 ~~[(a)]~~ (A) a state store;

995 ~~[(b)]~~ (B) a package agency; or

996 ~~[(c)]~~ (C) a retail licensee~~[-, except an airport lounge licensee].~~

997 (ii) "Outlet" does not include:

998 (A) an airport lounge licensee; or

999 (B) a restaurant.

1000 (b) "Restaurant" means:

1001 (i) a full-service restaurant licensee;

1002 (ii) a limited-service restaurant licensee; or

1003 (iii) a beer-only restaurant licensee.

1004 ~~(2) (a) [Except as otherwise provided in this section, the]~~ The premises of an outlet  
1005 may not be located:

1006 ~~[(a)]~~ (i) within 600 feet of a community location, as measured from the nearest  
1007 entrance of the outlet by following the shortest route of ordinary pedestrian travel to the  
1008 property boundary of the community location; or

1009 ~~[(b)]~~ (ii) within 200 feet of a community location, measured in a straight line from the  
1010 nearest entrance of the outlet to the nearest property boundary of the community location.

1011 (b) The premises of a restaurant may not be located:

1012 (i) within 450 feet of a community location, as measured from the nearest entrance of  
1013 the restaurant by following the shortest route of ordinary pedestrian travel to the property  
1014 boundary of the community location; or

1015 (ii) within 200 feet of a community location, measured in a straight line from the  
1016 nearest entrance of the restaurant to the nearest property boundary of the community location.

1017 ~~[(3) With respect to the location of an outlet, the commission may authorize a variance~~

1018 to reduce the proximity requirement of Subsection (2) if:]  
1019       ~~[(a) when the variance reduces the proximity requirement of Subsection (2)(b), the~~  
1020 ~~community location at issue is:]~~  
1021       ~~[(i) a public library; or]~~  
1022       ~~[(ii) a public park;]~~  
1023       ~~[(b) except with respect to a state store, the local authority gives its written consent to~~  
1024 ~~the variance;]~~  
1025       ~~[(c) the commission finds that alternative locations for locating that type of outlet in~~  
1026 ~~the community are limited;]~~  
1027       ~~[(d) a public hearing is held in the city, town, metro township, or county, and when~~  
1028 ~~practical in the neighborhood concerned;]~~  
1029       ~~[(e) after giving full consideration to the attending circumstances and the policies~~  
1030 ~~stated in Subsections 32B-1-103(3) and (4), the commission determines that locating the outlet~~  
1031 ~~in that location would not be detrimental to the public health, peace, safety, and welfare of the~~  
1032 ~~community;]~~  
1033       ~~[(f) (i) the community location governing authority gives its written consent to the~~  
1034 ~~variance; or]~~  
1035       ~~[(ii) if the community location governing authority does not give its written consent to~~  
1036 ~~a variance, the commission finds the following for a state store, or if the outlet is a package~~  
1037 ~~agency or retail licensee, the commission finds that the applicant establishes the following:]~~  
1038       ~~[(A) there is substantial unmet public demand to consume an alcoholic product:]~~  
1039       ~~[(F) within the geographic boundary of the local authority in which the outlet is to be~~  
1040 ~~located; and]~~  
1041       ~~[(H) for an outlet that is a retail licensee, in a public setting;]~~  
1042       ~~[(B) there is no reasonably viable alternative for satisfying the substantial unmet~~  
1043 ~~demand other than through locating that type of outlet in that location; and]~~  
1044       ~~[(C) there is no reasonably viable alternative location within the geographic boundary~~  
1045 ~~of the local authority in which the outlet is to be located for locating that type of outlet to~~  
1046 ~~satisfy the unmet demand:]~~  
1047       ~~[(4) With respect to the premises of a package agency or retail licensee that undergoes~~  
1048 ~~a change of ownership, the commission may waive or vary the proximity requirements of~~

1049 Subsection (2) in considering whether to issue the package agency or same type of retail license  
1050 to the new owner of the premises if:]

1051 [~~(a) the premises previously received a variance reducing the proximity requirement of~~  
1052 ~~Subsection (2)(a);]~~

1053 [~~(b) the premises received a variance reducing the proximity requirement of Subsection~~  
1054 ~~(2)(b) on or before May 4, 2008; or]~~

1055 [~~(c) a variance from proximity requirements was otherwise allowed under this title.]~~

1056 (3) For an outlet or a restaurant that holds a license on May 9, 2017, and operates under  
1057 a previously approved variance to one or more proximity requirements in effect before May 9,  
1058 2017, the outlet or restaurant may continue to operate under the variance if the outlet or  
1059 restaurant remains in continuous operation, regardless of whether the outlet or restaurant  
1060 changes ownership.

1061 [~~(5)] (4) Nothing in this section prevents the commission from considering the~~

1062 proximity of an educational, religious, and recreational facility, or any other relevant factor in

1063 reaching a decision on a proposed location of an outlet or a restaurant.

1064 Section 8. Section **32B-1-207** is amended to read:

1065 **32B-1-207. Calculation of ratio of gross receipts of food to alcoholic product.**

1066 In calculating the annual gross receipts of a retail license or sublicense for purposes of

1067 determining the percentage of gross receipts from the sale, offer for sale, or furnishing of food

1068 or an alcoholic product, a retail licensee may not include in the calculation the money from the

1069 sale of a bottle of wine by the retail licensee or under a sublicense that is in excess of [~~\$250~~

1070 \$175.

1071 Section 9. Section **32B-1-305** is amended to read:

1072 **32B-1-305. Requirement for a background check.**

1073 (1) The department shall require an individual listed in Subsection (2), in accordance

1074 with this part, to:

1075 (a) provide a signed waiver from the individual whose fingerprints may be registered in

1076 the Federal Bureau of Investigation Rap Back system that notifies the signee:

1077 (i) that a criminal history background check will be conducted;

1078 (ii) who will see the information; and

1079 (iii) how the information will be used;

- 1080 (b) submit to a background check in a form acceptable to the department; and
- 1081 (c) consent to a background check by:
  - 1082 (i) the Utah Bureau of Criminal Identification; and
  - 1083 (ii) the Federal Bureau of Investigation.
- 1084 (2) The following shall comply with Subsection (1):
  - 1085 (a) an individual applying for employment with the department if:
    - 1086 (i) the department makes the decision to offer the individual employment with the
    - 1087 department; and
    - 1088 (ii) once employed, the individual will receive benefits;
  - 1089 (b) an individual applying to the commission to operate a package agency;
  - 1090 (c) an individual applying to the commission for a license, unless the license is an
  - 1091 off-premise beer retailer state license;
  - 1092 (d) an individual who with regard to an entity that is applying to the commission to
  - 1093 operate a package agency or for a license is:
    - 1094 (i) a partner;
    - 1095 (ii) a managing agent;
    - 1096 (iii) a manager;
    - 1097 (iv) an officer;
    - 1098 (v) a director;
    - 1099 (vi) a stockholder who holds at least 20% of the total issued and outstanding stock of a
    - 1100 corporation;
    - 1101 (vii) a member who owns at least 20% of a limited liability company; or
    - 1102 (viii) an individual employed to act in a supervisory or managerial capacity; or
  - 1103 (e) an individual who becomes involved with an entity that operates a package agency
  - 1104 or holds a license, if the individual is in a capacity listed in Subsection (2)(d) on or after the day
  - 1105 on which the entity:
    - 1106 (i) is approved to operate a package agency; or
    - 1107 (ii) is licensed by the commission.
- 1108 (3) The department shall require compliance with Subsection (2)(e) as a condition of
- 1109 an entity's:
  - 1110 (a) continued operation of a package agency; or

1111 (b) renewal of a license.

1112 (4) The department may require as a condition of continued employment that a  
1113 department employee:

1114 (a) submit to a background check in a form acceptable to the department; and

1115 (b) consent to a fingerprint criminal background check by:

1116 (i) the Utah Bureau of Criminal Identification; and

1117 (ii) the Federal Bureau of Investigation.

1118 Section 10. Section **32B-1-407** is amended to read:

1119 **32B-1-407. Verification of proof of age by applicable licensees.**

1120 (1) As used in this section, "applicable licensee" means:

1121 (a) a dining club;

1122 (b) a [~~social club~~; or] bar;

1123 (c) a tavern[-];

1124 (d) a full-service restaurant;

1125 (e) a limited-service restaurant; or

1126 (f) a beer-only restaurant.

1127 (2) Notwithstanding any other provision of this part, an applicable licensee shall  
1128 require that an authorized person for the applicable licensee verify proof of age as provided in  
1129 this section.

1130 (3) An authorized person is required to verify proof of age under this section before an  
1131 individual who appears to be 35 years of age or younger:

1132 (a) gains admittance to the premises of a [~~social club~~] bar licensee or tavern; [or]

1133 (b) procures an alcoholic product on the premises of a dining club licensee[-]; or

1134 (c) procures an alcoholic product in a dispensing area in the premises of a full-service  
1135 restaurant licensee, a limited-service restaurant licensee, or a beer-only restaurant licensee.

1136 (4) To comply with Subsection (3), an authorized person shall:

1137 (a) request the individual present proof of age; and

1138 (b) (i) verify the validity of the proof of age electronically under the verification  
1139 program created in Subsection (5); or

1140 (ii) if the proof of age cannot be electronically verified as provided in Subsection

1141 (4)(b)(i), request that the individual comply with a process established by the commission by

1142 rule.

1143 (5) The commission shall establish by rule an electronic verification program that  
1144 includes the following:

1145 (a) the specifications for the technology used by the applicable licensee to  
1146 electronically verify proof of age, including that the technology display to the person described  
1147 in Subsection (2) no more than the following for the individual who presents the proof of age:

1148 (i) the name;

1149 (ii) the age;

1150 (iii) the number assigned to the individual's proof of age by the issuing authority;

1151 (iv) the birth date;

1152 (v) the gender; and

1153 (vi) the status and expiration date of the individual's proof of age; and

1154 (b) the security measures that shall be used by an applicable licensee to ensure that  
1155 information obtained under this section is:

1156 (i) used by the applicable licensee only for purposes of verifying proof of age in  
1157 accordance with this section; and

1158 (ii) retained by the applicable licensee for seven days after the day on which the  
1159 applicable licensee obtains the information.

1160 (6) (a) An applicable licensee may not disclose information obtained under this section  
1161 except as provided under this title.

1162 (b) Information obtained under this section is considered a record for any purpose  
1163 under Chapter 5, Part 3, Retail Licensee Operational Requirements.

1164 Section 11. Section **32B-1-505** is amended to read:

1165 **32B-1-505. Sexually oriented entertainer.**

1166 (1) Subject to the requirements of this part, live entertainment is permitted on premises  
1167 or at an event regulated by the commission.

1168 (2) Notwithstanding Subsection (1), a retail licensee or permittee may not permit a  
1169 person to:

1170 (a) appear or perform in a state of nudity;

1171 (b) perform or simulate an act of:

1172 (i) sexual intercourse;

- 1173 (ii) masturbation;
- 1174 (iii) sodomy;
- 1175 (iv) bestiality;
- 1176 (v) oral copulation;
- 1177 (vi) flagellation; or
- 1178 (vii) a sexual act that is prohibited by Utah law; or
- 1179 (c) touch, caress, or fondle the breast, buttocks, anus, or genitals.
- 1180 (3) A sexually oriented entertainer may perform in a state of seminudity:
- 1181 (a) only in:
- 1182 (i) a tavern; or
- 1183 (ii) a [~~social club~~] bar license premises; and
- 1184 (b) only if:
- 1185 (i) the windows, doors, and other apertures to the premises are darkened or otherwise
- 1186 constructed to prevent anyone outside the premises from seeing the performance; and
- 1187 (ii) the outside entrance doors of the premises remain unlocked.
- 1188 (4) A sexually oriented entertainer may perform only upon a stage or in a designated
- 1189 performance area that is:
- 1190 (a) approved by the commission in accordance with rules made by the commission;
- 1191 (b) configured so as to preclude a patron from:
- 1192 (i) touching the sexually oriented entertainer; or
- 1193 (ii) placing any money or object on or within the performance attire or the person of the
- 1194 sexually oriented entertainer; and
- 1195 (c) configured so as to preclude the sexually oriented entertainer from touching a
- 1196 patron.
- 1197 (5) A sexually oriented entertainer may not touch a patron:
- 1198 (a) during the sexually oriented entertainer's performance; or
- 1199 (b) while the sexually oriented entertainer is dressed in performance attire.
- 1200 (6) A sexually oriented entertainer, while in the portion of the premises used by
- 1201 patrons, shall be dressed in opaque clothing which covers and conceals the sexually oriented
- 1202 entertainer's performance attire from the top of the breast to the knee.
- 1203 (7) A patron may not be on the stage or in the performance area while a sexually

1204 oriented entertainer is appearing or performing on the stage or in the performance area.

1205 (8) A patron may not:

1206 (a) touch a sexually oriented entertainer:

1207 (i) during the sexually oriented entertainer's performance; or

1208 (ii) while the sexually oriented entertainer is dressed in performance attire; or

1209 (b) place money or any other object on or within the performance attire or the person of  
1210 the sexually oriented entertainer.

1211 (9) A minor may not be on premises described in Subsection (3).

1212 (10) A person who appears or performs for the entertainment of patrons on premises or  
1213 at an event regulated by the commission that is not a tavern or ~~[social club]~~ bar licensee:

1214 (a) may not appear or perform in a state of nudity or a state of seminudity; and

1215 (b) may appear or perform in opaque clothing that completely covers the person's  
1216 genitals, pubic area, and anus if the covering:

1217 (i) is not less than the following at its widest point:

1218 (A) four inches coverage width in the front of the human body; and

1219 (B) five inches coverage width in the back of the human body;

1220 (ii) does not taper to less than one inch wide at the narrowest point; and

1221 (iii) if covering a female, completely covers the breast below the top of the areola.

1222 Section 12. Section **32B-1-604** is amended to read:

1223 **32B-1-604. Requirements for labeling and packaging -- Authority of the**  
1224 **commission and department.**

1225 (1) A manufacturer may not distribute or sell a malted beverage:

1226 (a) unless the label and packaging of the malted beverage:

1227 (i) complies with the federal label requirements of 27 C.F.R. Parts 7, 13, and 16; and

1228 (ii) clearly gives notice to the public that the malted beverage is an alcoholic product;

1229 and

1230 (b) until the day on which the department in accordance with this title and rules of the  
1231 commission approves the label and packaging of the malted beverage.

1232 (2) The department shall review the label and packaging of a malted beverage to ensure  
1233 that the label and packaging meet the requirements of Subsection (1)(a).

1234 (3) A manufacturer may comply with the requirement of Subsection (1)(a)(ii) by



1235 including on a label and packaging for a malted beverage any of the following terms:

1236 (a) beer;

1237 (b) ale;

1238 (c) porter;

1239 (d) stout;

1240 (e) lager;

1241 (f) lager beer; or

1242 (g) another class or type designation commonly applied to a malted beverage that

1243 conveys by a recognized term that the product contains alcohol.

1244 (4) (a) As used in this section, "previously approved malted beverage" means a malted  
1245 beverage for which the manufacturer holds approval for the label and packaging under  
1246 Subsection (1)(b) on May 9, 2017.

1247 (b) Beginning May 9, 2017, the department shall review the label and packaging of  
1248 each previously approved malted beverage for compliance with the provisions of this part.

1249 (c) If, during the review described in Subsection (4)(b), the department determines that  
1250 a previously approved malted beverage does not comply with the provisions of this part on or  
1251 after May 9, 2017:

1252 (i) the department shall send written notice to the manufacturer that states:

1253 (A) that the manufacturer shall reapply for approval of the label and packaging of the  
1254 malted beverage;

1255 (B) an explanation, including each specific reason, the label or packaging of the  
1256 manufacturer's previously approved malted beverage does not comply with the provisions of  
1257 this part;

1258 (C) how the manufacturer can comply with the provisions of this part; and

1259 (D) the date by which the manufacturer shall submit an application to the department  
1260 for approval; and

1261 (ii) the manufacturer shall reapply for approval of the label and packaging of the  
1262 malted beverage in accordance with the written notice and the provisions of this part.

1263 (d) (i) A manufacturer, wholesaler, or retailer may distribute or sell a previously  
1264 approved malted beverage through April 30, 2018, in accordance with the manufacturer's most  
1265 recent approval from the department.

1266 (ii) After April 30, 2018, a manufacturer, wholesaler, or retailer may not distribute or  
1267 sell a previously approved malted beverage that does not comply with the provisions of this  
1268 part.

1269 (e) The department shall ensure that the department notifies and takes action on each  
1270 timely application submitted under this Subsection (4) before January 1, 2018.

1271 Section 13. Section **32B-1-605** is amended to read:

1272 **32B-1-605. General procedure for approval.**

1273 (1) To obtain approval of the label and packaging of a malted beverage, the  
1274 manufacturer of the malted beverage shall submit an application to the department for  
1275 approval.

1276 (2) The application described in Subsection (1) shall be on a form approved by the  
1277 department and include the following for each brand and label for which the manufacturer  
1278 seeks approval:

1279 (a) (i) a copy of a federal certificate of label approval from the United States  
1280 Department of Treasury, Alcohol and Tobacco Tax and Trade Bureau~~[- for each brand and~~  
1281 ~~label for which the manufacturer is seeking approval]; or~~

1282 (ii) if the Bureau does not require label approval, a copy of formula approval from the  
1283 United States Department of Treasury, Alcohol and Tobacco Tax and Trade Bureau;

1284 (b) a complete set of original labels for each size of container of the malted beverage;

1285 (c) a description of the size of the container on which a label will be placed;

1286 (d) a description of each type of container of the malted beverage; and

1287 (e) a description of any packaging for the malted beverage.

1288 (3) The department may assess a reasonable fee for reviewing a label and packaging for  
1289 approval.

1290 (4) (a) The department shall notify a manufacturer within 30 days after the day on  
1291 which the manufacturer submits an application whether the label and packaging is approved or  
1292 denied.

1293 (b) If the department determines that an unusual circumstance requires additional time,  
1294 the department may extend the time period described in Subsection (4)(a).

1295 (5) A manufacturer shall obtain the approval of the department of a revision of a  
1296 previously approved label and packaging before a malted beverage using the revised label and

1297 packaging may be distributed or sold in this state.

1298 (6) (a) The department may revoke a label and packaging previously approved upon a  
1299 finding that the label and packaging is not in compliance with this title or rules of the  
1300 commission.

1301 (b) The department shall notify the person who applies for the approval of a label and  
1302 packaging at least five business days before the day on which a label and packaging approval is  
1303 considered revoked.

1304 (c) After receiving notice under Subsection (6)(b), a manufacturer may present written  
1305 argument or evidence to the department on why the revocation should not occur.

1306 (7) A manufacturer that applies for approval of a label and packaging may appeal a  
1307 denial or revocation of a label and packaging approval to the commission.

1308 Section 14. Section **32B-1-606** is amended to read:

1309 **32B-1-606. Special procedure for certain malted beverages.**

1310 ~~[(1) If a flavored malt beverage is labeled or packaged in a manner that is similar to a~~  
1311 ~~label or packaging used for a nonalcoholic beverage;]~~

1312 (1) Notwithstanding Subsection [32B-1-604\(3\)](#), a manufacturer of ~~[the flavored malt]~~ a  
1313 malted beverage may not distribute or sell the ~~[flavored malt]~~ malted beverage in this state  
1314 until the day on which the manufacturer receives approval of the labeling and packaging from  
1315 the department in accordance with this section and Sections [32B-1-604](#) and [32B-1-605](#), if the  
1316 malted beverage is labeled or packaged in a manner that is:

1317 ~~[(a) Sections [32B-1-604](#) and [32B-1-605](#); and]~~

1318 ~~[(b) this section.]~~

1319 (a) similar to a label or packaging used for a nonalcoholic beverage; or

1320 (b) likely to confuse or mislead a patron to believe the malted beverage is a  
1321 nonalcoholic beverage.

1322 (2) The department may not approve the labeling and packaging of a ~~[flavored malt]~~  
1323 malted beverage described in Subsection (1) unless in addition to the requirements of Section  
1324 [32B-1-604](#) the labeling and packaging complies with the following:

1325 (a) the label on the ~~[flavored malt]~~ malted beverage ~~[shall bear]~~ bears a prominently  
1326 displayed label or a firmly affixed sticker that provides the following information:

1327 (i) the statement:

- 1328 (A) "alcoholic beverage"; or  
1329 (B) "contains alcohol"; and  
1330 (ii) the alcohol content of the [~~flavored malt~~] malted beverage[-:];  
1331 (b) the packaging of [~~a flavored malt~~] the malted beverage [~~shall~~] prominently  
1332 [~~include~~] includes, either imprinted on the packaging or imprinted on a sticker firmly affixed to  
1333 the packaging, the statement:  
1334 (i) "alcoholic beverage"; or  
1335 (ii) "contains alcohol"[-:];  
1336 (c) a statement required by Subsection (2)(a) or (b) [~~shall appear~~] appears in a format  
1337 required by rule made by the commission[-:]; and  
1338 (d) a statement of alcohol content required by Subsection (2)(a)(ii):  
1339 (i) [~~shall state~~] states the alcohol content as a percentage of alcohol by volume or by  
1340 weight;  
1341 (ii) [~~may~~] does not use an abbreviation, but [~~shall use~~] uses the complete words  
1342 "alcohol," "volume," or "weight"; and  
1343 (iii) [~~shall be~~] is in a format required by rule made by the commission.  
1344 (3) The department may reject a label or packaging that appears designed to obscure  
1345 the information required by Subsection (2).  
1346 (4) To determine whether a [~~flavored malt~~] malted beverage is described in Subsection  
1347 (1) and subject to this section, the department may consider in addition to other factors one or  
1348 more of the following factors:  
1349 (a) whether the coloring, carbonation, and packaging of the [~~flavored malt~~] malted  
1350 beverage:  
1351 (i) is similar to those of a nonalcoholic beverage or product; or  
1352 (ii) can be confused with a nonalcoholic beverage;  
1353 (b) whether the [~~flavored malt~~] malted beverage possesses a character and flavor  
1354 distinctive from a traditional malted beverage;  
1355 (c) whether the [~~flavored malt~~] malted beverage:  
1356 (i) is prepackaged;  
1357 (ii) contains high levels of caffeine and other additives; and  
1358 (iii) is marketed as a beverage that is specifically designed to provide energy;

1359 (d) whether the [~~flavored malt~~] malted beverage contains added sweetener or sugar  
1360 substitutes; or

1361 (e) whether the [~~flavored malt~~] malted beverage contains an added fruit flavor or other  
1362 flavor that masks the taste of a traditional malted beverage.

1363 Section 15. Section **32B-2-202** is amended to read:

1364 **32B-2-202. Powers and duties of the commission.**

1365 (1) The commission shall:

1366 (a) consistent with the policy established by the Legislature by statute, act as a general  
1367 policymaking body on the subject of alcoholic product control;

1368 (b) adopt and issue policies, rules, and procedures;

1369 (c) set policy by written rules that establish criteria and procedures for:

1370 (i) issuing, denying, not renewing, suspending, or revoking a package agency, license,  
1371 permit, or certificate of approval; and

1372 (ii) determining the location of a state store, package agency, or retail licensee;

1373 (d) decide within the limits, and under the conditions imposed by this title, the number  
1374 and location of state stores, package agencies, and retail licensees in the state;

1375 (e) issue, deny, suspend, revoke, or not renew the following package agencies, licenses,  
1376 permits, or certificates of approval for the purchase, storage, sale, offer for sale, furnishing,  
1377 consumption, manufacture, and distribution of an alcoholic product:

1378 (i) a package agency;

1379 (ii) a full-service restaurant license;

1380 (iii) a master full-service restaurant license;

1381 (iv) a limited-service restaurant license;

1382 (v) a master limited-service restaurant license;

1383 (vi) a [~~club~~] bar establishment license;

1384 (vii) an airport lounge license;

1385 (viii) an on-premise banquet license;

1386 (ix) a resort license, under which at least four or more sublicenses may be included;

1387 (x) an on-premise beer retailer license;

1388 (xi) a reception center license;

1389 (xii) a beer-only restaurant license;

- 1390 (xiii) a hotel license, under which at least three or more sublicenses may be included;
- 1391 (xiv) subject to Subsection (4), a single event permit;
- 1392 (xv) subject to Subsection (4), a temporary beer event permit;
- 1393 (xvi) a special use permit;
- 1394 (xvii) a manufacturing license;
- 1395 (xviii) a liquor warehousing license;
- 1396 (xix) a beer wholesaling license; and
- 1397 (xx) one of the following that holds a certificate of approval:
  - 1398 (A) an out-of-state brewer;
  - 1399 (B) an out-of-state importer of beer, heavy beer, or flavored malt beverages; and
  - 1400 (C) an out-of-state supplier of beer, heavy beer, or flavored malt beverages;
  - 1401 (f) in accordance with Section [32B-5-205](#), issue, deny, suspend, or revoke conditional
  - 1402 licenses for the purchase, storage, sale, furnishing, consumption, manufacture, and distribution
  - 1403 of an alcoholic product;
  - 1404 (g) prescribe the duties of the department in assisting the commission in issuing a
  - 1405 package agency, license, permit, or certificate of approval under this title;
  - 1406 (h) to the extent a fee is not specified in this title, establish a fee allowed under this title
  - 1407 in accordance with Section [63J-1-504](#);
  - 1408 (i) fix prices at which liquor is sold that are the same at all state stores, package
  - 1409 agencies, and retail licensees;
  - 1410 (j) issue and distribute price lists showing the price to be paid by a purchaser for each
  - 1411 class, variety, or brand of liquor kept for sale by the department;
  - 1412 (k) (i) require the director to follow sound management principles; and
  - 1413 (ii) require periodic reporting from the director to ensure that:
    - 1414 (A) sound management principles are being followed; and
    - 1415 (B) policies established by the commission are being observed;
  - 1416 (l) (i) receive, consider, and act in a timely manner upon the reports, recommendations,
  - 1417 and matters submitted by the director to the commission; and
  - 1418 (ii) do the things necessary to support the department in properly performing the
  - 1419 department's duties;
  - 1420 (m) obtain temporarily and for special purposes the services of an expert or person

1421 engaged in the practice of a profession, or a person who possesses a needed skill if:

1422 (i) considered expedient; and

1423 (ii) approved by the governor;

1424 (n) prescribe the conduct, management, and equipment of premises upon which an

1425 alcoholic product may be stored, sold, offered for sale, furnished, or consumed;

1426 (o) make rules governing the credit terms of beer sales within the state to retail

1427 licensees; and

1428 (p) in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, take

1429 disciplinary action against a person subject to administrative action.

1430 (2) Consistent with the policy established by the Legislature by statute, the power of

1431 the commission to do the following is plenary, except as otherwise provided by this title, and

1432 not subject to review:

1433 (a) establish a state store;

1434 (b) issue authority to act as a package agent or operate a package agency; and

1435 (c) issue or deny a license, permit, or certificate of approval.

1436 (3) If the commission is authorized or required to make a rule under this title, the

1437 commission shall make the rule in accordance with Title 63G, Chapter 3, Utah Administrative

1438 Rulemaking Act.

1439 (4) Notwithstanding Subsections (1)(e)(xiv) and (xv), the director or deputy director

1440 may issue an event permit in accordance with Chapter 9, Event Permit Act.

1441 Section 16. Section **32B-2-210** is amended to read:

1442 **32B-2-210. Alcoholic Beverage Control Advisory Board.**

1443 (1) There is created within the department an advisory board known as the "Alcoholic

1444 Beverage Control Advisory Board."

1445 (2) The advisory board shall consist of [~~12 members~~] eight voting members and one

1446 nonvoting member as follows:

1447 (a) [~~the following~~] four voting members appointed by the commission[~~, a~~

1448 ~~representative of~~]:

1449 [(i) ~~a full-service restaurant licensee;~~]

1450 [(ii) ~~a limited-service restaurant licensee;~~]

1451 [(iii) ~~a beer-only restaurant licensee;~~]

1452 ~~[(iv) a social club licensee;]~~  
1453 ~~[(v) a fraternal club licensee;]~~  
1454 ~~[(vi) a dining club licensee;]~~  
1455 ~~[(vii) a wholesaler licensee;]~~  
1456 ~~[(viii) an on-premise banquet licensee;]~~  
1457 ~~[(ix) an on-premise beer retailer licensee; and]~~  
1458 ~~[(x) a reception center licensee;]~~  
1459 (i) one of whom represents the retail alcohol industry;  
1460 (ii) one of whom represents the wholesale alcohol industry;  
1461 (iii) one of whom represents the alcohol manufacturing industry; and  
1462 (iv) one of whom represents the restaurant industry;  
1463 (b) two voting members appointed by the commission, each of whom represents an  
1464 organization that addresses alcohol or drug abuse prevention, alcohol or drug related  
1465 enforcement, or alcohol or drug related education;  
1466 (c) the director of the Division of Substance Abuse and Mental Health or the director's  
1467 designee who serves as a voting member;  
1468 ~~[(b)]~~ (d) the chair of the Utah Substance Use and Mental Health Advisory Council, or  
1469 the chair's designee, who serves as a voting member; and  
1470 ~~[(c)]~~ (e) the chair of the commission or the chair's designee from the members of the  
1471 commission, who ~~shall serve~~ serves as a nonvoting member.  
1472 (3) (a) Except as required by Subsection (3)(b), as terms of current voting members of  
1473 the advisory board expire, the commission shall appoint each new member or reappointed  
1474 member to a four-year term beginning July 1 and ending June 30.  
1475 (b) Notwithstanding the requirements of Subsection (3)(a), the commission shall, at the  
1476 time of appointment or reappointment, adjust the length of terms to ensure that the terms of  
1477 voting advisory board members are staggered so that approximately half of the advisory board  
1478 is appointed every two years.  
1479 (c) No two members of the board may be employed by the same company or nonprofit  
1480 organization.  
1481 (4) (a) When a vacancy occurs in the membership for any reason, the commission shall  
1482 appoint a replacement for the unexpired term.



1483 (b) The commission shall terminate the term of a voting advisory board member who  
1484 ceases to be representative as designated by the member's original appointment.

1485 (5) The advisory board shall meet no more than quarterly as called by the chair for the  
1486 purpose of advising the commission and the department, with discussion limited to  
1487 administrative rules made under this title.

1488 (6) The chair of the commission or the chair's designee shall serve as the chair of the  
1489 advisory board and call the necessary meetings.

1490 (7) (a) [~~Six~~] Five members of the board constitute a quorum of the board.

1491 (b) An action of the majority when a quorum is present is the action of the board.

1492 (8) The department shall provide staff support to the advisory board.

1493 (9) A member may not receive compensation or benefits for the member's service, but  
1494 may receive per diem and travel expenses in accordance with:

1495 (a) Section [63A-3-106](#);

1496 (b) Section [63A-3-107](#); and

1497 (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and  
1498 [63A-3-107](#).

1499 Section 17. Section **32B-2-304** is amended to read:

1500 **32B-2-304. Liquor price -- School lunch program -- Remittance of markup.**

1501 (1) For purposes of this section:

1502 (a) (i) "Landed case cost" means:

1503 (A) the cost of the product; and

1504 (B) inbound shipping costs incurred by the department.

1505 (ii) "Landed case cost" does not include the outbound shipping cost from a warehouse  
1506 of the department to a state store.

1507 (b) "Proof gallon" [~~has~~] means the same [~~meaning as~~] as that term is defined in 26  
1508 U.S.C. Sec. 5002.

1509 (c) Notwithstanding Section [32B-1-102](#), "small brewer" means a brewer who  
1510 manufactures in a calendar year less than 40,000 barrels of beer, heavy beer, and flavored malt  
1511 beverage.

1512 (2) Except as provided in Subsection (3):

1513 (a) spirituous liquor sold by the department within the state shall be marked up in an

1514 amount not less than [~~86%~~] 88% above the landed case cost to the department;

1515 (b) wine sold by the department within the state shall be marked up in an amount not  
1516 less than [~~86%~~] 88% above the landed case cost to the department;

1517 (c) heavy beer sold by the department within the state shall be marked up in an amount  
1518 not less than [~~64.5%~~] 66.5% above the landed case cost to the department; and

1519 (d) a flavored malt beverage sold by the department within the state shall be marked up  
1520 in an amount not less than [~~86%~~] 88% above the landed case cost to the department.

1521 (3) (a) Liquor sold by the department to a military installation in Utah shall be marked  
1522 up in an amount not less than [~~15%~~] 17% above the landed case cost to the department.

1523 (b) Except for spirituous liquor sold by the department to a military installation in  
1524 Utah, spirituous liquor that is sold by the department within the state shall be marked up [~~47%~~]  
1525 49% above the landed case cost to the department if:

1526 (i) the spirituous liquor is manufactured by a manufacturer producing less than 30,000  
1527 proof gallons of spirituous liquor in a calendar year; and

1528 (ii) the manufacturer applies to the department for a reduced markup.

1529 (c) Except for wine sold by the department to a military installation in Utah, wine that  
1530 is sold by the department within the state shall be marked up [~~47%~~] 49% above the landed case  
1531 cost to the department if:

1532 (i) the wine is manufactured by a manufacturer producing less than 20,000 gallons of  
1533 wine in a calendar year; and

1534 (ii) the manufacturer applies to the department for a reduced markup.

1535 (d) Except for heavy beer sold by the department to a military installation in Utah,  
1536 heavy beer that is sold by the department within the state shall be marked up [~~30%~~] 32% above  
1537 the landed case cost to the department if:

1538 (i) a small brewer manufactures the heavy beer; and

1539 (ii) the small brewer applies to the department for a reduced markup.

1540 (e) The department shall verify an amount described in Subsection (3)(b), (c), or (d)  
1541 pursuant to a federal or other verifiable production report.

1542 (4) The department shall deposit 10% of the total gross revenue from sales of liquor  
1543 with the state treasurer to be credited to the Uniform School Fund and used to support the  
1544 school lunch program administered by the State Board of Education under Section

1545 53A-19-201.

1546 (5) This section does not prohibit the department from selling discontinued items at a  
1547 discount.

1548 (6) (a) The department shall collect the markup and remit the markup collected by the  
1549 department under this section:

1550 (i) to the State Tax Commission monthly on or before the last day of the month  
1551 immediately following the last day of the previous month; and

1552 (ii) using a form prescribed by the State Tax Commission.

1553 (b) For liquor provided to a package agency on consignment, the department shall  
1554 remit the markup to the State Tax Commission for the month during which the liquor is  
1555 provided to the package agency regardless of when the package agency pays the department for  
1556 the liquor provided to the package agency.

1557 (c) The State Tax Commission shall deposit revenues remitted to it under Subsection  
1558 (6)(a) into the Markup Holding Fund created in Section 32B-2-301.

1559 (d) The assessment, collection, and refund of a markup under this section shall be in  
1560 accordance with Title 59, Chapter 1, Part 14, Assessment, Collections, and Refunds Act.

1561 (e) The department, if it fails to comply with this Subsection (6), is subject to penalties  
1562 as provided in Section 59-1-401 and interest as provided in Section 59-1-402.

1563 (f) The State Tax Commission may make rules, in accordance with Title 63G, Chapter  
1564 3, Utah Administrative Rulemaking Act, to establish procedures under this Subsection (6).

1565 Section 18. Section 32B-2-306 is amended to read:

1566 **32B-2-306. Underage drinking prevention media and education campaign --**  
1567 **School-based underage drinking prevention program.**

1568 (1) As used in this section:

1569 (a) "Advisory council" means the Utah Substance Abuse Advisory Council created in  
1570 Section 63M-7-301.

1571 (b) "Grade 10 school-based underage drinking prevention program" means a  
1572 school-based underage drinking prevention program that also increases awareness of the  
1573 dangers of driving under the influence of alcohol.

1574 (c) "LEA" means the same as that term is defined in Section 53A-1-401.

1575 [~~(b)~~] (d) "Restricted account" means the Underage Drinking Prevention Media and

1576 Education Campaign Restricted Account created in this section.

1577 (e) "School-based underage drinking prevention program" means an evidence-based  
1578 program intended for students aged 13 and older that:

1579 (i) is aimed at preventing underage consumption of alcoholic product;

1580 (ii) is delivered by methods that engage students in storytelling and visualization;

1581 (iii) addresses the behavioral risk factors associated with underage drinking; and

1582 (iv) provides practical tools to address the dangers of underage drinking.

1583 (2) (a) There is created a restricted account within the General Fund known as the  
1584 "Underage Drinking Prevention Media and Education Campaign Restricted Account."

1585 (b) The restricted account consists of:

1586 (i) deposits made under Subsection (3); and

1587 (ii) interest earned on the restricted account.

1588 (3) The department shall deposit 0.6% of the total gross revenue from sales of liquor  
1589 with the state treasurer, as determined by the total gross revenue collected for the fiscal year  
1590 two years preceding the fiscal year for which the deposit is made, to be credited to the  
1591 restricted account and to be used by the department as provided in Subsection (5).

1592 (4) The advisory council shall:

1593 (a) provide ongoing oversight of a media and education campaign funded under this  
1594 section;

1595 (b) create an underage drinking prevention workgroup consistent with guidelines  
1596 proposed by the advisory council related to the membership and duties of the underage  
1597 drinking prevention workgroup;

1598 (c) create guidelines for how money appropriated for a media and education campaign  
1599 can be used;

1600 (d) include in the guidelines established pursuant to this Subsection (4) that a media  
1601 and education campaign funded under this section is carefully researched and developed, and  
1602 appropriate for target groups; and

1603 (e) approve plans submitted by the department in accordance with Subsection (5).

1604 (5) (a) Subject to appropriation from the Legislature, the department shall expend  
1605 money from the restricted account to direct and fund one or more media and education  
1606 campaigns designed to reduce underage drinking in cooperation with the advisory council.

1607 (b) The department shall:

1608 (i) in cooperation with the underage drinking prevention workgroup created under  
1609 Subsection (4), prepare and submit a plan to the advisory council detailing the intended use of  
1610 the money appropriated under this section;

1611 (ii) upon approval of the plan by the advisory council, conduct the media and education  
1612 campaign in accordance with the guidelines made by the advisory council; and

1613 (iii) submit to the advisory council annually by no later than October 1, a written report  
1614 detailing the use of the money for the media and education campaigns conducted under this  
1615 Subsection (5) and the impact and results of the use of the money during the prior fiscal year  
1616 ending June 30.

1617 (6) (a) The department shall develop or, in accordance with Title 63G, Chapter 6a,  
1618 Utah Procurement Code, the department shall contract with, a person to provide a school-based  
1619 underage drinking prevention program and a grade 10 school-based underage drinking  
1620 prevention program.

1621 (b) Each year, the department or the contracted provider shall present:

1622 (i) the school-based underage drinking prevention program to students in grade eight at  
1623 each LEA; and

1624 (ii) the grade 10 school-based underage drinking prevention program to students in  
1625 grade 10 at each LEA.

1626 Section 19. Section **32B-3-102** is amended to read:

1627 **32B-3-102. Definitions.**

1628 As used in this chapter[; "final]:

1629 (1) "Aggravating circumstances" means:

1630 (a) prior warnings about compliance problems;

1631 (b) a prior violation history;

1632 (c) a lack of written policies governing employee conduct;

1633 (d) multiple violations during the course of an investigation;

1634 (e) efforts to conceal a violation;

1635 (f) an intentional violation;

1636 (g) the violation involved more than one patron or employee; or

1637 (h) a violation that results in injury or death.

1638 (2) "Final adjudication" means an adjudication for which a final judgment or order is  
1639 issued that:

1640 [~~(1)~~] (a) is not appealed, and the time to appeal the judgment has expired; or

1641 [~~(2)~~] (b) is appealed, and is affirmed, in whole or in part, on appeal.

1642 (3) "Mitigating circumstances" means:

1643 (a) no prior violation history for the licensee or permittee;

1644 (b) no prior violation history for the individual who committed the violation; or

1645 (c) extraordinary cooperation with the investigation of the violation that demonstrates  
1646 that the licensee or permittee and the individual who committed the violation accept  
1647 responsibility for the violation.

1648 Section 20. Section 32B-3-205 is amended to read:

1649 **32B-3-205. Penalties.**

1650 (1) If the commission is satisfied that a person subject to administrative action violates  
1651 this title or the commission's rules, in accordance with Title 63G, Chapter 4, Administrative  
1652 Procedures Act, the commission may:

1653 (a) suspend or revoke the person's license, permit, or certificate of approval;

1654 (b) subject to Subsection (2), impose a fine against the person, including individual  
1655 staff of a licensee, permittee, or certificate holder;

1656 (c) assess the administrative costs of a disciplinary proceeding to the person if the  
1657 person is a licensee, permittee, or certificate holder; or

1658 (d) take a combination of actions described in this Subsection (1).

1659 (2) (a) A fine imposed may not exceed \$25,000 in the aggregate for:

1660 (i) a single notice of agency action; or

1661 (ii) a single action against a package agency.

1662 (b) The commission shall by rule establish a schedule setting forth a range of fines for  
1663 each violation.

1664 (c) When a presiding officer imposes a fine, the presiding officer shall consider any  
1665 aggravating circumstances or mitigating circumstances in deciding where within the applicable  
1666 range to set the fine.

1667 (3) The commission shall transfer the costs assessed under this section into the General  
1668 Fund in accordance with Section 32B-2-301.

1669 (4) (a) If a license or permit is suspended under this section, the licensee or permittee  
1670 shall prominently display a sign provided by the department:

1671 (i) during the suspension; and

1672 (ii) at the entrance of the premises of the licensee or permittee.

1673 (b) The sign required by this Subsection (4) shall:

1674 (i) read "The Utah Alcoholic Beverage Control Commission has suspended the  
1675 alcoholic product license or permit of this establishment. An alcoholic product may not be  
1676 sold, offered for sale, furnished, or consumed on these premises during the period of  
1677 suspension."; and

1678 (ii) include the dates of the suspension period.

1679 (c) A licensee or permittee may not remove, alter, obscure, or destroy a sign required to  
1680 be displayed under this Subsection (4) during the suspension period.

1681 (5) (a) If a license or permit is revoked, the commission may order the revocation of a  
1682 bond posted by the licensee or permittee under this title.

1683 (b) Notwithstanding Subsection (5)(a), the department may make a claim against a  
1684 bond posted by a licensee or permittee for money owed the department under this title without  
1685 the commission first revoking the license or permit.

1686 (6) A licensee or permittee whose license or permit is revoked may not reapply for a  
1687 license or permit under this title for three years from the date on which the license or permit is  
1688 revoked.

1689 (7) If a staff member of a licensee, permittee, or certificate holder is found to have  
1690 violated this title, in addition to imposing another penalty authorized by this title, the  
1691 commission may prohibit the staff member from handling, selling, furnishing, distributing,  
1692 manufacturing, wholesaling, or warehousing an alcoholic product in the course of acting as  
1693 staff with a licensee, permittee, or certificate holder under this title for a period determined by  
1694 the commission.

1695 (8) (a) If the commission makes the finding described in Subsection (8)(b), in addition  
1696 to other penalties prescribed by this title, the commission may order:

1697 (i) the removal of an alcoholic product of the manufacturer's, supplier's, or importer's  
1698 from the department's sales list; and

1699 (ii) a suspension of the department's purchase of an alcoholic product described in

1700 Subsection (8)(a)(i) for a period determined by the commission.

1701 (b) The commission may take the action described in Subsection (8)(a) if:

1702 (i) a manufacturer, supplier, or importer of liquor or its staff or representative violates  
1703 this title; and

1704 (ii) the manufacturer, supplier, or importer:

1705 (A) directly commits the violation; or

1706 (B) solicits, requests, commands, encourages, or intentionally aids another to engage in  
1707 the violation.

1708 (9) If the commission makes a finding that the brewer holding a certificate of approval  
1709 violates this title or rules of the commission, the commission may take an action against the  
1710 brewer holding a certificate of approval that the commission could take against a licensee  
1711 including:

1712 (a) suspension or revocation of the certificate of approval; and

1713 (b) imposition of a fine.

1714 (10) Notwithstanding the other provisions of this title, the commission may not order a  
1715 disciplinary action or fine in accordance with this section if the disciplinary action or fine is  
1716 ordered on the basis of a violation:

1717 (a) of a provision in this title related to intoxication or becoming intoxicated; and

1718 (b) if the violation is first investigated by a law enforcement officer, as defined in  
1719 Section 53-13-103, who has not received training regarding the requirements of this title  
1720 related to responsible alcoholic product sale or service.

1721 Section 21. Section 32B-4-410 is amended to read:

1722 **32B-4-410. Unlawful admittance or attempt to gain admittance by minor.**

1723 (1) It is unlawful for a minor to gain admittance or attempt to gain admittance to the  
1724 premises of:

1725 (a) a tavern; or

1726 (b) a [~~social club~~] bar licensee, except to the extent authorized by Section 32B-6-406.1.

1727 (2) A minor who violates this section is guilty of a class C misdemeanor.

1728 (3) (a) If a minor is found by a court to have violated this section and the violation is  
1729 the minor's first violation of this section, the court may:

1730 (i) order the minor to complete a screening as defined in Section 41-6a-501;



- 1731 (ii) order the minor to complete an assessment as defined in Section 41-6a-501 if the  
1732 screening indicates an assessment to be appropriate; and
- 1733 (iii) order the minor to complete an educational series as defined in Section 41-6a-501  
1734 or substance abuse treatment as indicated by an assessment.
- 1735 (b) If a minor is found by a court to have violated this section and the violation is the  
1736 minor's second or subsequent violation of this section, the court shall:
- 1737 (i) order the minor to complete a screening as defined in Section 41-6a-501;
- 1738 (ii) order the minor to complete an assessment as defined in Section 41-6a-501 if the  
1739 screening indicates an assessment to be appropriate; and
- 1740 (iii) order the minor to complete an educational series as defined in Section 41-6a-501  
1741 or substance abuse treatment as indicated by an assessment.
- 1742 (4) (a) When a minor who is at least 18 years old, but younger than 21 years old, is  
1743 found by a court to have violated this section, except as provided in Section 32B-4-411, the  
1744 court hearing the case shall suspend the minor's driving privileges under Section 53-3-219.
- 1745 (b) Notwithstanding the provision in Subsection (4)(a), the court may reduce the  
1746 suspension period required under Section 53-3-219 if:
- 1747 (i) the violation is the minor's first violation of this section; and
- 1748 (ii) (A) the minor completes an educational series as defined in Section 41-6a-501; or  
1749 (B) the minor demonstrates substantial progress in substance abuse treatment.
- 1750 (c) Notwithstanding the requirement in Subsection (4)(a) and in accordance with the  
1751 requirements of Section 53-3-219, the court may reduce the suspension period required under  
1752 Section 53-3-219 if:
- 1753 (i) the violation is the minor's second or subsequent violation of this section;
- 1754 (ii) the minor has completed an educational series as defined in Section 41-6a-501 or  
1755 demonstrated substantial progress in substance abuse treatment; and
- 1756 (iii) (A) the person is 18 years of age or older and provides a sworn statement to the  
1757 court that the person has not unlawfully consumed alcohol or drugs for at least a one-year  
1758 consecutive period during the suspension period imposed under Subsection (4)(a); or
- 1759 (B) the person is under 18 years of age and has the person's parent or legal guardian  
1760 provide an affidavit or sworn statement to the court certifying that to the parent or legal  
1761 guardian's knowledge the person has not unlawfully consumed alcohol or drugs for at least a

1762 one-year consecutive period during the suspension period imposed under Subsection (4)(a).

1763 (5) When a minor who is at least 13 years old, but younger than 18 years old, is found  
1764 by a court to have violated this section, Section 78A-6-606 applies to the violation.

1765 (6) When a court issues an order suspending a person's driving privileges for a  
1766 violation of this section, the Driver License Division shall suspend the person's license under  
1767 Section 53-3-219.

1768 (7) When the Department of Public Safety receives the arrest or conviction record of a  
1769 person for a driving offense committed while the person's license is suspended pursuant to this  
1770 section, the Department of Public Safety shall extend the suspension for an additional like  
1771 period of time.

1772 Section 22. Section 32B-4-415 is amended to read:

1773 **32B-4-415. Unlawful bringing onto premises for consumption.**

1774 (1) Except as provided in Subsection (4), a person may not bring an alcoholic product  
1775 for on-premise consumption onto the premises of:

1776 (a) a retail licensee or person required to be licensed under this title as a retail licensee;

1777 (b) an establishment that conducts a business similar to a retail licensee;

1778 (c) an event where an alcoholic product is sold, offered for sale, or furnished under a  
1779 single event permit or temporary beer event permit issued under this title;

1780 (d) an establishment open to the general public; or

1781 (e) the capitol hill complex.

1782 (2) Except as provided in Subsection (4), the following may not allow a person to bring  
1783 onto its premises an alcoholic product for on-premise consumption or allow consumption of an  
1784 alcoholic product brought onto its premises in violation of this section:

1785 (a) a retail licensee or a person required to be licensed under this title as a retail  
1786 licensee;

1787 (b) an establishment that conducts a business similar to a retail licensee;

1788 (c) a single event permittee or temporary beer event permittee;

1789 (d) an establishment open to the general public;

1790 (e) the State Capitol Preservation Board created in Section 63C-9-201; or

1791 (f) staff of a person listed in Subsections (2)(a) through (e).

1792 (3) Except as provided in Subsection (4)(c)(i)(A), a person may not consume an

1793 alcoholic product in a limousine or chartered bus if the limousine or chartered bus drops off a  
1794 passenger at:

1795 (a) a location from which the passenger departs in a private vehicle; or

1796 (b) the capitol hill complex.

1797 (4) (a) A person may bring bottled wine onto the premises of the following and  
1798 consume the wine pursuant to Section 32B-5-307:

1799 (i) a full-service restaurant licensee;

1800 (ii) a limited restaurant licensee;

1801 (iii) a [~~club~~] bar establishment licensee; or

1802 (iv) a person operating under a resort spa sublicense.

1803 (b) A passenger of a limousine may bring onto, possess, and consume an alcoholic  
1804 product in the limousine if:

1805 (i) the travel of the limousine begins and ends at:

1806 (A) the residence of the passenger;

1807 (B) the hotel of the passenger, if the passenger is a registered guest of the hotel; or

1808 (C) the temporary domicile of the passenger;

1809 (ii) the driver of the limousine is separated from the passengers by partition or other  
1810 means approved by the department; and

1811 (iii) the limousine is not located on the capitol hill complex.

1812 (c) A passenger of a chartered bus may bring onto, possess, and consume an alcoholic  
1813 product on the chartered bus:

1814 (i) (A) but may consume only during travel to a specified destination of the chartered  
1815 bus and not during travel back to the place where the travel begins; or

1816 (B) if the travel of the chartered bus begins and ends at:

1817 (I) the residence of the passenger;

1818 (II) the hotel of the passenger, if the passenger is a registered guest of the hotel; or

1819 (III) the temporary domicile of the passenger;

1820 (ii) if the chartered bus has a nondrinking designee other than the driver traveling on  
1821 the chartered bus to monitor consumption; and

1822 (iii) if the chartered bus is not located on the capitol hill complex.

1823 (5) A person may bring onto any premises, possess, and consume an alcoholic product

1824 at a private event.

1825 (6) Notwithstanding Subsection (5), private and public facilities may prohibit the  
1826 possession or consumption of alcohol on their premises.

1827 (7) The restrictions of Subsections (2) and (3) apply to a resort licensee or hotel  
1828 licensee or person operating under a sublicense in relationship to:

1829 (a) the boundary of a resort building or boundary of a hotel in an area that is open to  
1830 the public; or

1831 (b) except as provided in Subsection (4), a sublicense premises.

1832 Section 23. Section **32B-4-501** is amended to read:

1833 **32B-4-501. Operating without a license or permit.**

1834 (1) A person may not operate the following businesses without first obtaining a license  
1835 under this title if the business allows a person to purchase or consume an alcoholic product on  
1836 the premises of the business:

1837 (a) a restaurant;

1838 (b) an airport lounge;

1839 (c) a business operated in the same manner as a [~~club~~] bar establishment licensee;

1840 (d) a resort;

1841 (e) a business operated to sell, offer for sale, or furnish beer for on-premise  
1842 consumption;

1843 (f) a business operated as an on-premise banquet licensee;

1844 (g) a hotel; or

1845 (h) a business similar to one listed in Subsections (1)(a) through (g).

1846 (2) A person conducting an event that is open to the general public may not directly or  
1847 indirectly sell, offer for sale, or furnish an alcoholic product to a person attending the event  
1848 without first obtaining an event permit under this title.

1849 (3) A person conducting a private event may not directly or indirectly sell or offer for  
1850 sale an alcoholic product to a person attending the private event without first obtaining an  
1851 event permit under this title.

1852 (4) A person may not operate the following businesses in this state without first  
1853 obtaining a license under this title:

1854 (a) a winery manufacturer;

- 1855 (b) a distillery manufacturer;
- 1856 (c) a brewery manufacturer;
- 1857 (d) a local industry representative of:
- 1858 (i) a manufacturer of an alcoholic product;
- 1859 (ii) a supplier of an alcoholic product; or
- 1860 (iii) an importer of an alcoholic product;
- 1861 (e) a liquor warehouse; or
- 1862 (f) a beer wholesaler.

1863 (5) A person may not operate a public conveyance in this state without first obtaining a  
1864 public service permit under this title if that public conveyance allows a person to purchase or  
1865 consume an alcoholic product:

- 1866 (a) on the public conveyance; or
- 1867 (b) on the premises of a hospitality room located within a depot, terminal, or similar  
1868 facility at which a service is provided to a patron of the public conveyance.

1869 Section 24. Section **32B-5-201** is amended to read:

1870 **32B-5-201. Application requirements for retail license.**

1871 (1) (a) Before a person may store, sell, offer for sale, furnish, or permit consumption of  
1872 an alcoholic product on licensed premises as a retail licensee, the person shall first obtain a  
1873 retail license issued by the commission, notwithstanding whether the person holds a local  
1874 license or a permit issued by a local authority.

1875 (b) Violation of this Subsection (1) is a class B misdemeanor.

1876 (2) To obtain a retail license under this title, a person shall submit to the department:

- 1877 (a) a written application in a form prescribed by the department;
- 1878 (b) a nonrefundable application fee in the amount specified in the relevant part under  
1879 Chapter 6, Specific Retail License Act, for the type of retail license for which the person is  
1880 applying;

1881 (c) an initial license fee:

1882 (i) in the amount specified in the relevant part under Chapter 6, Specific Retail License  
1883 Act, for the type of retail license for which the person is applying; and

1884 (ii) that is refundable if a retail license is not issued;

1885 (d) written consent of the local authority;

- 1886 (e) a copy of the person's current business license;
- 1887 (f) evidence of proximity to any community location, with proximity requirements  
1888 being governed by Section 32B-1-202;
- 1889 (g) a bond as specified by Section 32B-5-204;
- 1890 (h) a floor plan, and boundary map where applicable, of the premises of the retail  
1891 license, including any:
- 1892 (i) consumption area; and
- 1893 (ii) area where the person proposes to store, sell, offer for sale, or furnish an alcoholic  
1894 beverage;
- 1895 (i) evidence that the retail licensee is carrying public liability insurance in an amount  
1896 and form satisfactory to the department;
- 1897 (j) evidence that the retail licensee is carrying dramshop insurance coverage of at least  
1898 \$1,000,000 per occurrence and \$2,000,000 in the aggregate;
- 1899 (k) a signed consent form stating that the retail licensee will permit any authorized  
1900 representative of the commission, department, or any law enforcement officer to have  
1901 unrestricted right to enter the premises of the retail licensee;
- 1902 (l) if the person is an entity, proper verification evidencing that a person who signs the  
1903 application is authorized to sign on behalf of the entity; [~~and~~]
- 1904 (m) a responsible alcohol service plan; and
- 1905 [~~(m)~~] (n) any other information the commission or department may require.
- 1906 (3) The commission may not issue a retail license to a person who:
- 1907 (a) is disqualified under Section 32B-1-304; or
- 1908 (b) is not lawfully present in the United States.
- 1909 (4) Unless otherwise provided in the relevant part under Chapter 6, Specific Retail  
1910 License Act, the commission may not issue a retail license to a person if the licensed premises  
1911 does not meet the proximity requirements of Section 32B-1-202.
- 1912 Section 25. Section 32B-5-202 is amended to read:
- 1913 **32B-5-202. Renewal requirements.**
- 1914 (1) A retail license expires each year on the day specified in the relevant part under  
1915 Chapter 6, Specific Retail License Act, for that type of retail license.
- 1916 (2) To renew a person's retail license, a retail licensee shall, by no later than the day

1917 specified in the relevant part under Chapter 6, Specific Retail License Act, for the type of retail  
1918 license that is being renewed, submit:

1919 (a) a completed renewal application that includes a responsible alcohol service plan to  
1920 the department in a form prescribed by the department; and

1921 (b) a renewal fee in the amount specified in the relevant part under Chapter 6, Specific  
1922 Retail License Act, for the type of retail license that is being renewed.

1923 (3) Failure to meet the renewal requirements results in an automatic forfeiture of the  
1924 retail license effective on the date the existing retail license expires.

1925 Section 26. Section **32B-5-207** is enacted to read:

1926 **32B-5-207. Multiple retail licenses on same premises.**

1927 (1) (a) (i) The commission may not issue and one or more licensees may not hold more  
1928 than one type of retail license for the same room.

1929 (ii) The commission may define "room" by rule made in accordance with Title 63G,  
1930 Chapter 3, Utah Administrative Rulemaking Act.

1931 (b) Notwithstanding Subsection (1)(a), the commission may issue and one or more  
1932 licensees may hold more than one type of retail license for the same room if:

1933 (i) the applicant or licensee satisfies the requirements for each retail license;

1934 (ii) the types of retail licenses issued or held are two or more of the following:

1935 (A) a restaurant license;

1936 (B) an on-premise beer retailer license that is not a tavern; and

1937 (C) an on-premise banquet license or a reception center license; and

1938 (iii) the retail licenses do not operate at the same time on the same day.

1939 (2) When one or more licensees hold more than one type of retail license for the same  
1940 room under Subsection (1)(b), the one or more licensees shall post in a conspicuous location at  
1941 the entrance of the room a sign that:

1942 (a) measures 8-1/2 inches by 11 inches; and

1943 (b) states whether the premises is currently operating as:

1944 (i) a restaurant;

1945 (ii) an on-premise beer retailer that is not a tavern; or

1946 (iii) a banquet or a reception center.

1947 (3) (a) If, on May 9, 2017, one or more licensees hold more than one type of retail

1948 license for the same room in violation of Subsection (1), the one or more licensees may operate  
1949 under the different types of retail licenses through June 30, 2018.

1950 (b) A licensee may not operate in violation of Subsection (1) on or after July 1, 2018.

1951 (c) Before July 1, 2018, each licensee described in Subsection (3)(a) shall notify the  
1952 commission of each retail license that the licensee will surrender effective July 1, 2018, to  
1953 comply with the provisions of Subsection (1).

1954 (d) The commission shall establish by rule, made in accordance with Title 63G,  
1955 Chapter 3, Utah Administrative Rulemaking Act, a procedure by which a licensee surrenders a  
1956 retail license under this Subsection (3).

1957 Section 27. Section **32B-5-307** is amended to read:

1958 **32B-5-307. Bringing alcoholic product onto or removing alcoholic product from**  
1959 **premises.**

1960 (1) Except as provided in Subsection (3):

1961 (a) A person may not bring onto the licensed premises of a retail licensee an alcoholic  
1962 product for on-premise consumption.

1963 (b) A retail licensee may not allow a person to:

1964 (i) bring onto licensed premises an alcoholic product for on-premise consumption; or

1965 (ii) consume an alcoholic product brought onto the licensed premises by a person other  
1966 than the retail licensee.

1967 (c) A retail licensee may not sell, offer for sale, or furnish an alcoholic product through  
1968 a window or door to a location off the licensed premises or to a vehicular traffic area.

1969 (2) Except as provided in Subsection (3):

1970 (a) A person may not carry from a licensed premises of a retail licensee an open  
1971 container that:

1972 (i) is used primarily for drinking purposes; and

1973 (ii) contains an alcoholic product.

1974 (b) A retail licensee may not permit a patron to carry from the licensed premises an  
1975 open container described in Subsection (2)(a).

1976 (c) Except as provided in Subsection (3)(d) or Subsection **32B-4-415(5)**:

1977 (i) a person may not carry from a licensed premises of a retail licensee a sealed  
1978 container of ~~[liquor]~~ an alcoholic beverage that has been purchased from the retail licensee; and



1979 (ii) a retail licensee may not permit a patron to carry from the licensed premises a  
1980 sealed container of [~~liquor~~] an alcoholic beverage that has been purchased from the retail  
1981 licensee.

1982 (3) (a) A patron may bring a bottled wine onto the premises of a retail licensee for  
1983 on-premise consumption if:

1984 (i) permitted by the retail licensee; and

1985 (ii) the retail licensee is authorized to sell, offer for sale, or furnish wine.

1986 (b) If a patron carries bottled wine onto the licensed premises of a retail licensee, the  
1987 patron shall deliver the bottled wine to a server or other representative of the retail licensee  
1988 upon entering the licensed premises.

1989 (c) A retail licensee authorized to sell, offer for sale, or furnish wine, may provide a  
1990 wine service for a bottled wine carried onto the licensed premises in accordance with this  
1991 Subsection (3) or a bottled wine purchased at the licensed premises.

1992 (d) A patron may remove from a licensed premises the unconsumed contents of a bottle  
1993 of wine purchased [~~in~~] at the licensed premises, or brought onto the licensed premises in  
1994 accordance with this Subsection (3), only if before removal the bottle is recorked or recapped.

1995 Section 28. Section **32B-5-402** is amended to read:

1996 **32B-5-402. Definitions.**

1997 [~~Reserved~~]

1998 As used in this part:

1999 (1) "Off-premise retail manager" means an individual who:

2000 (a) manages operations at a premises that is licensed under Chapter 7, Off-Premise  
2001 Beer Retailer Act; or

2002 (b) supervises the sale of beer at a premises that is licensed under Chapter 7,  
2003 Off-Premise Beer Retailer Act.

2004 (2) (a) "Off-premise retail staff" means an individual who sells beer at a premises that  
2005 is licensed under Chapter 7, Off-Premise Beer Retailer Act.

2006 (b) "Off-premise retail staff" does not include an off-premise retail manager.

2007 (3) "Retail manager" means an individual who:

2008 (a) manages operations at a premises that is licensed under this chapter; or

2009 (b) supervises the furnishing of an alcoholic product at a premises that is licensed

2010 under this chapter.

2011 (4) (a) "Retail staff" means an individual who serves an alcoholic product at a premises  
2012 licensed under this chapter.

2013 (b) "Retail staff" does not include a retail manager.

2014 Section 29. Section **32B-5-403** is amended to read:

2015 **32B-5-403. Alcohol training and education -- Revocation, suspension, or**  
2016 **nonrenewal of retail license.**

2017 (1) The commission may suspend, revoke, or not renew a license of a retail licensee if  
2018 any of the following individuals~~[, as defined in Section 62A-15-401,]~~ fail to complete an  
2019 alcohol training and education seminar:

2020 ~~[(a) an individual who manages operations at the licensed premises for consumption on~~  
2021 ~~the licensed premises;]~~

2022 ~~[(b) an individual who supervises the furnishing of an alcoholic product to a patron for~~  
2023 ~~consumption on the licensed premises; or]~~

2024 ~~[(c) an individual who serves an alcoholic product to a patron for consumption on the~~  
2025 ~~licensed premises.]~~

2026 (a) a retail manager; or

2027 (b) retail staff.

2028 (2) A city, town, metro township, or county in which a retail licensee conducts ~~[its]~~  
2029 business may suspend, revoke, or not renew the business license of the retail licensee if ~~[an~~  
2030 ~~individual described in Subsection (1)]~~ a retail manager or retail staff fails to complete an  
2031 alcohol training and education seminar.

2032 (3) A local authority that issues an off-premise beer retailer license to a business that is  
2033 engaged in the retail sale of beer for consumption off the beer retailer's premises may  
2034 immediately suspend the off-premise beer retailer license if any of the following individuals  
2035 fails to complete an alcohol training and education seminar~~[, an individual who]:~~

2036 ~~[(a) directly supervises the sale of beer to a patron for consumption off the premises of~~  
2037 ~~the off-premise beer retailer; or]~~

2038 ~~[(b) sells beer to a patron for consumption off the premises of the off-premise beer~~  
2039 ~~retailer.]~~

2040 (a) an off-premise retail manager; or

2041 (b) off-premise retail staff.

2042 Section 30. Section **32B-5-404** is amended to read:

2043 **32B-5-404. Alcohol training and education for off-premise consumption.**

2044 (1) (a) A local authority that issues an off-premise beer retailer license to a business to  
2045 sell beer at retail for off-premise consumption shall require the following to have a valid record  
2046 that the individual completed an alcohol training and education seminar in the time periods  
2047 required by Subsection (1)(b)~~[, an individual who]~~:

2048 ~~[(i) directly supervises the sale of beer to a patron for consumption off the premises of~~  
2049 ~~the off-premise beer retailer; or]~~

2050 ~~[(ii) sells beer to a patron for consumption off the premises of the off-premise beer~~  
2051 ~~retailer.]~~

2052 (i) an off-premise retail manager; or

2053 (ii) off-premise retail staff.

2054 (b) If an individual on the date the individual becomes staff to an off-premise beer  
2055 retailer does not have a valid record that the individual has completed an alcohol training and  
2056 education seminar for purposes of this part, the individual shall complete an alcohol training  
2057 and education seminar within 30 days of the day on which the individual becomes staff of an  
2058 off-premise beer retailer.

2059 (c) Section **62A-15-401** governs the validity of a record that an individual has  
2060 completed an alcohol training and education seminar required by this part.

2061 (2) In accordance with Section **32B-5-403**, a local authority may immediately suspend  
2062 the license of an off-premise beer retailer that allows ~~[staff to directly supervise the sale of beer~~  
2063 ~~or to sell beer to a patron]~~ an individual to work as an off-premise retail manager without  
2064 having a valid record that the individual completed an alcohol training and education seminar  
2065 in accordance with Subsection (1).

2066 Section 31. Section **32B-5-405** is enacted to read:

2067 **32B-5-405. Department training programs.**

2068 (1) No later than January 1, 2018, the department shall develop the following training  
2069 programs that are provided either in-person or online:

2070 (a) a training program for retail managers and retail owners that addresses:

2071 (i) the statutes and rules that govern alcohol sales and consumption in the state;

- 2072 (ii) the requirements for operating as a retail licensee;  
2073 (iii) using compliance assistance from the department; and  
2074 (iv) any other topic the department determines beneficial to a retail manager or retail  
2075 owner; and  
2076 (b) a training program for an individual employed by a retail licensee or an off-premise  
2077 beer retailer who violates a provision of this title related to the sale, service, or furnishing of an  
2078 alcoholic beverage to an intoxicated individual or a minor, that addresses:  
2079 (i) the statutes and rules that govern the most common types of violations under this  
2080 title;  
2081 (ii) how to avoid common violations; and  
2082 (iii) any other topic the department determines beneficial to the training program.  
2083 (2) No later than January 1, 2019, the department shall develop a training program for  
2084 off-premise retail managers that is provided either in-person or online and addresses:  
2085 (a) the statutes and rules that govern sales at an off-premise beer retailer;  
2086 (b) the requirements for operating an off-premise beer retailer;  
2087 (c) using compliance assistance from the department; and  
2088 (d) any other topic the department determines beneficial to an off-premise retail  
2089 manager.  
2090 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and  
2091 the provisions of this section, the department shall make rules to develop and implement the  
2092 training programs described in this section, including rules that establish:  
2093 (a) the requirements for each training program described in this section;  
2094 (b) measures that accurately identify each individual who takes and completes a  
2095 training program;  
2096 (c) measures that ensure an individual taking a training program is focused and actively  
2097 engaged in the training material throughout the training program;  
2098 (d) a record that certifies that an individual has completed a training program; and  
2099 (e) a fee for participation in a training program to cover the department's cost of  
2100 providing the training program.  
2101 (4) (a) Except as provided in Subsection (5), each retail manager shall:  
2102 (i) complete the training described in Subsection (1)(a) no later than the earlier of:

- 2103 (A) 30 days after the day on which the retail manager is hired; or  
2104 (B) before the day on which the retail licensee obtains a retail license under this  
2105 chapter; and
- 2106 (ii) retake the training program described in Subsection (1)(a) once every three years.  
2107 (b) Except as provided in Subsection (5), each off-premise retail manager shall:  
2108 (i) complete the training described in Subsection (2) no later than the earlier of:  
2109 (A) 30 days after the day on which the off-premise retail manager is hired; or  
2110 (B) before the day on which the off-premise beer retailer obtains an off-premise beer  
2111 retailer state license; and
- 2112 (ii) retake the training program described in Subsection (2) once every three years.  
2113 (c) (i) If the commission finds that an individual employed by a retail licensee violated  
2114 a provision of this title related to the sale, service, or furnishing of an alcoholic beverage to an  
2115 intoxicated individual or a minor for a second time while employed by the same retail licensee,  
2116 the violator, all retail staff, and each retail manager shall complete the training program  
2117 described in Subsection (1)(b).
- 2118 (ii) If the commission finds that an individual employed by an off-premise beer retailer  
2119 violated a provision of this title related to the sale, service, or furnishing of an alcoholic  
2120 beverage to an intoxicated individual or a minor for a second time while employed by the same  
2121 off-premise beer retailer, the violator and each off-premise retail manager shall complete the  
2122 training program described in Subsection (1)(b).
- 2123 (5) (a) For a person who holds a retail license on January 1, 2018, each retail manager  
2124 shall complete the training program described in Subsection (1)(a) for the first time before the  
2125 day on which the licensee renews the licensee's license in 2018.
- 2126 (b) For a person who holds an off-premise beer retailer state license on January 1,  
2127 2019, each off-premise retail manager shall complete the training described in Subsection (2)  
2128 for the first time before the day on which the licensee renews the licensee's off-premise beer  
2129 retailer state license in 2019.
- 2130 (6) If an individual fails to complete a required training program under this section:  
2131 (a) the commission may suspend, revoke, or not renew the retail license or off-premise  
2132 beer retailer state license;  
2133 (b) a city, town, metro township, or county in which the retail licensee or off-premise

2134 beer retailer is located may suspend, revoke, or not renew the retail licensee's or off-premise  
2135 beer retailer's business license; or

2136 (c) a local authority may suspend, revoke, or not renew the off-premise beer retailer's  
2137 license.

2138 Section 32. Section **32B-5-406** is enacted to read:

2139 **32B-5-406. Tracking certain enforcement actions.**

2140 (1) For each violation of a provision of this title involving the sale of an alcoholic  
2141 product to a minor that staff of a retail licensee commits, the commission shall:

2142 (a) maintain a record of the violation until the record is expunged in accordance with  
2143 Subsection (3);

2144 (b) include in the record described in Subsection (1)(a):

2145 (i) the name of the individual who committed the violation;

2146 (ii) the name of the retail licensee; and

2147 (iii) the date of the adjudication of the violation; and

2148 (c) provide the information described in Subsection (1)(b) to the Department of Public  
2149 Safety within 30 days after the day on which the violation is adjudicated.

2150 (2) (a) The Department of Public Safety shall development and operate a system to  
2151 collect, analyze, maintain, track, and disseminate the information that the Department of Public  
2152 Safety receives in accordance with Subsection (1).

2153 (b) The Department of Public Safety shall make the system described in Subsection  
2154 (2)(a) available to:

2155 (i) assist the commission in assessing penalties under this title; and

2156 (ii) inform a retail licensee of an individual who has a violation history in the system.

2157 (3) The commission and the Department of Public Safety shall expunge each record in  
2158 the system described in Subsection (2) that relates to an individual if the individual does not  
2159 violate a provision of this title related to the sale of an alcoholic product to a minor for a period  
2160 of 36 consecutive months from the day on which the individual was last found to have violated  
2161 a provision of this title related to the sale of an alcoholic product to a minor.

2162 Section 33. Section **32B-6-202** is amended to read:

2163 **32B-6-202. Definitions.**

2164 As used in this part:

2165 (1) (a) "Dining area" means an area in the licensed premises of a full-service restaurant  
 2166 licensee that is primarily used for the service and consumption of food by one or more patrons.

2167 (b) "Dining area" does not include a dispensing area.

2168 (2) (a) "Dispensing area" means an area in the licensed premises of a full-service  
 2169 restaurant licensee where a dispensing structure is located and that:

2170 (i) is physically separated from the dining area and any waiting area by a structure or  
 2171 other barrier that prevents a patron seated in the dining area or a waiting area from viewing the  
 2172 dispensing of alcoholic product;

2173 (ii) except as provided in Subsection (2)(b), measures at least 10 feet from any area  
 2174 where alcoholic product is dispensed to the dining area and any waiting area, measured from  
 2175 the point of the area where alcoholic product is dispensed that is closest to the dining area or  
 2176 waiting area; or

2177 (iii) is physically separated from the dining area and any waiting area by a permanent  
 2178 physical structure that measures:

2179 (A) at least 42 inches high; and

2180 (B) at least 72 inches from the outer edge of the barrier to the nearest edge of the  
 2181 dispensing structure.

2182 (b) "Dispensing area" does not include any area described in Subsection (2)(a)(ii) that  
 2183 is less than 10 feet from an area where alcoholic product is dispensed, but from which a patron  
 2184 seated at a table or counter cannot view the dispensing of alcoholic product.

2185 ~~[(+)]~~ (3) (a) "Grandfathered bar structure" means a bar structure in a licensed premises  
 2186 of a full-service restaurant licensee that:

2187 (i) as of May 11, 2009, has:

2188 (A) patron seating at the bar structure;

2189 (B) a partition at one or more locations on the bar structure that is along:

2190 (I) the width of the bar structure; or

2191 (II) the length of the bar structure; and

2192 (C) facilities for the dispensing or storage of an alcoholic product:

2193 (I) on the portion of the bar structure that is separated by the partition described in  
 2194 Subsection ~~[(+)]~~ (3)(a)(i)(B); or

2195 (II) if the partition as described in Subsection ~~[(+)]~~ (3)(a)(i)(B)(II) is adjacent to the bar

2196 structure in a manner visible to a patron sitting at the bar structure;  
2197 (ii) is not operational as of May 12, 2009, if:  
2198 (A) a person applying for a full-service restaurant license:  
2199 (I) has as of May 12, 2009, a building permit to construct the restaurant;  
2200 (II) is as of May 12, 2009, actively engaged in the construction of the restaurant, as  
2201 defined by rule made by the commission; and  
2202 (III) is issued the full-service restaurant license by no later than December 31, 2009;  
2203 and  
2204 (B) once constructed, the licensed premises has a bar structure described in Subsection  
2205 ~~[(+)]~~ (3)(a)(i);  
2206 (iii) as of May 12, 2009, has no patron seating at the bar structure; or  
2207 (iv) is not operational as of May 12, 2009, if:  
2208 (A) a person applying for a full-service restaurant license:  
2209 (I) has as of May 12, 2009, a building permit to construct the restaurant;  
2210 (II) is as of May 12, 2009, actively engaged in the construction of the restaurant, as  
2211 defined by rule made by the commission; and  
2212 (III) is issued a full-service restaurant license by no later than December 31, 2009; and  
2213 (B) once constructed, the licensed premises has a bar structure with no patron seating.  
2214 (b) "Grandfathered bar structure" does not include a grandfathered bar structure  
2215 described in Subsection ~~[(+)]~~ (3)(a) on or after the day on which a restaurant remodels the  
2216 grandfathered bar structure, as defined by rule made by the commission.  
2217 (c) Subject to Subsection ~~[(+)]~~ (3)(b), a grandfathered bar structure remains a  
2218 grandfathered bar structure notwithstanding whether a restaurant undergoes a change of  
2219 ownership.  
2220 ~~[(2)]~~ (4) "Seating grandfathered bar structure" means:  
2221 (a) a grandfathered bar structure described in Subsection ~~[(+)]~~ (3)(a)(i) or (ii); or  
2222 (b) a bar structure grandfathered under Section [32B-6-409](#).  
2223 (5) "Waiting area" includes a lobby.  
2224 Section 34. Section **32B-6-204** is amended to read:  
2225 **32B-6-204. Specific licensing requirements for full-service restaurant license.**  
2226 (1) To obtain a full-service restaurant license a person shall comply with Chapter 5,





2257 of liquor being furnished through the full-service restaurant licensee's calibrated metered  
2258 dispensing system.

2259 (3) In addition to complying with Section 32B-5-303, a full-service restaurant licensee  
2260 shall store an alcoholic product in a storage area described in Subsection (12)(a).

2261 (4) (a) An individual who serves an alcoholic product in a full-service restaurant  
2262 licensee's premises shall make a written beverage tab for each table or group that orders or  
2263 consumes an alcoholic product on the premises.

2264 (b) A beverage tab required by this Subsection (4) shall list the type and amount of an  
2265 alcoholic product ordered or consumed.

2266 (5) A person's willingness to serve an alcoholic product may not be made a condition  
2267 of employment as a server with a full-service restaurant licensee.

2268 (6) (a) A full-service restaurant licensee may not sell, offer for sale, or furnish liquor at  
2269 the licensed premises on any day during the period that:

2270 (i) begins at midnight; and

2271 (ii) ends at 11:29 a.m.

2272 (b) A full-service restaurant licensee may sell, offer for sale, or furnish beer during the  
2273 hours specified in Part 7, On-Premise Beer Retailer License, for an on-premise beer retailer,  
2274 except that a full-service restaurant licensee may not sell, offer for sale, or furnish beer before  
2275 11:30 a.m. on any day.

2276 (7) A full-service restaurant licensee shall maintain at least 70% of its total restaurant  
2277 business from the sale of food, which does not include:

2278 (a) mix for an alcoholic product; or

2279 (b) a service charge.

2280 (8) (a) A full-service restaurant licensee may not sell, offer for sale, or furnish an  
2281 alcoholic product except after the full-service restaurant licensee confirms that the patron has  
2282 the intent to order food prepared, sold, and furnished at the licensed premises.

2283 (b) A full-service restaurant licensee shall maintain on the licensed premises adequate  
2284 culinary facilities for food preparation and dining accommodations.

2285 (9) (a) Subject to the other provisions of this Subsection (9), a patron may not have  
2286 more than two alcoholic products of any kind at a time before the patron.

2287 (b) A patron may not have more than one spirituous liquor drink at a time before the

2288 patron.

2289 (c) An individual portion of wine is considered to be one alcoholic product under  
2290 Subsection (9)(a).

2291 (10) A patron may consume an alcoholic product only:

2292 (a) at:

2293 (i) the patron's table;

2294 (ii) a counter; or

2295 (iii) a seating grandfathered bar structure; and

2296 (b) where food is served.

2297 (11) (a) A full-service restaurant licensee may not sell, offer for sale, or furnish an  
2298 alcoholic product to a patron, and a patron may not consume an alcoholic product at a bar  
2299 structure that is not a seating grandfathered bar structure.

2300 (b) At a seating grandfathered bar structure a patron who is 21 years of age or older  
2301 may:

2302 (i) sit;

2303 (ii) be furnished an alcoholic product; and

2304 (iii) consume an alcoholic product.

2305 (c) Except as provided in Subsection (11)(d), at a seating grandfathered bar structure a  
2306 full-service restaurant licensee may not permit a minor to, and a minor may not:

2307 (i) sit; or

2308 (ii) consume food or beverages.

2309 (d) (i) A minor may be at a seating grandfathered bar structure if the minor is  
2310 employed by a full-service restaurant licensee:

2311 (A) as provided in Subsection [32B-5-308\(2\)](#); or

2312 (B) to perform maintenance and cleaning services during an hour when the full-service  
2313 restaurant licensee is not open for business.

2314 (ii) A minor may momentarily pass by a seating grandfathered bar structure without  
2315 remaining or sitting at the bar structure en route to an area of a full-service restaurant licensee's  
2316 premises in which the minor is permitted to be.

2317 (12) Except as provided in Subsection [32B-5-307\(3\)](#), a full-service restaurant licensee  
2318 may dispense an alcoholic product only if:

2319 (a) the alcoholic product is dispensed from:  
2320 (i) a grandfathered bar structure;  
2321 (ii) an area adjacent to a grandfathered bar structure that is visible to a patron sitting at  
2322 the grandfathered bar structure if that area is used to dispense an alcoholic product as of May  
2323 12, 2009; or  
2324 (iii) an area that is:  
2325 (A) separated from an area for the consumption of food by a patron by a solid,  
2326 translucent, permanent structural barrier such that the facilities for the storage or dispensing of  
2327 an alcoholic product are:  
2328 (I) not readily visible to a patron; and  
2329 (II) not accessible by a patron; and  
2330 (B) apart from an area used:  
2331 (I) for dining;  
2332 (II) for staging; or  
2333 (III) as a lobby or waiting area;  
2334 (b) the full-service restaurant licensee uses an alcoholic product that is:  
2335 (i) stored in an area described in Subsection (12)(a); or  
2336 (ii) in an area not described in Subsection (12)(a) on the licensed premises and:  
2337 (A) immediately before the alcoholic product is dispensed it is in an unopened  
2338 container; (B) the unopened container is taken to an area described in Subsection (12)(a) before  
2339 it is opened; and (C) once opened, the container is stored in an area described in Subsection  
2340 (12)(a); and  
2341 (c) any instrument or equipment used to dispense alcoholic product is located in an  
2342 area described in Subsection (12)(a).  
2343 (13) A full-service restaurant licensee may state in a food or alcoholic product menu a  
2344 charge or fee made in connection with the sale, service, or consumption of liquor including:  
2345 (a) a set-up charge;  
2346 (b) a service charge; or  
2347 (c) a chilling fee.  
2348 (14) Beginning on July 1, 2018, a minor may not sit, remain, or consume food or  
2349 beverages within 10 feet of a grandfathered bar structure, unless:

2350 (a) seating within 10 feet of the grandfathered bar structure is the only seating available  
2351 in the licensed premises; and

2352 (b) the minor is accompanied by an individual who is 21 years of age or older.

2353 (15) Except as provided in Subsection 32B-6-205.2(18) and Section 32B-6-205.3, the  
2354 provisions of this section apply before July 1, 2018.

2355 Section 36. Section 32B-6-205.2 is enacted to read:

2356 **32B-6-205.2. Specific operational requirements for a full-service restaurant**  
2357 **license -- On and after July 1, 2018 or July 1, 2022.**

2358 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
2359 Requirements, a full-service restaurant licensee and staff of the full-service restaurant licensee  
2360 shall comply with this section.

2361 (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in  
2362 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2363 (i) a full-service restaurant licensee;

2364 (ii) individual staff of a full-service restaurant licensee; or

2365 (iii) both a full-service restaurant licensee and staff of the full-service restaurant  
2366 licensee.

2367 (2) In addition to complying with Subsection 32B-5-301(3), a full-service restaurant  
2368 licensee shall display in a conspicuous place at the entrance to the licensed premises a sign  
2369 approved by the commission that:

2370 (a) measures at least 8-1/2 inches long and 11 inches wide; and

2371 (b) clearly states that the full-service restaurant licensee is a restaurant and not a bar.

2372 (3) In addition to complying with Section 32B-5-303, a full-service restaurant licensee  
2373 shall store an alcoholic product in a storage area described in Subsection (13)(a).

2374 (4) (a) An individual who serves an alcoholic product in a full-service restaurant  
2375 licensee's premises shall make a beverage tab for each table or group that orders or consumes  
2376 an alcoholic product on the premises.

2377 (b) A beverage tab described in this Subsection (4) shall state the type and amount of  
2378 each alcoholic product ordered or consumed.

2379 (5) A full-service restaurant licensee may not make an individual's willingness to serve  
2380 an alcoholic product a condition of employment with a full-service restaurant licensee.

2381 (6) (a) A full-service restaurant licensee may sell, offer for sale, or furnish liquor at the  
2382 licensed premises during the following time periods only:

2383 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or

2384 (ii) on a weekend or a state or federal legal holiday, during the period that begins at  
2385 10:30 a.m. and ends at 11:59 p.m.

2386 (b) A full-service restaurant licensee may sell, offer for sale, or furnish beer at the  
2387 licensed premises during the following time periods only:

2388 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

2389 (ii) on a weekend or a state or federal legal holiday, during the period that begins at  
2390 10:30 a.m. and ends at 12:59 a.m.

2391 (7) A full-service restaurant licensee shall maintain at least 70% of the full-service  
2392 restaurant licensee's total restaurant business from the sale of food, which does not include:

2393 (a) mix for an alcoholic product; or

2394 (b) a service charge.

2395 (8) (a) A full-service restaurant licensee may not sell, offer for sale, or furnish an  
2396 alcoholic product except after:

2397 (i) the patron to whom the full-service restaurant licensee sells, offers for sale, or  
2398 furnishes the alcoholic product is seated at:

2399 (A) a table that is located in a dining area or a dispensing area;

2400 (B) a counter that is located in a dining area or a dispensing area; or

2401 (C) a dispensing structure that is located in a dispensing area; and

2402 (ii) the full-service restaurant licensee confirms that the patron intends to:

2403 (A) order food prepared, sold, and furnished at the licensed premises; and

2404 (B) except as provided in Subsection (8)(b), consume the food at the same location  
2405 where the patron is seated and sold, offered for sale, or furnished the alcoholic product.

2406 (b) (i) While a patron waits for a seat at a table or counter in the dining area of a  
2407 full-service restaurant licensee, the full-service restaurant licensee may sell, offer for sale, or  
2408 furnish to the patron one drink that contains a single portion of an alcoholic product as  
2409 described in Section [32B-5-304](#) if:

2410 (A) the patron is seated at a table, counter, or dispensing structure located in a  
2411 dispensing area; and

2412 (B) the full-service restaurant licensee first confirms that after the patron is seated in  
2413 the dining area, the patron intends to order food prepared, sold, and furnished at the licensed  
2414 premises.

2415 (ii) If the patron does not finish the patron's drink before moving to a seat in the dining  
2416 area, an employee of the full-service restaurant licensee who is qualified to sell and serve an  
2417 alcoholic product under Section [32B-5-306](#) shall transport any unfinished portion of the  
2418 patron's drink to the patron's seat in the dining area.

2419 (iii) For purposes of Subsection (8)(b)(i) a single portion of wine is 5 ounces or less.

2420 (c) A full-service restaurant licensee shall maintain on the licensed premises adequate  
2421 culinary facilities for food preparation and dining accommodations.

2422 (9) A patron may consume an alcoholic product only if the patron is seated at:

2423 (a) a table that is located in a dining area or dispensing area;

2424 (b) a counter that is located in a dining area or dispensing area; or

2425 (c) a dispensing structure located in a dispensing area.

2426 (10) (a) Subject to the other provisions of this Subsection (10), a patron may not have  
2427 more than two alcoholic products of any kind at a time before the patron.

2428 (b) A patron may not have more than one spirituous liquor drink at a time before the  
2429 patron.

2430 (c) An individual portion of wine is considered to be one alcoholic product under  
2431 Subsection (10)(a).

2432 (11) In accordance with the provisions of this section, an individual who is at least 21  
2433 years of age may consume food and beverages in a dispensing area.

2434 (12) (a) Except as provided in Subsection (12)(b), a minor may not sit, remain, or  
2435 consume food or beverages in a dispensing area.

2436 (b) (i) A minor may be in a dispensing area if the minor is employed by the full-service  
2437 restaurant licensee:

2438 (A) in accordance with Subsection [32B-5-308\(2\)](#); or

2439 (B) to perform maintenance and cleaning services when the full-service restaurant  
2440 licensee is not open for business.

2441 (ii) If there is no alternative route available, a minor may momentarily pass through a  
2442 dispensing area without remaining or sitting in the dispensing area en route to an area of the

2443 full-service restaurant licensee's premises in which the minor is permitted to be.

2444 (13) Except as provided in Subsection 32B-5-307(3), a full-service restaurant licensee  
2445 may dispense an alcoholic product only if:

2446 (a) the alcoholic product is dispensed from:

2447 (i) a dispensing structure that is located in a dispensing area; or

2448 (ii) an area that is:

2449 (A) separated from an area for the consumption of food by a patron by a solid,

2450 translucent, permanent structural barrier such that the facilities for the storage or dispensing of

2451 an alcoholic product are not readily visible to a patron and not accessible by a patron; and

2452 (B) apart from an area used for dining, for staging, or as a lobby or waiting area;

2453 (b) the full-service restaurant licensee uses an alcoholic product that is stored in an area  
2454 described in Subsection (13)(a) or in accordance with Section 32B-5-303; and

2455 (c) any instrument or equipment used to dispense alcoholic product is located in an  
2456 area described in Subsection (13)(a).

2457 (14) (a) A full-service restaurant licensee may have more than one dispensing area in  
2458 the licensed premises.

2459 (b) Each dispensing area in a licensed premises may satisfy the requirements for a  
2460 dispensing area under Subsection 32B-6-202(2)(a)(i), (ii), or (iii), regardless of how any other  
2461 dispensing area in the licensed premises satisfies the requirements for a dispensing area.

2462 (15) A full-service restaurant licensee may not:

2463 (a) transfer, dispense, or serve an alcoholic product on or from a movable cart; or

2464 (b) display an alcoholic product or a product intended to appear like an alcoholic  
2465 product by moving a cart or similar device around the licensed premises.

2466 (16) A full-service restaurant licensee may state in a food or alcoholic product menu a  
2467 charge or fee made in connection with the sale, service, or consumption of liquor, including:

2468 (a) a set-up charge;

2469 (b) a service charge; or

2470 (c) a chilling fee.

2471 (17) (a) In addition to the requirements described in Section 32B-5-302, a full-service  
2472 restaurant licensee shall maintain each of the following records for at least three years:

2473 (i) a record required by Section 32B-5-302; and



2474 (ii) a record that the commission requires a full-service licensee to use or maintain  
2475 under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking  
2476 Act.

2477 (b) The department shall audit the records of a full-service restaurant licensee at least  
2478 once each calendar year.

2479 (18) (a) In accordance with Section [32B-6-205.3](#), a full-service restaurant licensee:

2480 (i) may comply with the provisions of this section beginning on or after July 1, 2017;  
2481 and

2482 (ii) shall comply with the provisions of this section:

2483 (A) for a full-service restaurant licensee that does not have a grandfathered bar  
2484 structure, on and after July 1, 2018; or

2485 (B) for a full-service restaurant licensee that has a grandfathered bar structure, on and  
2486 after July 1, 2022.

2487 (b) A full-service restaurant licensee that elects to comply with the provisions of this  
2488 section before the latest applicable date described in Subsection (18)(a)(ii):

2489 (i) shall comply with each provision of this section; and

2490 (ii) is not required to comply with the provisions of Section [32B-6-205](#).

2491 Section 37. Section **32B-6-205.3** is enacted to read:

2492 **32B-6-205.3. Transition process for full-service restaurant licensees.**

2493 (1) For a full-service restaurant license issued on or after July 1, 2017, the full-service  
2494 restaurant licensee shall comply with the provisions of Section [32B-6-205.2](#).

2495 (2) For a full-service restaurant license issued before July 1, 2017, before the  
2496 full-service restaurant licensee changes the full-service restaurant licensee's approved location  
2497 for storage, dispensing, or consumption to comply with the provisions of Section [32B-6-205.2](#),  
2498 the full-service restaurant licensee shall submit an application for approval to the department in  
2499 accordance with Subsection [32B-5-303](#)(3).

2500 (3) (a) Except as provided in Subsection (4), a person who holds a full-service  
2501 restaurant license issued before July 1, 2017, shall comply with the provisions of Section  
2502 [32B-6-205.2](#) on or before July 1, 2018.

2503 (b) A full-service restaurant licensee described in Subsection (3)(a) that cannot comply  
2504 with the provisions of Section [32B-6-205.2](#) without a change to the full-service restaurant

2505 licensee's approved location for storage, dispensing, or consumption:

2506 (i) may submit an application for approval described in Subsection (2) on or after May  
2507 9, 2017; and

2508 (ii) shall submit an application for approval described in Subsection (2) on or before  
2509 May 1, 2018.

2510 (c) If a full-service restaurant licensee described in Subsection (3)(a) submits an  
2511 application for approval described in Subsection (2) on May 9, 2017, the department shall take  
2512 action on the application on or before July 1, 2017.

2513 (4) (a) A person who holds a full-service restaurant license issued before July 1, 2017,  
2514 and has a grandfathered bar structure shall comply with the provisions of Section [32B-6-205.2](#)  
2515 on or before the earlier of:

2516 (i) July 1, 2022;

2517 (ii) the date on which the full-service restaurant licensee remodels, as defined by  
2518 commission rule made in accordance with Title 63G, Chapter 3, Utah Administrative  
2519 Rulemaking Act, the full-service restaurant licensee's grandfathered bar structure or dining  
2520 area; or

2521 (iii) the date on which the full-service restaurant licensee experiences a change of  
2522 ownership described in Subsection [32B-8a-202\(1\)](#).

2523 (b) A full-service restaurant licensee described in Subsection (4)(a) that cannot comply  
2524 with the provisions of Section [32B-6-205.2](#) without a change to the full-service restaurant  
2525 licensee's approved location for storage, dispensing, or consumption:

2526 (i) may submit an application for approval described in Subsection (2) on or after May  
2527 9, 2017; and

2528 (ii) shall submit an application for approval described in Subsection (2) on or before  
2529 May 1, 2022.

2530 Section 38. Section **32B-6-302** is amended to read:

2531 **32B-6-302. Definitions.**

2532 As used in this part:

2533 (1) (a) "Dining area" means an area in the licensed premises of a limited-service  
2534 restaurant licensee that is primarily used for the service and consumption of food by one or  
2535 more patrons.

- 2536 (b) "Dining area" does not include a dispensing area.
- 2537 (2) (a) "Dispensing area" means an area in the licensed premises of a limited-service
- 2538 restaurant licensee where a dispensing structure is located and that:
- 2539 (i) is physically separated from the dining area and any waiting area by a structure or
- 2540 other barrier that prevents a patron seated in the dining area or a waiting area from viewing the
- 2541 dispensing of alcoholic product;
- 2542 (ii) except as provided in Subsection (2)(b), measures at least 10 feet from any area
- 2543 where alcoholic product is dispensed to the dining area and any waiting area, measured from
- 2544 the point of the area where alcoholic product is dispensed that is closest to the dining area or
- 2545 waiting area; or
- 2546 (iii) is physically separated from the dining area and any waiting area by a permanent
- 2547 physical structure that measures:
- 2548 (A) at least 42 inches high; and
- 2549 (B) at least 72 inches from the outer edge of the barrier to the nearest edge of the
- 2550 dispensing structure.
- 2551 (b) "Dispensing area" does not include any area described in Subsection (2)(a)(ii) that
- 2552 is less than 10 feet from an area where alcoholic product is dispensed, but from which a patron
- 2553 seated at a table or counter cannot view the dispensing of alcoholic product.
- 2554 [(+)] (3) (a) "Grandfathered bar structure" means a bar structure in a licensed premises
- 2555 of a limited-service restaurant licensee that:
- 2556 (i) as of May 11, 2009, has:
- 2557 (A) patron seating at the bar structure;
- 2558 (B) a partition at one or more locations on the bar structure that is along:
- 2559 (I) the width of the bar structure; or
- 2560 (II) the length of the bar structure; and
- 2561 (C) facilities for the dispensing or storage of an alcoholic product:
- 2562 (I) on the portion of the bar structure that is separated by the partition described in
- 2563 Subsection [(+)] (3)(a)(i)(B); or
- 2564 (II) if the partition as described in Subsection [(+)] (3)(a)(i)(B)(II) is adjacent to the bar
- 2565 structure in a manner visible to a patron sitting at the bar structure;
- 2566 (ii) is not operational as of May 12, 2009, if:

2567 (A) a person applying for a limited-service restaurant license:  
2568 (I) has as of May 12, 2009, a building permit to construct the restaurant;  
2569 (II) is as of May 12, 2009, actively engaged in the construction of the restaurant, as  
2570 defined by rule made by the commission; and  
2571 (III) is issued the limited-service restaurant license by no later than December 31,  
2572 2009; and  
2573 (B) once constructed, the licensed premises has a bar structure described in Subsection  
2574 ~~(1)~~ (3)(a)(i);  
2575 (iii) as of May 12, 2009, has no patron seating at the bar structure; or  
2576 (iv) is not operational as of May 12, 2009, if:  
2577 (A) a person applying for a limited-service restaurant license:  
2578 (I) has as of May 12, 2009, a building permit to construct the restaurant;  
2579 (II) is as of May 12, 2009, actively engaged in the construction of the restaurant, as  
2580 defined by rule made by the commission; and  
2581 (III) is issued a limited-service restaurant license by no later than December 31, 2009;  
2582 and  
2583 (B) once constructed, the licensed premises has a bar structure with no patron seating.  
2584 (b) "Grandfathered bar structure" does not include a grandfathered bar structure  
2585 described in Subsection ~~(1)~~ (3)(a) on or after the day on which a restaurant remodels the  
2586 grandfathered bar structure, as defined by rule made by the commission.  
2587 (c) Subject to Subsection ~~(1)~~ (3)(b), a grandfathered bar structure remains a  
2588 grandfathered bar structure notwithstanding whether a restaurant undergoes a change of  
2589 ownership.  
2590 ~~(2)~~ (4) "Seating grandfathered bar structure" means:  
2591 (a) a grandfathered bar structure described in Subsection ~~(1)~~ (3)(a)(i) or (ii); or  
2592 (b) a bar structure grandfathered under Section [32B-6-409](#).  
2593 (5) "Waiting area" includes a lobby.  
2594 ~~(3)~~ (6) "Wine" includes an alcoholic beverage defined as wine under 27 U.S.C. Sec.  
2595 211 and 27 C.F.R. Sec. 4.10, including the following alcoholic beverages made in the manner  
2596 of wine containing not less than 7% and not more than 24% of alcohol by volume:  
2597 (a) sparkling and carbonated wine;

- 2598 (b) wine made from condensed grape must;
- 2599 (c) wine made from other agricultural products than the juice of sound, ripe grapes;
- 2600 (d) imitation wine;
- 2601 (e) compounds sold as wine;
- 2602 (f) vermouth;
- 2603 (g) cider;
- 2604 (h) perry; and
- 2605 (i) sake.

2606 Section 39. Section **32B-6-305** is amended to read:

2607 **32B-6-305. Specific operational requirements for a limited-service restaurant**  
2608 **license -- Before July 1, 2018 or July 1, 2022.**

2609 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
2610 Requirements, a limited-service restaurant licensee and staff of the limited-service restaurant  
2611 licensee shall comply with this section.

2612 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action  
2613 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

- 2614 (i) a limited-service restaurant licensee;
- 2615 (ii) individual staff of a limited-service restaurant licensee; or
- 2616 (iii) both a limited-service restaurant licensee and staff of the limited-service restaurant  
2617 licensee.

2618 (2) (a) A limited-service restaurant licensee on the licensed premises may not sell, offer  
2619 for sale, furnish, or allow consumption of:

- 2620 (i) spirituous liquor; or
- 2621 (ii) a flavored malt beverage.

2622 (b) A product listed in Subsection (2)(a) may not be on the premises of a  
2623 limited-service restaurant licensee except for use:

- 2624 (i) as a flavoring on a dessert; and
- 2625 (ii) in the preparation of a flaming food dish, drink, or dessert.

2626 (3) In addition to complying with Section **32B-5-303**, a limited-service restaurant  
2627 licensee shall store an alcoholic product in a storage area described in Subsection (12)(a).

2628 (4) (a) An individual who serves an alcoholic product in a limited-service restaurant

2629 licensee's premises shall make a written beverage tab for each table or group that orders or  
2630 consumes an alcoholic product on the premises.

2631 (b) A beverage tab required by this Subsection (4) shall list the type and amount of an  
2632 alcoholic product ordered or consumed.

2633 (5) A person's willingness to serve an alcoholic product may not be made a condition  
2634 of employment as a server with a limited-service restaurant licensee.

2635 (6) (a) A limited-service restaurant licensee may not sell, offer for sale, or furnish wine  
2636 or heavy beer at the licensed premises on any day during the period that:

2637 (i) begins at midnight; and

2638 (ii) ends at 11:29 a.m.

2639 (b) A limited-service restaurant licensee may sell, offer for sale, or furnish beer during  
2640 the hours specified in Part 7, On-Premise Beer Retailer License, for an on-premise beer retailer,  
2641 except that a limited-service restaurant licensee may not sell, offer for sale, or furnish beer  
2642 before 11:30 a.m. on any day.

2643 (7) A limited-service restaurant licensee shall maintain at least 70% of its total  
2644 restaurant business from the sale of food, which does not include a service charge.

2645 (8) (a) A limited-service restaurant licensee may not sell, offer for sale, or furnish an  
2646 alcoholic product except after the limited-service restaurant licensee confirms that the patron  
2647 has the intent to order food prepared, sold, and furnished at the licensed premises.

2648 (b) A limited-service restaurant licensee shall maintain on the licensed premises  
2649 adequate culinary facilities for food preparation and dining accommodations.

2650 (9) (a) Subject to the other provisions of this Subsection (9), a patron may not have  
2651 more than two alcoholic products of any kind at a time before the patron.

2652 (b) An individual portion of wine is considered to be one alcoholic product under  
2653 Subsection (9)(a).

2654 (10) A patron may consume an alcoholic product only:

2655 (a) at:

2656 (i) the patron's table;

2657 (ii) a counter; or

2658 (iii) a seating grandfathered bar structure; and

2659 (b) where food is served.

2660 (11) (a) A limited-service restaurant licensee may not sell, offer for sale, or furnish an  
2661 alcoholic product to a patron, and a patron may not consume an alcoholic product at a bar  
2662 structure that is not a seating grandfathered bar structure.

2663 (b) At a seating grandfathered bar structure a patron who is 21 years of age or older  
2664 may:

2665 (i) sit;

2666 (ii) be furnished an alcoholic product; and

2667 (iii) consume an alcoholic product.

2668 (c) Except as provided in Subsection (11)(d), at a seating grandfathered bar structure a  
2669 limited-service restaurant licensee may not permit a minor to, and a minor may not:

2670 (i) sit; or

2671 (ii) consume food or beverages.

2672 (d) (i) A minor may be at a seating grandfathered bar structure if the minor is  
2673 employed by a limited-service restaurant licensee:

2674 (A) as provided in Subsection [32B-5-308\(2\)](#); or

2675 (B) to perform maintenance and cleaning services during an hour when the  
2676 limited-service restaurant licensee is not open for business.

2677 (ii) A minor may momentarily pass by a seating grandfathered bar structure without  
2678 remaining or sitting at the bar structure en route to an area of a limited-service restaurant  
2679 licensee's premises in which the minor is permitted to be.

2680 (12) Except as provided in Subsection [32B-5-307\(3\)](#), a limited-service restaurant  
2681 licensee may dispense an alcoholic product only if: (a) the alcoholic product is dispensed from:

2682 (i) a grandfathered bar structure;

2683 (ii) an area adjacent to a grandfathered bar structure that is visible to a patron sitting at  
2684 the grandfathered bar structure if that area is used to dispense an alcoholic product as of May  
2685 12, 2009; or

2686 (iii) an area that is:

2687 (A) separated from an area for the consumption of food by a patron by a solid,  
2688 translucent, permanent structural barrier such that the facilities for the storage or dispensing of  
2689 an alcoholic product are:

2690 (I) not readily visible to a patron; and

2691 (II) not accessible by a patron; and  
2692 (B) apart from an area used:  
2693 (I) for dining;  
2694 (II) for staging; or  
2695 (III) as a lobby or waiting area;  
2696 (b) the limited-service restaurant licensee uses an alcoholic product that is:  
2697 (i) stored in an area described in Subsection (12)(a); or  
2698 (ii) in an area not described in Subsection (12)(a) on the licensed premises and:  
2699 (A) immediately before the alcoholic product is dispensed it is in an unopened  
2700 container;  
2701 (B) the unopened container is taken to an area described in Subsection (12)(a) before it  
2702 is opened; and  
2703 (C) once opened, the container is stored in an area described in Subsection (12)(a); and  
2704 (c) any instrument or equipment used to dispense alcoholic product is located in an  
2705 area described in Subsection (12)(a).  
2706 (13) A limited-service restaurant licensee may state in a food or alcoholic product  
2707 menu a charge or fee made in connection with the sale, service, or consumption of wine or  
2708 heavy beer including:  
2709 (a) a set-up charge;  
2710 (b) a service charge; or  
2711 (c) a chilling fee.  
2712 (14) Beginning on July 1, 2018, a minor may not sit, remain, or consume food or  
2713 beverages within 10 feet of a grandfathered bar structure, unless:  
2714 (a) seating within 10 feet of the grandfathered bar structure is the only seating available  
2715 in the licensed premises; and  
2716 (b) the minor is accompanied by an individual who is 21 years of age or older.  
2717 (15) Except as provided in Subsection 32B-6-305.2(18) and Section 32B-6-305.3, the  
2718 provisions of this section apply before July 1, 2018.  
2719 Section 40. Section 32B-6-305.2 is enacted to read:  
2720 **32B-6-305.2. Specific operational requirements for a limited-service restaurant**  
2721 **license -- On and after July 1, 2018 or July 1, 2022.**



2722 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
2723 Requirements, a limited-service restaurant licensee and staff of the limited-service restaurant  
2724 licensee shall comply with this section.

2725 (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in  
2726 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2727 (i) a limited-service restaurant licensee;

2728 (ii) individual staff of a limited-service restaurant licensee; or

2729 (iii) both a limited-service restaurant licensee and staff of the limited-service restaurant  
2730 licensee.

2731 (2) In addition to complying with Subsection 32B-5-301(3), a limited-service  
2732 restaurant licensee shall display in a conspicuous place at the entrance to the licensed premises  
2733 a sign approved by the commission that:

2734 (a) measures at least 8-1/2 inches long and 11 inches wide; and

2735 (b) clearly states that the limited-service restaurant licensee is a restaurant and not a  
2736 bar.

2737 (3) In addition to complying with Section 32B-5-303, a limited-service restaurant  
2738 licensee shall store an alcoholic product in a storage area described in Subsection (13)(a).

2739 (4) (a) An individual who serves an alcoholic product in a limited-service restaurant  
2740 licensee's premises shall make a beverage tab for each table or group that orders or consumes  
2741 an alcoholic product on the premises.

2742 (b) A beverage tab described in this Subsection (4) shall state the type and amount of  
2743 each alcoholic product ordered or consumed.

2744 (5) A limited-service restaurant licensee may not make an individual's willingness to  
2745 serve an alcoholic product a condition of employment with a limited-service restaurant  
2746 licensee.

2747 (6) (a) A limited-service restaurant licensee may sell, offer for sale, or furnish wine or  
2748 heavy beer at the licensed premises during the following time periods only:

2749 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or

2750 (ii) on a weekend or a state or federal legal holiday, during the period that begins at  
2751 10:30 a.m. and ends at 11:59 p.m.

2752 (b) A limited-service restaurant licensee may sell, offer for sale, or furnish beer at the

2753 licensed premises during the following time periods only:

2754 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

2755 (ii) on a weekend or a state or federal legal holiday, during the period that begins at  
2756 10:30 a.m. and ends at 12:59 a.m.

2757 (7) A limited-service restaurant licensee shall maintain at least 70% of the  
2758 limited-service restaurant licensee's total restaurant business from the sale of food, which does  
2759 not include a service charge.

2760 (8) (a) A limited-service restaurant licensee may not sell, offer for sale, or furnish an  
2761 alcoholic product except after:

2762 (i) the patron to whom the limited-service restaurant licensee sells, offers for sale, or  
2763 furnishes the alcoholic product is seated at:

2764 (A) a table that is located in a dining area or a dispensing area;

2765 (B) a counter that is located in a dining area or a dispensing area; or

2766 (C) a dispensing structure that is located in a dispensing area; and

2767 (ii) the limited-service restaurant licensee confirms that the patron intends to:

2768 (A) order food prepared, sold, and furnished at the licensed premises; and

2769 (B) except as provided in Subsection (8)(b), consume the food at the same location  
2770 where the patron is seated and sold, offered for sale, or furnished the alcoholic product.

2771 (b) (i) While a patron waits for a seat at a table or counter in the dining area of a  
2772 limited-service restaurant licensee, the limited-service restaurant licensee may sell, offer for  
2773 sale, or furnish to the patron one drink that contains a single portion of an alcoholic product as  
2774 described in Section [32B-5-304](#) if:

2775 (A) the patron is seated at a table, counter, or dispensing structure located in a  
2776 dispensing area; and

2777 (B) the limited-service restaurant licensee first confirms that after the patron is seated  
2778 in the dining area, the patron intends to order food prepared, sold, and furnished at the licensed  
2779 premises.

2780 (ii) If the patron does not finish the patron's drink before moving to a seat in the dining  
2781 area, an employee of the limited-service restaurant licensee who is qualified to sell and serve an  
2782 alcoholic product under Section [32B-5-306](#) shall transport any unfinished portion of the  
2783 patron's drink to the patron's seat in the dining area.

- 2784 (iii) For purposes of Subsection (8)(b)(i) a single portion of wine is 5 ounces or less.
- 2785 (c) A limited-service restaurant licensee shall maintain on the licensed premises
- 2786 adequate culinary facilities for food preparation and dining accommodations.
- 2787 (9) A patron may consume an alcoholic product only if the patron is seated at:
- 2788 (a) a table that is located in a dining area or a dispensing area;
- 2789 (b) a counter that is located in a dining area or a dispensing area; or
- 2790 (c) a dispensing structure located in a dispensing area.
- 2791 (10) (a) Subject to the other provisions of this Subsection (10), a patron may not have
- 2792 more than two alcoholic products of any kind at a time before the patron.
- 2793 (b) An individual portion of wine is considered to be one alcoholic product under
- 2794 Subsection (10)(a).
- 2795 (11) In accordance with the provisions of this section, an individual who is at least 21
- 2796 years of age may consume food and beverages in a dispensing area.
- 2797 (12) (a) Except as provided in Subsection (12)(b), a minor may not sit, remain, or
- 2798 consume food or beverages in a dispensing area.
- 2799 (b) (i) A minor may be in a dispensing area if the minor is employed by the
- 2800 limited-service restaurant licensee:
- 2801 (A) in accordance with Subsection [32B-5-308\(2\)](#); or
- 2802 (B) to perform maintenance and cleaning services when the limited-service restaurant
- 2803 licensee is not open for business.
- 2804 (ii) If there is no alternative route available, a minor may momentarily pass through a
- 2805 dispensing area without remaining or sitting in the dispensing area en route to an area of the
- 2806 limited-service restaurant licensee's premises in which the minor is permitted to be.
- 2807 (13) Except as provided in Subsection [32B-5-307\(3\)](#), a limited-service restaurant
- 2808 licensee may dispense an alcoholic product only if:
- 2809 (a) the alcoholic product is dispensed from:
- 2810 (i) a dispensing structure that is located in a dispensing area; or
- 2811 (ii) an area that is:
- 2812 (A) separated from an area for the consumption of food by a patron by a solid,
- 2813 translucent, permanent structural barrier such that the facilities for the storage or dispensing of
- 2814 an alcoholic product are not readily visible to a patron and not accessible by a patron; and

2815 (B) apart from an area used for dining, for staging, or as a lobby or waiting area;  
2816 (b) the limited-service restaurant licensee uses an alcoholic product that is stored in an  
2817 area described in Subsection (13)(a) or in accordance with Section 32B-5-303; and  
2818 (c) any instrument or equipment used to dispense alcoholic product is located in an  
2819 area described in Subsection (13)(a).

2820 (14) (a) A limited-service restaurant licensee may have more than one dispensing area  
2821 in the licensed premises.

2822 (b) Each dispensing area in a licensed premises may satisfy the requirements for a  
2823 dispensing area under Subsection 32B-6-202(2)(a)(i), (ii), or (iii), regardless of how any other  
2824 dispensing area in the licensed premises satisfies the requirements for a dispensing area.

2825 (15) A limited-service restaurant licensee may not:

2826 (a) transfer, dispense, or serve an alcoholic product on or from a movable cart; or  
2827 (b) display an alcoholic product or a product intended to appear like an alcoholic  
2828 product by moving a cart or similar device around the licensed premises.

2829 (16) A limited-service restaurant licensee may state in a food or alcoholic product  
2830 menu a charge or fee made in connection with the sale, service, or consumption of wine or  
2831 heavy beer, including:

2832 (a) a set-up charge;  
2833 (b) a service charge; or  
2834 (c) a chilling fee.

2835 (17) (a) In addition to the requirements described in Section 32B-5-302, a  
2836 limited-service restaurant licensee shall maintain each of the following records for at least three  
2837 years:

2838 (i) a record required by Section 32B-5-302; and  
2839 (ii) a record that the commission requires a limited-service restaurant licensee to use or  
2840 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative  
2841 Rulemaking Act.

2842 (b) The department shall audit the records of a limited-service restaurant licensee at  
2843 least once each calendar year.

2844 (18) (a) In accordance with Section 32B-6-305.3, a limited-service restaurant licensee:  
2845 (i) may comply with the provisions of this section beginning on or after July 1, 2017;

2846 and

2847 (ii) shall comply with the provisions of this section:

2848 (A) for a limited-service restaurant licensee that does not have a grandfathered bar  
2849 structure, on and after July 1, 2018; or

2850 (B) for a limited-service restaurant licensee that has a grandfathered bar structure, on  
2851 and after July 1, 2022.

2852 (b) A limited-service restaurant licensee that elects to comply with the provisions of  
2853 this section before the latest applicable date described in Subsection (18)(a)(ii):

2854 (i) shall comply with each provision of this section; and

2855 (ii) is not required to comply with the provisions of Section [32B-6-305](#).

2856 Section 41. Section **32B-6-305.3** is enacted to read:

2857 **32B-6-305.3. Transition process for limited-service restaurant licensees.**

2858 (1) For a limited-service restaurant license issued on or after July 1, 2017, the  
2859 limited-service restaurant licensee shall comply with the provisions of Section [32B-6-305.2](#).

2860 (2) For a limited-service restaurant license issued before July 1, 2017, before the  
2861 limited-service restaurant licensee changes the limited-service restaurant licensee's approved  
2862 location for storage, dispensing, or consumption to comply with the provisions of Section  
2863 [32B-6-305.2](#), the limited-service restaurant licensee shall submit an application for approval to  
2864 the department in accordance with Subsection [32B-5-303](#)(3).

2865 (3) (a) Except as provided in Subsection (4), a person who holds a limited-service  
2866 restaurant license issued before July 1, 2017, shall comply with the provisions of Section  
2867 [32B-6-305.2](#) on or before July 1, 2018.

2868 (b) A limited-service restaurant licensee described in Subsection (3)(a) that cannot  
2869 comply with the provisions of Section [32B-6-305.2](#) without a change to the limited-service  
2870 restaurant licensee's approved location for storage, dispensing, or consumption:

2871 (i) may submit an application for approval described in Subsection (2) on or after May  
2872 9, 2017; and

2873 (ii) shall submit an application for approval described in Subsection (2) on or before  
2874 May 1, 2018.

2875 (c) If a limited-service restaurant licensee described in Subsection (3)(a) submits an  
2876 application for approval described in Subsection (2) on May 9, 2017, the department shall take

2877 action on the application on or before July 1, 2017.

2878 (4) (a) A person who holds a limited-service restaurant license issued before July 1,  
2879 2017, and has a grandfathered bar structure shall comply with the provisions of Section  
2880 32B-6-305.2 on or before the earlier of:

2881 (i) July 1, 2022;

2882 (ii) the date on which the limited-service restaurant licensee remodels, as defined by  
2883 commission rule made in accordance with Title 63G, Chapter 3, Utah Administrative  
2884 Rulemaking Act, the limited-service restaurant licensee's grandfathered bar structure or dining  
2885 area; or

2886 (iii) the date on which the limited-service restaurant licensee experiences a change of  
2887 ownership described in Subsection 32B-8a-202(1).

2888 (b) A limited-service restaurant licensee described in Subsection (4)(a) that cannot  
2889 comply with the provisions of Section 32B-6-305.2 without a change to the limited-service  
2890 restaurant licensee's approved location for storage, dispensing, or consumption:

2891 (i) may submit an application for approval described in Subsection (2) on or after May  
2892 9, 2017; and

2893 (ii) shall submit an application for approval described in Subsection (2) on or before  
2894 May 1, 2022.

2895 Section 42. Section **32B-6-401** is amended to read:

2896 **Part 4. Bar Establishment License**

2897 **32B-6-401. Title.**

2898 This part is known as "[club] Bar Establishment License."

2899 Section 43. Section **32B-6-403** is amended to read:

2900 **32B-6-403. Commission's power to issue bar establishment license.**

2901 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of  
2902 an alcoholic product on its premises as a [club] bar establishment licensee, the person shall first  
2903 obtain a [club] bar establishment license from the commission in accordance with this part.

2904 (2) The commission may issue a [club] bar establishment license to establish [club] bar  
2905 establishment licensed premises at places and in numbers the commission considers proper for  
2906 the storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on  
2907 premises operated by a [club] bar establishment licensee.

- 2908 (3) Subject to Section [32B-1-201](#):
- 2909 (a) (i) ~~[The]~~ before July 1, 2018, the commission may not issue a total number of
- 2910 ~~[club]~~ bar establishment licenses that at any time exceeds the number determined by dividing
- 2911 the population of the state by 7,850~~[-]~~; and
- 2912 (ii) beginning on July 1, 2018, the commission may not issue a total number of bar
- 2913 establishment licenses that at any time exceeds the number determined by dividing the
- 2914 population of the state by 10,538;
- 2915 (b) the commission may issue a seasonal ~~[club]~~ bar establishment license in accordance
- 2916 with Section [32B-5-206](#) to:
- 2917 (i) a dining club licensee; or
- 2918 (ii) a ~~[social club]~~ bar licensee~~[-]~~;
- 2919 (c) (i) if the location, design, and construction of a hotel may require more than one
- 2920 dining club license or ~~[social club]~~ bar license location within the hotel to serve the public
- 2921 convenience, the commission may authorize as many as three ~~[club]~~ bar establishment license
- 2922 locations within the hotel under one ~~[club]~~ bar establishment license if:
- 2923 (A) the hotel has a minimum of 150 guest rooms;
- 2924 (B) all locations under the ~~[club]~~ bar establishment license are:
- 2925 (I) within the same hotel; and
- 2926 (II) on premises that are managed or operated, and owned or leased, by the ~~[club]~~ bar
- 2927 establishment licensee; and
- 2928 (C) the locations under the ~~[club]~~ bar establishment license operate under the same
- 2929 type of ~~[club]~~ bar establishment license~~[-]~~; and
- 2930 (ii) a facility other than a hotel shall have a separate ~~[club]~~ bar establishment license
- 2931 for each ~~[club]~~ bar establishment license location where an alcoholic product is sold, offered
- 2932 for sale, or furnished~~[-]~~;
- 2933 (d) when a business establishment undergoes a change of ownership, the commission
- 2934 may issue a ~~[club]~~ bar establishment license to the new owner of the business establishment
- 2935 notwithstanding that there is no ~~[club]~~ bar establishment license available under Subsection
- 2936 (3)(a) if:
- 2937 (i) the primary business activity at the business establishment before and after the
- 2938 change of ownership is not the sale, offer for sale, or furnishing of an alcoholic product;

2939 (ii) before the change of ownership there are two or more licensed premises on the  
2940 business establishment that operate under a retail license, with at least one of the retail licenses  
2941 being a [club] bar establishment license;

2942 (iii) subject to Subsection (3)(e), the licensed premises of the [club] bar establishment  
2943 license issued under this Subsection (3)(d) is at the same location where the [club] bar  
2944 establishment license licensed premises was located before the change of ownership; and

2945 (iv) the person who is the new owner of the business establishment qualifies for the  
2946 [club] bar establishment license, except for there being no [club] bar establishment license  
2947 available under Subsection (3)(a)[-]; and

2948 (e) if a [club] bar establishment licensee of a [club] bar establishment license issued  
2949 under Subsection (3)(d) requests a change of location, the [club] bar establishment licensee  
2950 may retain the [club] bar establishment license after the change of location only if on the day  
2951 on which the [club] bar establishment licensee seeks a change of location a [club] bar  
2952 establishment license is available under Subsection (3)(a).

2953 Section 44. Section **32B-6-404** is amended to read:

2954 **32B-6-404. Types of bar license.**

2955 (1) To obtain an equity [club] license, in addition to meeting the other requirements of  
2956 this part, a person shall:

2957 (a) whether incorporated or unincorporated:

2958 (i) be organized and operated solely for a social, recreational, patriotic, or fraternal  
2959 purpose;

2960 (ii) have members;

2961 (iii) limit access to its licensed premises to a member or a guest of the member; and

2962 (iv) desire to maintain premises upon which an alcoholic product may be stored, sold  
2963 to, offered for sale to, furnished to, and consumed by a member or a guest of a member;

2964 (b) own, maintain, or operate a substantial recreational facility in conjunction with a  
2965 club house such as:

2966 (i) a golf course; or

2967 (ii) a tennis facility;

2968 (c) have at least 50% of the total membership having:

2969 (i) full voting rights; and



2970 (ii) an equal share of the equity of the [~~club~~] entity or a right to redemption or refund at  
2971 the equal value; and

2972 (d) if there is more than one class of membership, have at least one class of  
2973 membership that entitles each member in that class to:

2974 (i) full voting rights; and

2975 (ii) an equal share of the equity of the [~~club~~] entity or a right to redemption or equal  
2976 value.

2977 (2) To obtain a fraternal [~~club~~] license, in addition to meeting the other requirements of  
2978 this part, a person shall:

2979 (a) whether incorporated or unincorporated:

2980 (i) be organized and operated solely for a social, recreational, patriotic, or fraternal  
2981 purpose;

2982 (ii) have members;

2983 (iii) limit access to its licensed premises to a member or a guest of the member; and

2984 (iv) desire to maintain premises upon which an alcoholic product may be stored, sold  
2985 to, offered for sale to, furnished to, and consumed by a member or a guest of a member;

2986 (b) have no capital stock;

2987 (c) exist solely for:

2988 (i) the benefit of its members and their beneficiaries; and

2989 (ii) a lawful social, intellectual, educational, charitable, benevolent, moral, fraternal,  
2990 patriotic, or religious purpose for the benefit of its members or the public, carried on through  
2991 voluntary activity of its members in their local lodges;

2992 (d) have a representative form of government;

2993 (e) have a lodge system in which:

2994 (i) there is a supreme governing body;

2995 (ii) subordinate to the supreme governing body are local lodges, however designated,  
2996 into which individuals are admitted as members in accordance with the laws of the fraternal;

2997 (iii) the local lodges are required by the laws of the fraternal to hold regular meetings at  
2998 least monthly; and

2999 (iv) the local lodges regularly engage in one or more programs involving member  
3000 participation to implement the purposes of Subsection (2)(c); and

3001 (f) own or lease a building or space in a building used for lodge activities.  
3002 (3) To obtain a dining club license, in addition to meeting the other requirements of  
3003 this part, a person shall:  
3004 (a) maintain at least the following percentages of its total club business from the sale of  
3005 food, not including mix for alcoholic products, or service charges:  
3006 (i) for a dining club license that is issued as an original license on or after July 1, 2011,  
3007 60%; and  
3008 (ii) for a dining club license that is issued on or before June 30, 2011:  
3009 (A) 50% on or before June 30, 2012; and  
3010 (B) 60% on and after July 1, 2012; and  
3011 (b) obtain a determination by the commission that the person will operate as a dining  
3012 club licensee, as part of which the commission may consider:  
3013 (i) the square footage and seating capacity of the premises;  
3014 (ii) what portion of the square footage and seating capacity will be used for a dining  
3015 area in comparison to the portion that will be used as a lounge or bar area;  
3016 (iii) whether full meals including appetizers, main courses, and desserts are served;  
3017 (iv) whether the person will maintain adequate on-premise culinary facilities to prepare  
3018 full meals, except a person who is located on the premise of a hotel or resort facility may use  
3019 the culinary facilities of the hotel or resort facility;  
3020 (v) whether the entertainment provided at the [~~club~~] premises is suitable for minors;  
3021 and  
3022 (vi) the club management's ability to manage and operate a dining club license  
3023 including:  
3024 (A) management experience;  
3025 (B) past dining club licensee or restaurant management experience; and  
3026 (C) the type of management scheme used by the dining club license.  
3027 (4) To obtain a [~~social club~~] bar license, a person is required to meet the requirements  
3028 of this part except those listed in Subsection (1), (2), or (3).  
3029 (5) (a) At the time that the commission issues a [~~club~~] bar establishment license, the  
3030 commission shall designate the type of [~~club~~] bar establishment license for which the person  
3031 qualifies.

3032 (b) If requested by a [~~club~~] bar establishment licensee, the commission may approve a  
3033 change in the type of [~~club~~] bar establishment license in accordance with rules made by the  
3034 commission.

3035 (6) To the extent not prohibited by law, this part does not prevent a dining club  
3036 licensee or [~~social club~~] bar licensee from restricting access to the [~~club's~~] licensed premises on  
3037 the basis of an individual:

3038 (a) paying a fee; or

3039 (b) agreeing to being on a list of individuals who have access to the [~~club's~~] licensed  
3040 premises.

3041 (7) (a) (i) On or after July 1, 2017, the commission may not issue or renew a dining  
3042 club license.

3043 (ii) Effective July 1, 2018, the department shall convert each dining club license to a  
3044 full-service restaurant license or a bar license in accordance with the provisions of this section.

3045 (b) (i) (A) A person licensed as a dining club on July 1, 2017, shall notify the  
3046 department no later than May 31, 2018, whether effective July 1, 2018, the person elects to be  
3047 licensed as a full-service restaurant or a bar.

3048 (B) Effective July 1, 2018, the department shall convert a dining club license to a  
3049 full-service restaurant license or a bar license in accordance with the dining club licensee's  
3050 election under Subsection (7)(b)(i)(A).

3051 (ii) If a dining club licensee fails to timely notify the department in accordance with  
3052 Subsection (7)(b)(i), the dining club license is automatically changed to a full-service  
3053 restaurant license on July 1, 2018.

3054 (c) Subject to Section [32B-6-404.1](#), after a dining club license converts to a full-service  
3055 restaurant license or a bar license, the retail licensee shall operate under the provisions that  
3056 govern the full-service restaurant license or the bar license, as applicable.

3057 (d) After a dining club license converts to a full-service restaurant license or a bar  
3058 license in accordance with this Subsection (7):

3059 (i) the full-service restaurant license is not considered in determining the total number  
3060 of full-service restaurant licenses available under Section [32B-6-203](#); or

3061 (ii) the bar license is not considered in determining the total number of bar  
3062 establishment licenses available under Section [32B-6-403](#).

3063 (e) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
3064 commission may make rules establishing a procedure by which a dining club licensee elects  
3065 and converts to a full-service restaurant licensee or a bar licensee under this Subsection (7).

3066 Section 45. Section **32B-6-404.1** is enacted to read:

3067 **32B-6-404.1. Transition from dining club license to full-service restaurant license.**

3068 (1) As used in this section:

3069 (a) "Converted full-service restaurant licensee" means a dining club licensee that  
3070 converts to a full-service restaurant licensee on July 1, 2018, in accordance with Subsection  
3071 32B-6-404(7).

3072 (b) "Grandfathered bar structure" means the same as that term is defined in Section  
3073 32B-6-202.

3074 (2) (a) Except as provided in Subsection (2)(c), beginning on July 1, 2018, a converted  
3075 full-service restaurant licensee shall operate under the provisions that govern a full-service  
3076 restaurant licensee that has a grandfathered bar structure.

3077 (b) For purposes of applying the provisions that govern a full-service restaurant  
3078 licensee with a grandfathered bar structure, a converted full-service licensee's bar structure is  
3079 considered a grandfathered bar structure.

3080 (c) The provisions of Section 32B-6-205.3 do not apply to a converted full-service  
3081 restaurant licensee.

3082 (3) (a) A converted full-service restaurant licensee shall comply with the provisions of  
3083 Section 32B-6-205.2 on or before the earlier of:

3084 (i) July 1, 2022;

3085 (ii) the date on which the converted full-service restaurant licensee remodels, as  
3086 defined by commission rule made in accordance with Title 63G, Chapter 3, Utah  
3087 Administrative Rulemaking Act, the converted full-service restaurant licensee's bar structure or  
3088 dining area; or

3089 (iii) the date on which the converted full-service restaurant licensee experiences a  
3090 change of ownership described in Subsection 32B-8a-202(1).

3091 (b) Before a converted full-service restaurant licensee changes the converted  
3092 full-service restaurant licensee's approved location for storage, dispensing, or consumption to  
3093 comply with the provisions of Section 32B-6-205.2, the converted full-service restaurant

3094 licensee shall submit an application for approval to the department in accordance with  
3095 Subsection 32B-5-303(3).

3096 (c) A converted full-service restaurant licensee that cannot comply with the provisions  
3097 of Section 32B-6-205.2 without a change to the converted full-service restaurant licensee's  
3098 approved location for storage, dispensing, or consumption shall submit an application for  
3099 approval described in Subsection (3)(b) on or before May 1, 2022.

3100 (4) (a) Notwithstanding any provision to the contrary, a converted full-service  
3101 restaurant licensee shall maintain at least the following percentage of the converted full-service  
3102 restaurant licensee's total restaurant business from the sale of food:

3103 (i) beginning July 1, 2018, and ending June 30, 2019, 64%;

3104 (ii) beginning July 1, 2019, and ending June 30, 2020, 68%; and

3105 (iv) on and after July 1, 2021, 70%.

3106 (b) For purposes of Subsection (4)(a), a converted full-service restaurant licensee's  
3107 restaurant business from the sale of food does not include:

3108 (i) mix for an alcoholic product; or

3109 (ii) a service charge.

3110 Section 46. Section 32B-6-405 is amended to read:

3111 **32B-6-405. Specific licensing requirements for bar establishment license.**

3112 (1) To obtain a [~~club~~] bar establishment license, in addition to complying with Chapter  
3113 5, Part 2, Retail Licensing Process, a person shall submit with the written application:

3114 (a) (i) a statement as to whether the person is seeking to qualify as:

3115 (A) an equity [~~club~~] licensee;

3116 (B) a fraternal [~~club~~] licensee;

3117 (C) a dining club licensee; or

3118 (D) a [~~social club~~] bar licensee; and

3119 (ii) evidence that the person meets the requirements for the type of [~~club~~] bar  
3120 establishment license for which the person is applying;

3121 (b) evidence that the person operates [~~club~~] a premises where a variety of food is  
3122 prepared and served in connection with dining accommodations; and

3123 (c) if the person is applying for an equity [~~club~~] license or fraternal [~~club~~] license, a  
3124 copy of the [~~club's~~] entity's bylaws or house rules, and an amendment to those records.

3125 (2) The commission may refuse to issue a [club] bar establishment license to a person  
3126 for an equity [club] license or fraternal [club] license if the commission determines that a  
3127 provision of the person's bylaws or house rules, or amendments to those records is not:

3128 (a) reasonable; and

3129 (b) consistent with:

3130 (i) the declared nature and purpose of the [club] bar establishment licensee; and

3131 (ii) the purposes of this part.

3132 (3) (a) A [club] bar establishment license expires on June 30 of each year.

3133 (b) To renew a [club] bar establishment license, a person shall comply with the  
3134 requirements of Chapter 5, Part 2, Retail Licensing Process, by no later than May 31.

3135 (4) (a) The nonrefundable application fee for a [club] bar establishment license is \$300.

3136 (b) The initial license fee for a [club] bar establishment license is \$2,750.

3137 (c) The renewal fee for a [club] bar establishment license is \$2,000.

3138 (5) The bond amount required for a [club] bar establishment license is the penal sum of  
3139 \$10,000.

3140 Section 47. Section **32B-6-406** is amended to read:

3141 **32B-6-406. Specific operational requirements for a bar establishment license.**

3142 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
3143 Requirements, a [club] bar establishment licensee and staff of the [club] bar establishment  
3144 licensee shall comply with this section.

3145 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action  
3146 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

3147 (i) a [club] bar establishment licensee;

3148 (ii) individual staff of a [club] bar establishment licensee; or

3149 (iii) both a [club] bar establishment licensee and staff of the [club] bar establishment  
3150 licensee.

3151 (2) In addition to complying with Subsection **32B-5-301**(3), a [club] bar licensee shall  
3152 display in a [~~prominent place in the club~~] conspicuous place at the entrance to the licensed  
3153 premises a [~~list of the types and brand names of liquor being furnished through the club~~  
3154 licensee's calibrated metered dispensing system.] sign approved by the commission that:

3155 (a) measures at least 8-1/2 inches long and 11 inches wide; and

3156 (b) clearly states that the bar licensee is a bar and not a restaurant.

3157 (3) (a) In addition to complying with Section [32B-5-302](#), a ~~[club]~~ bar establishment  
3158 licensee shall maintain for a minimum of three years:

3159 (i) a record required by Section [32B-5-302](#); and

3160 (ii) a record maintained or used by the ~~[club]~~ bar establishment licensee, as the  
3161 department requires.

3162 (b) Section [32B-1-205](#) applies to a record required to be made, maintained, or used in  
3163 accordance with this Subsection (3).

3164 (c) The department shall audit the records of a ~~[club]~~ bar establishment licensee at least  
3165 once annually.

3166 (4) (a) A ~~[club]~~ bar establishment licensee may not sell, offer for sale, or furnish liquor  
3167 on the licensed premises on any day during a period that:

3168 (i) begins at 1 a.m.; and

3169 (ii) ends at 9:59 a.m.

3170 (b) A ~~[club]~~ bar establishment licensee may sell, offer for sale, or furnish beer during  
3171 the hours specified in Part 7, On-Premise Beer Retailer License, for an on-premise beer retailer  
3172 license.

3173 (c) (i) Notwithstanding Subsections (4)(a) and (b), a ~~[club]~~ bar establishment licensee  
3174 shall keep its licensed premises open for one hour after the ~~[club]~~ bar establishment licensee  
3175 ceases the sale and furnishing of an alcoholic product during which time a patron of the ~~[club]~~  
3176 bar establishment licensee may finish consuming:

3177 (A) a single drink containing spirituous liquor;

3178 (B) a single serving of wine not exceeding five ounces;

3179 (C) a single serving of heavy beer;

3180 (D) a single serving of beer not exceeding 26 ounces; or

3181 (E) a single serving of a flavored malt beverage.

3182 (ii) A ~~[club]~~ bar establishment licensee is not required to remain open:

3183 (A) after all patrons have vacated the premises; or

3184 (B) during an emergency.

3185 (5) (a) A minor may not be admitted into, use, or be in:

3186 (i) a lounge or bar area of the premises of:

- 3187 (A) an equity [~~club~~] licensee;
- 3188 (B) a fraternal [~~club~~] licensee; or
- 3189 (C) a dining club licensee; or
- 3190 (ii) the premises of:
- 3191 (A) a dining club licensee unless accompanied by an individual who is 21 years of age
- 3192 or older; or
- 3193 (B) a [~~social club~~] bar licensee, except to the extent provided for under Section
- 3194 [32B-6-406.1](#).
- 3195 (b) Notwithstanding Section [32B-5-308](#), a [~~club~~] bar establishment licensee may not
- 3196 employ a minor to:
- 3197 (i) work in a lounge or bar area of an equity [~~club~~] licensee, fraternal [~~club~~] licensee, or
- 3198 dining club licensee; or
- 3199 (ii) handle an alcoholic product.
- 3200 (c) Notwithstanding Section [32B-5-308](#), a minor may not be employed on the licensed
- 3201 premises of a [~~social club~~] bar licensee.
- 3202 (d) Nothing in this part or Section [32B-5-308](#) precludes a local authority from being
- 3203 more restrictive of a minor's admittance to, use of, or presence on the licensed premises of a
- 3204 [~~club~~] bar establishment licensee.
- 3205 (6) A [~~club~~] bar establishment licensee shall have food available at all times when an
- 3206 alcoholic product is sold, offered for sale, furnished, or consumed on the licensed premises.
- 3207 (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have
- 3208 more than two alcoholic products of any kind at a time before the patron.
- 3209 (b) A patron may not have two spirituous liquor drinks before the [~~club~~] bar
- 3210 establishment licensee patron if one of the spirituous liquor drinks consists only of the primary
- 3211 spirituous liquor for the other spirituous liquor drink.
- 3212 (c) An individual portion of wine is considered to be one alcoholic product under
- 3213 Subsection (7)(a).
- 3214 (8) A [~~club~~] bar establishment licensee shall have available on the premises for a
- 3215 patron to review at the time that the patron requests it, a written alcoholic product price list or a
- 3216 menu containing the price of an alcoholic product sold, offered for sale, or furnished by the
- 3217 [~~club~~] bar establishment licensee including:



3218 (a) a set-up charge;

3219 (b) a service charge; or

3220 (c) a chilling fee.

3221 (9) Subject to Section [32B-5-309](#), a ~~[club]~~ bar establishment licensee may not

3222 temporarily rent or otherwise temporarily lease its premises to a person unless:

3223 (a) the person to whom the ~~[club]~~ bar establishment licensee rents or leases the

3224 premises agrees in writing to comply with this title as if the person is the ~~[club]~~ bar

3225 establishment licensee, except for a requirement related to making or maintaining a record; and

3226 (b) the ~~[club]~~ bar establishment licensee takes reasonable steps to ensure that the

3227 person complies with this section as provided in Subsection (9)(a).

3228 (10) If a ~~[club]~~ bar establishment licensee is an equity ~~[club]~~ licensee or fraternal ~~[club]~~

3229 licensee, the ~~[club]~~ bar establishment licensee shall comply with Section [32B-6-407](#).

3230 (11) If a ~~[club]~~ bar establishment licensee is a dining club licensee or ~~[social club]~~ bar

3231 licensee, the ~~[club]~~ bar establishment licensee shall comply with Section [32B-1-407](#).

3232 (12) (a) A ~~[club]~~ bar establishment licensee shall own or lease premises suitable for the

3233 ~~[club]~~ bar establishment licensee's activities.

3234 (b) A ~~[club]~~ bar establishment licensee may not maintain licensed premises in a

3235 manner that barricades or conceals the ~~[club]~~ bar establishment licensee's operation.

3236 Section 48. Section [32B-6-406.1](#) is amended to read:

3237 **32B-6-406.1. Specific operational restrictions related to dance or concert hall.**

3238 (1) A minor who is at least 18 years of age may be admitted into, use, or be on the

3239 premises of a dance or concert hall if:

3240 (a) the dance or concert hall is located:

3241 (i) on the licensed premises of a ~~[social club]~~ bar licensee; or

3242 (ii) on the property that immediately adjoins the licensed premises of and is operated

3243 by a ~~[social club]~~ bar licensee; and

3244 (b) the ~~[social club]~~ bar licensee holds a permit to operate a dance or concert hall that

3245 was issued on or before May 11, 2009:

3246 (i) on the basis of the operational requirements described in Subsection (2); and

3247 (ii) when the ~~[social club]~~ bar licensee was licensed as a class D private club.

3248 (2) A ~~[social club]~~ bar licensee that holds a dance or concert hall permit shall operate

3249 in such a way that:

3250 (a) the ~~[social club]~~ bar licensee's lounge, ~~[bar]~~ dispensing structure, or other area for  
3251 alcoholic product consumption is:

3252 (i) not accessible to a minor;

3253 (ii) clearly defined; and

3254 (iii) separated from the dance or concert hall area by one or more walls, multiple floor  
3255 levels, or other substantial physical barriers;

3256 (b) ~~[a bar or dispensing]~~ a dispensing structure or area where alcoholic product is  
3257 dispensed is not visible to a minor;

3258 (c) consumption of an alcoholic product may not occur in:

3259 (i) the dance or concert hall area; or

3260 (ii) an area of the ~~[social club]~~ bar license premises accessible to a minor;

3261 (d) the ~~[social club]~~ bar licensee maintains sufficient security personnel to prevent the  
3262 passing of beverages from the ~~[social club]~~ bar licensee's lounge, ~~[bar]~~ dispensing structure, or  
3263 other area for alcoholic product consumption to:

3264 (i) the dance or concert hall area; or

3265 (ii) an area of the ~~[social club]~~ bar licensee premises accessible to a minor;

3266 (e) there are one or more separate entrances, exits, and restroom facilities from the  
3267 ~~[social club]~~ bar licensee's lounge, ~~[bar]~~ dispensing structure, or other area for alcoholic  
3268 product consumption than for:

3269 (i) the dance or concert hall area; or

3270 (ii) an area accessible to a minor; and

3271 (f) the ~~[social club]~~ bar licensee complies with any other requirements imposed by the  
3272 commission by rule.

3273 (3) (a) A minor under 18 years of age who is accompanied at all times by a parent or  
3274 legal guardian may be admitted into, use, or be on the premises of a concert hall described in  
3275 Subsection (1) if:

3276 (i) the requirements of Subsection (2) are met; and

3277 (ii) signage, product, and dispensing equipment containing recognition of an alcoholic  
3278 product is not visible to the minor.

3279 (b) A minor under 18 years of age but who is 14 years of age or older who is not

3280 accompanied by a parent or legal guardian may be admitted into, use, or be on the premises of  
3281 a concert hall described in Subsection (1) if:

3282 (i) the requirements of Subsections (2) and (3)(a) are met; and

3283 (ii) there is no alcoholic product, sales, furnishing, or consumption on the premises of  
3284 the ~~[social club]~~ bar licensee.

3285 (4) The commission may suspend or revoke a dance or concert permit issued to a  
3286 ~~[social club]~~ bar licensee and suspend or revoke the license of the ~~[social club]~~ bar licensee if:

3287 (a) the ~~[social club]~~ bar licensee fails to comply with the requirements in this section;

3288 (b) the ~~[social club]~~ bar licensee sells, offers for sale, or furnishes an alcoholic product  
3289 to a minor;

3290 (c) the ~~[social club]~~ bar licensee or a supervisory or managerial level staff of the ~~[social~~  
3291 ~~club]~~ bar licensee is convicted under Title 58, Chapter 37, Utah Controlled Substances Act, on  
3292 the basis of an activity that occurs on:

3293 (i) the licensed premises; or

3294 (ii) the dance or concert hall that is located on property that immediately adjoins the  
3295 licensed premises of and is operated by the ~~[social club]~~ bar licensee;

3296 (d) there are three or more convictions of patrons of the ~~[social club]~~ bar licensee under  
3297 Title 58, Chapter 37, Utah Controlled Substances Act, on the basis of activities that occur on:

3298 (i) the licensed premises; or

3299 (ii) the dance or concert hall that is located on property that immediately adjoins the  
3300 licensed premises of and is operated by the ~~[social club]~~ bar licensee;

3301 (iii) there is more than one conviction:

3302 (A) of:

3303 (I) the ~~[social club]~~ bar licensee;

3304 (II) staff of the ~~[social club]~~ bar licensee;

3305 (III) an entertainer contracted by the ~~[social club]~~ bar licensee; or

3306 (IV) a patron of the ~~[social club]~~ bar licensee; and

3307 (B) made on the basis of a lewd act or lewd entertainment prohibited by this title that  
3308 occurs on:

3309 (I) the licensed premises; or

3310 (II) the dance or concert hall that is located on property that immediately adjoins the

3311 licensed premises of and is operated by the [~~social club~~] bar licensee; or

3312 (e) the commission finds acts or conduct contrary to the public welfare and morals  
3313 involving lewd acts or lewd entertainment prohibited by this title that occurs on:

3314 (i) the licensed premises; or

3315 (ii) the dance or concert hall that is located on property that immediately adjoins the  
3316 licensed premises of and is operated by the [~~social club~~] bar licensee.

3317 (5) Nothing in this section prohibits a [~~social club~~] bar licensee from selling, offering  
3318 for sale, or furnishing an alcoholic product in a dance or concert area located on the [~~social~~  
3319 ~~club~~] bar licensed premises on days and times when the [~~social club~~] bar licensee does not  
3320 allow a minor into those areas.

3321 Section 49. Section **32B-6-407** is amended to read:

3322 **32B-6-407. Specific operational requirements for equity license or fraternal**  
3323 **license.**

3324 (1) [~~For purposes of~~] As used in this section [~~only: (a) "Club~~], "equity or fraternal  
3325 licensee" means an equity [~~club~~] licensee or fraternal [~~club~~] licensee.

3326 [~~(b) "Club licensee" does not include a dining club licensee or social club licensee.]~~

3327 (2) (a) [~~A club~~] An equity or fraternal licensee shall have a governing body that:

3328 (i) consists of three or more members of the [~~club~~] equity or fraternal licensee; and

3329 (ii) holds regular meetings to:

3330 (A) review membership applications; and

3331 (B) conduct other business as required by the bylaws or house rules of the [~~club~~] equity  
3332 or fraternal licensee.

3333 (b) (i) [~~A club~~] An equity or fraternal licensee shall maintain a minute book that is  
3334 posted currently by the [~~club~~] equity or fraternal licensee.

3335 (ii) The minute book required by this Subsection (2) shall contain the minutes of a  
3336 regular or special meeting of the governing body.

3337 (3) [~~A club~~] An equity or fraternal licensee may admit an individual as a member only  
3338 on written application signed by the person, subject to:

3339 (a) the person paying an application fee; and

3340 (b) investigation, vote, and approval of a quorum of the governing body.

3341 (4) [~~A club~~] An equity or fraternal licensee shall:

- 3342 (a) record an admission of a member in the official minutes of a regular meeting of the  
3343 governing body; and
- 3344 (b) whether approved or disapproved, file an application as a part of the official records  
3345 of the [~~club~~] equity or fraternal licensee.
- 3346 (5) The spouse of a member of [~~a club~~] an equity or fraternal licensee has the rights and  
3347 privileges of the member:
- 3348 (a) to the extent permitted by the bylaws or house rules of the [~~club~~] equity or fraternal  
3349 licensee; and
- 3350 (b) except to the extent restricted by this title.
- 3351 (6) A minor child of a member of [~~a club~~] an equity or fraternal licensee has the rights  
3352 and privileges of the member:
- 3353 (a) to the extent permitted by the bylaws or house rules of the [~~club~~] equity or fraternal  
3354 licensee; and
- 3355 (b) except to the extent restricted by this title.
- 3356 (7) [~~A club~~] An equity or fraternal licensee shall maintain:
- 3357 (a) a current and complete membership record showing:
- 3358 (i) the date of application of a proposed member;
- 3359 (ii) a member's address;
- 3360 (iii) the date the governing body approved a member's admission;
- 3361 (iv) the date initiation fees and dues are assessed and paid; and
- 3362 (v) the serial number of the membership card issued to a member;
- 3363 (b) a membership list; and
- 3364 (c) a current record indicating when a member is removed as a member or resigns.
- 3365 (8) (a) [~~A club~~] An equity or fraternal licensee shall have bylaws or house rules that  
3366 include provisions respecting the following:
- 3367 (i) standards of eligibility for members;
- 3368 (ii) limitation of members, consistent with the nature and purpose of the [~~club~~] equity  
3369 or fraternal licensee;
- 3370 (iii) the period for which dues are paid, and the date upon which the period expires;
- 3371 (iv) provisions for removing a member from the [~~club~~] equity or fraternal licensee's  
3372 membership for the nonpayment of dues or other cause;

- 3373 (v) provisions for guests; and
- 3374 (vi) application fees and membership dues.
- 3375 (b) [~~A club~~] An equity or fraternal licensee shall maintain a current copy of the [~~club~~]
- 3376 equity or fraternal licensee's current bylaws and current house rules.
- 3377 (c) [~~A club~~] An equity or fraternal licensee shall maintain its bylaws or house rules,
- 3378 and any amendments to those records, on file with the department at all times.
- 3379 (9) [~~A club~~] An equity or fraternal licensee may, in its discretion, allow an individual
- 3380 to be admitted to or use the [~~club~~] licensed premises as a guest subject to the following
- 3381 conditions:
- 3382 (a) the individual is allowed to use the [~~club~~] equity or fraternal licensee premises only
- 3383 to the extent permitted by the [~~club~~] equity or fraternal licensee's bylaws or house rules;
- 3384 (b) the individual shall be previously authorized by a member of the [~~club~~] equity or
- 3385 fraternal licensee who agrees to host the individual as a guest [~~into the club~~];
- 3386 (c) the individual has only those privileges derived from the individual's host for the
- 3387 duration of the individual's visit to the [~~club~~] equity or fraternal licensee premises; and
- 3388 (d) [~~a club~~] an equity or fraternal licensee or staff of the [~~club~~] equity or fraternal
- 3389 licensee may not enter into an agreement or arrangement with a [~~club~~] member of the equity or
- 3390 fraternal licensee to indiscriminately host a member of the general public into the [~~club~~] equity
- 3391 or fraternal licensee premises as a guest.
- 3392 (10) Notwithstanding Subsection (9), an individual may be allowed as a guest in [~~a~~
- 3393 ~~club~~] an equity or fraternal licensed premises without a host if:
- 3394 (a) (i) the [~~club~~] equity or fraternal licensee is an equity [~~club~~] licensee; and
- 3395 (ii) the individual is a member of an equity [~~club~~] licensee that has reciprocal guest
- 3396 privileges with the equity [~~club~~] licensee for which the individual is a guest;
- 3397 (b) (i) the [~~club~~] equity or fraternal licensee is a fraternal [~~club~~] licensee; and
- 3398 (ii) the individual is a member of the same fraternal organization as the fraternal [~~club~~]
- 3399 licensee for which the individual is a guest; or
- 3400 (c) (i) the [~~club~~] equity or fraternal licensee is a fraternal [~~club~~] licensee that holds the
- 3401 fraternal [~~club~~] license on July 1, 2013;
- 3402 (ii) the [~~club~~] equity or fraternal licensee's bylaws permit guests in the [~~club~~] equity or
- 3403 fraternal licensed premises without a host except that a minor may not be admitted as a guest

3404 without a host; and

3405 (iii) the ~~[club]~~ equity or fraternal licensee maintains 60% of its total ~~[club]~~ business  
3406 from the sale of food, not including mix for alcoholic products, or service charges.

3407 (11) Unless the patron is a member or guest, ~~[a-club]~~ an equity or fraternal licensee  
3408 may not:

3409 (a) sell, offer for sale, or furnish an alcoholic product to the patron; or

3410 (b) allow the patron to be admitted to or use the licensed premises.

3411 (12) A minor may not be a member, officer, director, or trustee of ~~[a-club]~~ an equity or  
3412 fraternal licensee.

3413 Section 50. Section **32B-6-408** is amended to read:

3414 **32B-6-408. Information obtained by investigator.**

3415 (1) Subject to Subsection (2), if an investigator is permitted by another provision of  
3416 this title to inspect a record of a ~~[club]~~ bar establishment licensee, in addition to any other  
3417 rights under this title, the investigator may inspect, have a copy of, or otherwise review any  
3418 record of the ~~[club]~~ bar establishment licensee that is a visual recording of the operations of the  
3419 ~~[club]~~ bar establishment licensee.

3420 (2) An investigator who is a peace officer may not inspect, have a copy of, or otherwise  
3421 review a visual recording described in Subsection (1) without probable cause.

3422 Section 51. Section **32B-6-603** is amended to read:

3423 **32B-6-603. Commission's power to issue on-premise banquet license -- Contracts**  
3424 **as host.**

3425 (1) (a) Before a person may store, sell, offer for sale, furnish, or allow the consumption  
3426 of an alcoholic product in connection with the person's banquet and room service activities at  
3427 one of the following, the person shall first obtain an on-premise banquet license in accordance  
3428 with this part:

3429 (i) a hotel;

3430 (ii) a resort facility;

3431 (iii) a sports center; ~~[or]~~

3432 (iv) a convention center~~[-];~~ or

3433 (v) a performing arts facility.

3434 (b) This part does not prohibit an alcoholic product on the premises of a person listed

3435 in Subsection (1)(a) to the extent otherwise permitted by this title.

3436 (c) This section does not prohibit a person who applies for an on-premise banquet  
3437 license to also apply for a package agency if otherwise qualified.

3438 (2) The commission may issue an on-premise banquet license to establish on-premise  
3439 banquet licensees in the numbers the commission considers proper for the storage, sale, offer  
3440 for sale, furnishing, and consumption of an alcoholic product at a banquet or as part of room  
3441 service activities operated by an on-premise banquet licensee.

3442 (3) Subject to Section 32B-1-201, the commission may not issue a total number of  
3443 on-premise banquet licenses that at any time exceed the number determined by dividing the  
3444 population of the state by 28,765.

3445 (4) Pursuant to a contract between the host of a banquet and an on-premise banquet  
3446 licensee:

3447 (a) the host of the banquet may request an on-premise banquet licensee to provide an  
3448 alcoholic product served at the banquet; and

3449 (b) an on-premise banquet licensee may provide an alcoholic product served at the  
3450 banquet.

3451 (5) At a banquet, an on-premise banquet licensee may furnish an alcoholic product:

3452 (a) without charge to a patron at a banquet, except that the host of the banquet shall pay  
3453 for an alcoholic product furnished at the banquet; or

3454 (b) with a charge to a patron at the banquet.

3455 Section 52. Section 32B-6-605 is amended to read:

3456 **32B-6-605. Specific operational requirements for on-premise banquet license.**

3457 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
3458 Requirements, an on-premise banquet licensee and staff of the on-premise banquet licensee  
3459 shall comply with this section.

3460 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action  
3461 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

3462 (i) an on-premise banquet licensee;

3463 (ii) individual staff of an on-premise banquet licensee; or

3464 (iii) both an on-premise banquet licensee and staff of the on-premise banquet licensee.

3465 (2) An on-premise banquet licensee shall comply with Subsections 32B-5-301(4) and



3466 (5) for the entire premises of the hotel, resort facility, sports center, [or] convention center, or  
3467 performing arts facility that is the basis for the on-premise banquet license.

3468 (3) (a) For the purpose described in Subsection (3)(b), an on-premise banquet licensee  
3469 shall provide the department with advance notice of a scheduled banquet in accordance with  
3470 rules made by the commission.

3471 (b) Any of the following may conduct a random inspection of a banquet:

3472 (i) an authorized representative of the commission or the department; or

3473 (ii) a law enforcement officer.

3474 (4) (a) An on-premise banquet licensee is not subject to Section 32B-5-302, but shall  
3475 make and maintain the records the commission or department requires.

3476 (b) Section 32B-1-205 applies to a record required to be made or maintained in  
3477 accordance with this Subsection (4).

3478 (5) (a) Except as otherwise provided in this title, an on-premise banquet licensee may  
3479 sell, offer for sale, or furnish an alcoholic product at a banquet only for consumption at the  
3480 location of the banquet.

3481 (b) A host of a banquet, a patron, or a person other than the on-premise banquet  
3482 licensee or staff of the on-premise banquet licensee, may not remove an alcoholic product from  
3483 the premises of the banquet.

3484 (c) Notwithstanding Section 32B-5-307, a patron at a banquet may not bring an  
3485 alcoholic product into or onto, or remove an alcoholic product from, the premises of a banquet.

3486 (6) (a) An on-premise banquet licensee may not leave an unsold alcoholic product at  
3487 the banquet following the conclusion of the banquet.

3488 (b) At the conclusion of a banquet, an on-premise banquet licensee shall:

3489 (i) destroy an opened and unused alcoholic product that is not saleable, under  
3490 conditions established by the department; and

3491 (ii) return to the on-premise banquet licensee's approved locked storage area any:

3492 (A) opened and unused alcoholic product that is saleable; and

3493 (B) unopened container of an alcoholic product.

3494 (c) Except as provided in Subsection (6)(b) with regard to an open or sealed container  
3495 of an alcoholic product not sold or consumed at a banquet, an on-premise banquet licensee:

3496 (i) shall store the alcoholic product in the on-premise banquet licensee's approved

3497 locked storage area; and

3498 (ii) may use the alcoholic product at more than one banquet.

3499 (7) Notwithstanding Section 32B-5-308, an on-premise banquet licensee may not  
3500 employ a minor to sell, furnish, or dispense an alcoholic product in connection with the  
3501 on-premise banquet licensee's banquet and room service activities.

3502 (8) An on-premise banquet licensee may not sell, offer for sale, or furnish an alcoholic  
3503 product at a banquet or in connection with room service any day during a period that:

3504 (a) begins at 1 a.m.; and

3505 (b) ends at 9:59 a.m.

3506 (9) An on-premise banquet licensee shall maintain at least 50% of its total annual  
3507 banquet gross receipts from the sale of food, not including:

3508 (a) mix for an alcoholic product; and

3509 (b) a charge in connection with the furnishing of an alcoholic product.

3510 (10) (a) Subject to the other provisions of this Subsection (10), a patron may not have  
3511 more than two alcoholic products of any kind at a time before the patron.

3512 (b) A patron may not have more than one spirituous liquor drink at a time before the  
3513 patron.

3514 (c) An individual portion of wine is considered to be one alcoholic product under  
3515 Subsection (10)(a).

3516 (11) (a) An on-premise banquet licensee shall supervise and direct a person involved in  
3517 the sale, offer for sale, or furnishing of an alcoholic product.

3518 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product  
3519 shall complete an alcohol training and education seminar.

3520 (12) A staff person of an on-premise banquet licensee shall remain at the banquet at all  
3521 times when an alcoholic product is sold, offered for sale, furnished, or consumed at the  
3522 banquet.

3523 (13) (a) Room service of an alcoholic product to a guest room of a hotel or resort  
3524 facility shall be provided in person by staff of an on-premise banquet licensee only to an adult  
3525 guest in the guest room.

3526 (b) An alcoholic product may not be left outside a guest room for retrieval by a guest.

3527 Section 53. Section 32B-6-703 is amended to read:

3528           **32B-6-703. Commission's power to issue on-premise beer retailer license.**

3529           (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of  
3530 beer on the premises as an on-premise beer retailer, the person shall first obtain an on-premise  
3531 beer retailer license from the commission in accordance with this part.

3532           (2) (a) The commission may issue an on-premise beer retailer license to establish  
3533 on-premise beer retailer licensed premises at places and in numbers as the commission  
3534 considers proper for the storage, sale, offer for sale, furnishing, and consumption of beer on  
3535 premises operated as an on-premise beer retailer.

3536           (b) At the time that the commission issues an on-premise beer retailer license, the  
3537 commission shall designate whether the on-premise beer retailer is a tavern.

3538           (c) The commission may change its designation of whether an on-premise beer retailer  
3539 is a tavern in accordance with rules made by the commission.

3540           (d) (i) In determining whether an on-premise beer retailer is a tavern, the commission  
3541 shall determine whether the on-premise beer retailer will engage primarily in the retail sale of  
3542 beer for consumption on the establishment's premises.

3543           (ii) In making a determination under this Subsection (2)(d), the commission shall  
3544 consider:

3545           (A) whether the on-premise beer retailer will operate as one of the following:

3546           (I) a beer bar;

3547           (II) a parlor;

3548           (III) a lounge;

3549           (IV) a cabaret; or

3550           (V) a nightclub;

3551           (B) if the on-premise beer retailer will operate as described in Subsection (2)(d)(ii)(A):

3552           (I) whether the on-premise beer retailer will sell food in the establishment; and

3553           (II) if the on-premise beer retailer sells food, whether the revenue from the sale of beer  
3554 will exceed the revenue of the sale of food;

3555           (C) whether full meals including appetizers, main courses, and desserts will be served;

3556           (D) the square footage and seating capacity of the premises;

3557           (E) what portion of the square footage and seating capacity will be used for a dining  
3558 area in comparison to the portion that will be used as a lounge or bar area;

3559 (F) whether the person will maintain adequate on-premise culinary facilities to prepare  
3560 full meals, except a person that is located on the premises of a hotel or resort facility may use  
3561 the culinary facilities of the hotel or resort facility;

3562 (G) whether the entertainment provided on the premises of the beer retailer will be  
3563 suitable for minors; and

3564 (H) the beer retailer management's ability to manage and operate an on-premise beer  
3565 retailer license including:

3566 (I) management experience;

3567 (II) past beer retailer management experience; and

3568 (III) the type of management scheme that will be used by the beer retailer.

3569 (e) On or after March 1, 2012:

3570 (i) To be licensed as an on-premise beer retailer that is not a tavern, a person shall:

3571 (A) maintain at least 70% of the person's total gross revenues from business directly  
3572 related to a recreational amenity on or directly adjoining the licensed premises of the beer  
3573 retailer, except that a person may include gross revenue from business directly related to a  
3574 recreational amenity that is owned or operated by a political subdivision if the person has a  
3575 contract meeting the requirements of Subsection (2)(e)(v) with the political subdivision; or

3576 (B) have a recreational amenity on or directly adjoining the licensed premises of the  
3577 beer retailer and maintain at least 70% of the person's total gross revenues from the sale of  
3578 food.

3579 (ii) The commission may not license a person as an on-premise beer retailer if the  
3580 person does not:

3581 (A) meet the requirements of Subsection (2)(e)(i); or

3582 (B) operate as a tavern.

3583 ~~[(iii) (A) A person licensed as an on-premise beer retailer that is not a tavern as of July~~  
3584 ~~1, 2011 shall notify the department by no later than August 1, 2011, whether effective March 1,~~  
3585 ~~2012, the person will seek to be licensed as a beer-only restaurant licensee, a tavern, or an~~  
3586 ~~on-premise beer retailer that meets the requirements of Subsection (2)(e)(i).]~~

3587 ~~[(B) If an on-premise beer retailer fails to notify the department as required by~~  
3588 ~~Subsection (2)(e)(iii)(A), the on-premise beer retailer's license expires as of February 29, 2012,~~  
3589 ~~and to operate as an on-premise beer retailer after February 29, 2012, the on-premise beer~~

3590 ~~retailer is required to apply as a new licensee, and any bar or bar structure on the premises of an~~  
3591 ~~on-premise beer retailer license that is not a tavern and does not meet the requirements of~~  
3592 ~~Subsection (2)(e)(i) will not be grandfathered under Subsection [32B-6-902\(1\)](#).]~~

3593 ~~[(iv)]~~ (iii) A person who, after August 1, 2011, applies for an on-premise beer retailer  
3594 license that is not a tavern and does not meet the requirements of Subsection (2)(e)(i), may not  
3595 have or construct facilities for the dispensing or storage of an alcoholic product that do not  
3596 meet the requirements of Subsection [32B-6-905\(12\)\(a\)\(ii\)](#).

3597 ~~[(v)]~~ (iv) A contract described in Subsection (2)(e)(i)(A) shall:

3598 (A) allow the beer retailer to include the total gross revenue from operations of the  
3599 recreational amenity in the beer retailer's total gross receipts for purposes of Subsection  
3600 (2)(e)(i)(A); and

3601 (B) give the department the authority to audit financial information of the political  
3602 subdivision to the extent necessary to confirm that the requirements of Subsection (2)(e)(i)(A)  
3603 are met.

3604 (3) Subject to Section [32B-1-201](#):

3605 (a) The commission may not issue a total number of on-premise beer retailer licenses  
3606 that are taverns that at any time exceeds the number determined by dividing the population of  
3607 the state by 73,666.

3608 (b) The commission may issue a seasonal on-premise beer retailer license for a tavern  
3609 in accordance with Section [32B-5-206](#).

3610 (4) (a) Unless otherwise provided in Subsection (4)(b):

3611 (i) only one on-premise beer retailer license is required for each building or resort  
3612 facility owned or leased by the same person; and

3613 (ii) a separate license is not required for each retail beer dispensing location in the  
3614 same building or on the same resort premises owned or operated by the same person.

3615 (b) (i) Subsection (4)(a) applies only if each retail beer dispensing location in the  
3616 building or resort facility operates in the same manner.

3617 (ii) If each retail beer dispensing location does not operate in the same manner:

3618 (A) one on-premise beer retailer license designated as a tavern is required for the  
3619 locations in the same building or on the same resort premises that operate as a tavern; and

3620 (B) one on-premise beer retailer license is required for the locations in the same

3621 building or on the same resort premises that do not operate as a tavern.

3622 Section 54. Section **32B-6-706** is amended to read:

3623 **32B-6-706. Specific operational requirements for on-premise beer retailer license.**

3624 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
3625 Requirements, an on-premise beer retailer and staff of the on-premise beer retailer shall comply  
3626 with this section.

3627 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action  
3628 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

3629 (i) an on-premise beer retailer;

3630 (ii) individual staff of an on-premise beer retailer; or

3631 (iii) both an on-premise beer retailer and staff of the on-premise beer retailer.

3632 (2) (a) An on-premise beer retailer is not subject to Section **32B-5-302**, but shall make  
3633 and maintain the records the department requires.

3634 (b) Section **32B-1-205** applies to a record required to be made or maintained in  
3635 accordance with this Subsection (2).

3636 (3) Notwithstanding Section **32B-5-303**, an on-premise beer retailer may not store or  
3637 sell liquor on its licensed premises.

3638 (4) Beer sold in a sealed container by an on-premise beer retailer may be removed from  
3639 the on-premise beer retailer premises in the sealed container.

3640 (5) (a) An on-premise beer retailer may not sell, offer for sale, or furnish beer at its  
3641 licensed premises during a period that:

3642 (i) begins at 1 a.m.; and

3643 (ii) ends at 9:59 a.m.

3644 (b) (i) Notwithstanding Subsection (5)(a), a tavern shall remain open for one hour after  
3645 the tavern ceases the sale and furnishing of beer during which time a patron of the tavern may  
3646 finish consuming a single serving of beer not exceeding 26 ounces.

3647 (ii) A tavern is not required to remain open:

3648 (A) after all patrons have vacated the premises; or

3649 (B) during an emergency.

3650 (6) Notwithstanding Section **32B-5-308**, a minor may not be on the premises of a  
3651 tavern.

3652 (7) (a) (i) An on-premise beer retailer may not purchase, acquire, possess for the  
3653 purpose of resale, or sell beer except beer that the on-premise beer retailer lawfully purchases  
3654 from:

3655 (A) a beer wholesaler licensee; or

3656 (B) a small brewer that manufactures the beer.

3657 (ii) Violation of Subsection (7)(a)(i) is a class A misdemeanor.

3658 (b) (i) If an on-premise beer retailer purchases beer under this Subsection (7) from a  
3659 beer wholesaler licensee, the on-premise beer retailer shall purchase beer only from a beer  
3660 wholesaler licensee who is designated by the manufacturer to sell beer in the geographical area  
3661 in which the ~~[off-premise]~~ on-premise beer retailer is located, unless an alternate wholesaler is  
3662 authorized by the department to sell to the ~~[off-premise]~~ on-premise beer retailer as provided in  
3663 Section [32B-13-301](#).

3664 (ii) Violation of Subsection (7)(b)(i) is a class B misdemeanor.

3665 (8) A tavern shall comply with Section [32B-1-407](#).

3666 Section 55. Section [32B-6-902](#) is amended to read:

3667 **[32B-6-902. Definitions.](#)**

3668 (1) As used in this part:

3669 (a) (i) "Dining area" means an area in the licensed premises of a beer-only restaurant  
3670 licensee that is primarily used for the service and consumption of food by one or more patrons.

3671 (ii) "Dining area" does not include a dispensing area.

3672 (b) (i) "Dispensing area" means an area in the licensed premises of a beer-only  
3673 restaurant licensee where a dispensing structure is located and that:

3674 (A) is physically separated from the dining area and any waiting area by a structure or  
3675 other barrier that prevents a patron seated in the dining area or a waiting area from viewing the  
3676 dispensing of beer;

3677 (B) except as provided in Subsection (1)(b)(ii), measures at least 10 feet from any area  
3678 where beer is dispensed to the dining area and any waiting area, measured from the point of the  
3679 area where beer is dispensed that is closest to the dining area or waiting area; or

3680 (C) is physically separated from the dining area and any waiting area by a permanent  
3681 physical structure that measures at least 42 inches high, and at least 72 inches from the outer  
3682 edge of the barrier to the nearest edge of the dispensing structure.

3683           (ii) "Dispensing area" does not include any area described in Subsection (2)(a)(i)(B)  
3684 that is less than 10 feet from an area where alcoholic product is dispensed, but from which a  
3685 patron seated at a table or counter cannot view the dispensing of alcoholic product.

3686           ~~[(1) (a) As used in this part, "grandfathered]~~

3687           (c) "Grandfathered bar structure" means a bar structure in a licensed premises of a  
3688 beer-only restaurant licensee that:

3689           (i) was licensed as an on-premise beer retailer as of August 1, 2011, and as of August  
3690 1, 2011:

3691           (A) is operational;

3692           (B) has facilities for the dispensing or storage of an alcoholic product that do not meet  
3693 the requirements of Subsection 32B-6-905(12)(a)(ii); and

3694           (C) in accordance with Subsection 32B-6-703(2)(e), notifies the department that  
3695 effective March 1, 2012, the on-premise beer retailer licensee will seek to be licensed as a  
3696 beer-only restaurant; or

3697           (ii) is a bar structure grandfathered under Section 32B-6-409.

3698           ~~[(b)]~~ (d) "Grandfathered bar structure" does not include a grandfathered bar structure  
3699 described in Subsection (1)(a) on or after the day on which a restaurant remodels the  
3700 grandfathered bar structure, as defined by rule made by the commission.

3701           (e) "Waiting area" includes a lobby.

3702           (2) Subject to Subsection (1)~~[(b)]~~(d), a grandfathered bar structure remains a  
3703 grandfathered bar structure notwithstanding whether a restaurant undergoes a change of  
3704 ownership.

3705           Section 56. Section 32B-6-905 is amended to read:

3706           **32B-6-905. Specific operational requirements for a beer-only restaurant license --**  
3707 **Before July 1, 2018 or July 1, 2022.**

3708           (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
3709 Requirements, a beer-only restaurant licensee and staff of the beer-only restaurant licensee  
3710 shall comply with this section.

3711           (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action  
3712 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

3713           (i) a beer-only restaurant licensee;



- 3714 (ii) individual staff of a beer-only restaurant licensee; or  
3715 (iii) both a beer-only restaurant licensee and staff of the beer-only restaurant licensee.  
3716 (2) (a) A beer-only restaurant licensee on the licensed premises may not sell, offer for  
3717 sale, furnish, or allow consumption of liquor.  
3718 (b) Liquor may not be on the premises of a beer-only restaurant licensee except for use:  
3719 (i) as a flavoring on a dessert; and  
3720 (ii) in the preparation of a flaming food dish, drink, or dessert.  
3721 (3) In addition to complying with Section [32B-5-303](#), a beer-only restaurant licensee  
3722 shall store beer in a storage area described in Subsection (12)(a).  
3723 (4) (a) An individual who serves beer in a beer-only restaurant licensee's premises shall  
3724 make a written beverage tab for each table or group that orders or consumes an alcoholic  
3725 product on the premises.  
3726 (b) A beverage tab required by this Subsection (4) shall list the type and amount of  
3727 beer ordered or consumed.  
3728 (5) A person's willingness to serve beer may not be made a condition of employment as  
3729 a server with a beer-only restaurant licensee.  
3730 (6) A beer-only restaurant licensee may sell, offer for sale, or furnish beer during the  
3731 hours specified in Part 7, On-Premise Beer Retailer License, for an on-premise beer retailer,  
3732 except that a beer-only restaurant licensee may not sell, offer for sale, or furnish beer before  
3733 11:30 a.m. on any day.  
3734 (7) A beer-only restaurant licensee shall maintain at least 70% of its total restaurant  
3735 business from the sale of food, which does not include a service charge.  
3736 (8) (a) A beer-only restaurant may not sell, offer for sale, or furnish beer except after  
3737 the beer-only restaurant licensee confirms that the patron has the intent to order food prepared,  
3738 sold, and furnished at the licensed premises.  
3739 (b) A beer-only restaurant shall maintain on the licensed premises adequate culinary  
3740 facilities for food preparation and dining accommodations.  
3741 (9) A patron may not have more than two beers at a time before the patron.  
3742 (10) A patron may consume a beer only: (a) at:  
3743 (i) the patron's table;  
3744 (ii) a grandfathered bar structure; or

- 3745 (iii) a counter; and
- 3746 (b) where food is served.
- 3747 (11) (a) A beer-only restaurant licensee may not sell, offer for sale, or furnish a beer to
- 3748 a patron, and a patron may not consume an alcoholic product at a bar structure.
- 3749 (b) Notwithstanding Subsection (11)(a), at a grandfathered bar structure, a patron who
- 3750 is 21 years of age or older may:
- 3751 (i) sit;
- 3752 (ii) be furnished a beer; and
- 3753 (iii) consume a beer.
- 3754 (c) Except as provided in Subsection (11)(d), at a grandfathered bar structure, a
- 3755 beer-only restaurant licensee may not permit a minor to, and a minor may not:
- 3756 (i) sit; or
- 3757 (ii) consume food or beverages.
- 3758 (d) (i) A minor may be at a grandfathered bar structure if the minor is employed by a
- 3759 beer-only restaurant licensee:
- 3760 (A) as provided in Subsection [32B-5-308\(2\)](#); or
- 3761 (B) to perform maintenance and cleaning services during an hour when the beer-only
- 3762 restaurant licensee is not open for business.
- 3763 (ii) A minor may momentarily pass by a grandfathered bar structure without
- 3764 remaining or sitting at the bar structure en route to an area of a beer-only restaurant licensee's
- 3765 premises in which the minor is permitted to be.
- 3766 (12) A beer-only restaurant licensee may dispense a beer only if:
- 3767 (a) the beer is dispensed from an area that is:
- 3768 (i) a grandfathered bar structure; or
- 3769 (ii) separated from an area for the consumption of food by a patron by a solid,
- 3770 translucent, permanent structural barrier such that the facilities for the storage or dispensing of
- 3771 an alcoholic product are not readily visible to a patron, not accessible by a patron, and apart
- 3772 from an area used for dining, for staging, or as a lobby or waiting area;
- 3773 (b) the beer-only restaurant licensee uses a beer that is:
- 3774 (i) stored in an area described in Subsection (12)(a); or
- 3775 (ii) in an area not described in Subsection (12)(a) on the licensed premises and:

- 3776 (A) immediately before the beer is dispensed it is in an unopened container;  
3777 (B) the unopened container is taken to an area described in Subsection (12)(a) before it  
3778 is opened; and  
3779 (C) once opened, the container is stored in an area described in Subsection (12)(a); and  
3780 (c) any instrument or equipment used to dispense the beer is located in an area  
3781 described in Subsection (12)(a).

3782 (13) Beginning on July 1, 2018, a minor may not sit, remain, or consume food or  
3783 beverages within 10 feet of a grandfathered bar structure, unless:

3784 (a) seating within 10 feet of the grandfathered bar structure is the only seating available  
3785 in the licensed premises; and

3786 (b) the minor is accompanied by an individual who is 21 years of age or older.

3787 (14) Except as provided in Subsection 32B-6-905.1(18) and Section 32B-6-905.2, the  
3788 provisions of this section apply before July 1, 2018.

3789 Section 57. Section **32B-6-905.1** is enacted to read:

3790 **32B-6-905.1. Specific operational requirements for a beer-only restaurant license**  
3791 **-- On and after July 1, 2018 or July 1, 2022.**

3792 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational  
3793 Requirements, a beer-only restaurant licensee and staff of the beer-only restaurant licensee  
3794 shall comply with this section.

3795 (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in  
3796 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

3797 (i) a beer-only restaurant licensee;

3798 (ii) individual staff of a beer-only restaurant licensee; or

3799 (iii) both a beer-only restaurant licensee and staff of the beer-only restaurant licensee.

3800 (2) (a) A beer-only restaurant licensee on the licensed premises may not sell, offer for  
3801 sale, furnish, or allow consumption of liquor.

3802 (b) Liquor may not be on the premises of a beer-only restaurant licensee except for use:

3803 (i) as a flavoring on a dessert; and

3804 (ii) in the preparation of a flaming food dish, drink, or dessert.

3805 (3) In addition to complying with Section 32B-5-303, a beer-only restaurant licensee  
3806 shall store beer in a storage area described in Subsection (13)(a).

3807           (4) (a) An individual who serves beer in a beer-only restaurant licensee's premises shall  
3808 make a beverage tab for each table or group that orders or consumes an alcoholic product on  
3809 the premises.

3810           (b) A beverage tab described in this Subsection (4) shall state the type and amount of  
3811 each alcoholic product ordered or consumed.

3812           (5) A beer-only restaurant licensee may not make an individual's willingness to serve  
3813 beer a condition of employment as a server with a beer-only restaurant licensee.

3814           (6) A beer-only restaurant licensee may sell, offer for sale, or furnish beer at the  
3815 licensed premises during the following time periods only:

3816           (a) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

3817           (b) on a weekend or a state or federal legal holiday, during the period that begins at  
3818 10:30 a.m. and ends at 12:59 a.m.

3819           (7) A beer-only restaurant licensee shall maintain at least 70% of the beer-only  
3820 restaurant licensee's total restaurant business from the sale of food, which does not include a  
3821 service charge.

3822           (8) (a) A beer-only restaurant licensee may not sell, offer for sale, or furnish beer  
3823 except after:

3824           (i) the patron to whom the beer-only restaurant licensee sells, offers for sale, or  
3825 furnishes the beer is seated at:

3826           (A) a table that is located in a dining area or a dispensing area;

3827           (B) a counter that is located in a dining area or a dispensing area; or

3828           (C) a dispensing structure that is located in a dispensing area; and

3829           (ii) the beer-only restaurant licensee confirms that the patron intends to:

3830           (A) order food prepared, sold, and furnished at the licensed premises; and

3831           (B) except as provided in Subsection (8)(b), consume the food at the same location  
3832 where the patron is seated and sold, offered for sale, or furnished the beer.

3833           (b) (i) While a patron waits for a seat at a table or counter in the dining area of a  
3834 beer-only restaurant licensee, the beer-only restaurant licensee may sell, offer for sale, or  
3835 furnish to the patron one portion of beer as described in Section [32B-5-304](#) if:

3836           (A) the patron is seated at a table, counter, or dispensing structure located in a  
3837 dispensing area; and

3838 (B) the beer-only restaurant licensee first confirms that after the patron is seated in the  
3839 dining area, the patron intends to order food prepared, sold, and furnished at the licensed  
3840 premises.

3841 (ii) If the patron does not finish the patron's beer before moving to a seat in the dining  
3842 area, an employee of the beer-only restaurant licensee who is qualified to sell and serve an  
3843 alcoholic product under Section [32B-5-306](#) shall transport any unfinished portion of the  
3844 patron's beer to the patron's seat in the dining area.

3845 (c) A beer-only restaurant licensee shall maintain on the licensed premises adequate  
3846 culinary facilities for food preparation and dining accommodations.

3847 (9) A patron may consume a beer only at:

3848 (a) a table that is located in a dining area or a dispensing area;

3849 (b) a counter that is located in a dining area or a dispensing area; or

3850 (c) a dispensing structure located in a dispensing area.

3851 (10) A patron may not have more than two beers at a time before the patron.

3852 (11) In accordance with the provisions of this section, an individual who is at least 21  
3853 years of age may consume food and beverages in a dispensing area.

3854 (12) (a) Except as provided in Subsection (12)(b), a minor may not sit, remain, or  
3855 consume food or beverages in a dispensing area.

3856 (b) (i) A minor may be in a dispensing area if the minor is employed by the beer-only  
3857 restaurant licensee:

3858 (A) in accordance with Subsection [32B-5-308\(2\)](#); or

3859 (B) to perform maintenance and cleaning services when the beer-only restaurant  
3860 licensee is not open for business.

3861 (ii) If there is no alternative route available, a minor may momentarily pass through a  
3862 dispensing area without remaining or sitting in the dispensing area en route to an area of the  
3863 beer-only restaurant licensee's premises in which the minor is permitted to be.

3864 (13) A beer-only restaurant licensee may dispense a beer only if:

3865 (a) the beer is dispensed from:

3866 (i) a dispensing structure that is located in a dispensing area; or

3867 (ii) an area that is:

3868 (A) separated from an area for the consumption of food by a patron by a solid,

3869 translucent, permanent structural barrier such that the facilities for the storage or dispensing of  
3870 an alcoholic product are not readily visible to a patron, not accessible by a patron; and

3871 (B) apart from an area used for dining, for staging, or as a lobby or waiting area;

3872 (b) the beer-only restaurant licensee uses a beer that is stored in an area described in

3873 Subsection (13)(a) or in accordance with Section [32B-5-303](#); and

3874 (c) any instrument or equipment used to dispense the beer is located in an area  
3875 described in Subsection (13)(a).

3876 (14) (a) A beer-only restaurant licensee may have more than one dispensing area in the  
3877 licensed premises.

3878 (b) Each dispensing area in a licensed premises may satisfy the requirements for a  
3879 dispensing area under Subsection [32B-6-202](#)(1)(b)(i)(A), (B), or (C), regardless of how any  
3880 other dispensing area in the licensed premises satisfies the requirements for a dispensing area.

3881 (15) A beer-only restaurant licensee may not transfer, dispense, or serve beer on or  
3882 from a movable cart.

3883 (16) (a) In addition to the requirements described in Section [32B-5-302](#), a beer-only  
3884 restaurant licensee shall maintain each of the following records for at least three years:

3885 (i) a record required by Section [32B-5-302](#); and

3886 (ii) a record that the commission requires a beer-only restaurant licensee to use or  
3887 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative  
3888 Rulemaking Act.

3889 (b) The department shall audit the records of a beer-only restaurant licensee at least  
3890 once each calendar year.

3891 (17) A beer-only restaurant licensee shall display in a conspicuous place at the entrance  
3892 to the licensed premises a sign approved by the commission that:

3893 (a) measures at least 8-1/2 inches long and 11 inches wide; and

3894 (b) clearly states that the beer-only restaurant licensee is a restaurant and not a bar.

3895 (18) (a) In accordance with Section [32B-6-905.2](#), a beer-only restaurant licensee:

3896 (i) may comply with the provisions of this section beginning on or after July 1, 2017;

3897 and

3898 (ii) shall comply with the provisions of this section:

3899 (A) for a beer-only restaurant licensee that does not have a grandfathered bar structure,

3900 on and after July 1, 2018; or

3901 (B) for a beer-only restaurant licensee that has a grandfathered bar structure, on and  
3902 after July 1, 2022.

3903 (b) A beer-only restaurant licensee that elects to comply with the provisions of this  
3904 section before the latest applicable date described in Subsection (18)(a)(ii):

3905 (i) shall comply with each provision of this section; and

3906 (ii) is not required to comply with the provisions of Section [32B-6-905](#).

3907 Section 58. Section **32B-6-905.2** is enacted to read:

3908 **32B-6-905.2. Transition process for beer-only restaurant licensees.**

3909 (1) For a beer-only restaurant license issued on or after July 1, 2017, the beer-only  
3910 restaurant licensee shall comply with the provisions of Section [32B-6-905.1](#).

3911 (2) For a beer-only restaurant license issued before July 1, 2017, before the beer-only  
3912 restaurant licensee changes the beer-only restaurant licensee's approved location for storage,  
3913 dispensing, or consumption to comply with the provisions of Section [32B-6-901.1](#), the  
3914 beer-only restaurant licensee shall submit an application for approval to the department in  
3915 accordance with Subsection [32B-5-303](#)(3).

3916 (3) (a) Except as provided in Subsection (4), a person who holds a beer-only restaurant  
3917 license issued before July 1, 2017, shall comply with the provisions of Section [32B-6-901.1](#) on  
3918 or before July 1, 2018.

3919 (b) A beer-only restaurant licensee described in Subsection (3)(a) that cannot comply  
3920 with the provisions of Section [32B-6-901.1](#) without a change to the beer-only restaurant  
3921 licensee's approved location for storage, dispensing, or consumption:

3922 (i) may submit an application for approval described in Subsection (2) on or after May  
3923 9, 2017; and

3924 (ii) shall submit an application for approval described in Subsection (2) on or before  
3925 May 1, 2018.

3926 (c) If a beer-only restaurant licensee described in Subsection (3)(a) submits an  
3927 application for approval described in Subsection (2) on May 9, 2017, the department shall take  
3928 action on the application on or before July 1, 2017.

3929 (4) (a) A person who holds a beer-only restaurant license issued before July 1, 2017,  
3930 and has a grandfathered bar structure shall comply with the provisions of Section [32B-6-901.1](#)

3931 on or before the earlier of:

3932 (i) July 1, 2022;

3933 (ii) the date on which the beer-only restaurant licensee remodels, as defined by

3934 commission rule made in accordance with Title 63G, Chapter 3, Utah Administrative

3935 Rulemaking Act, the beer-only restaurant licensee's grandfathered bar structure or dining area;

3936 or

3937 (iii) the date on which the beer-only restaurant licensee experiences a change of

3938 ownership described in Subsection [32B-8a-202\(1\)](#).

3939 (b) A beer-only restaurant licensee described in Subsection (4)(a) that cannot comply

3940 with the provisions of Section [32B-6-901.1](#) without a change to the beer-only restaurant

3941 licensee's approved location for storage, dispensing, or consumption:

3942 (i) may submit an application for approval described in Subsection (2) on or after May

3943 9, 2017; and

3944 (ii) shall submit an application for approval described in Subsection (2) on or before

3945 May 1, 2022.

3946 Section 59. Section **32B-7-202** is amended to read:

3947 **32B-7-202. General operational requirements for off-premise beer retailer.**

3948 (1) (a) An off-premise beer retailer or staff of the off-premise beer retailer shall comply

3949 with ~~[this section]~~ the provisions of this title and any applicable rules made by the commission.

3950 (b) Failure to comply with this section may result in a suspension or revocation of a

3951 local license and, on or after July 1, 2018, disciplinary action in accordance with Chapter 3,

3952 Disciplinary Actions and Enforcement Act.

3953 (2) (a) (i) An off-premise beer retailer may not purchase, acquire, possess for the

3954 purpose of resale, or sell beer, except beer that the off-premise beer retailer lawfully purchases

3955 from:

3956 (A) a beer wholesaler licensee; or

3957 (B) a small brewer that manufactures the beer.

3958 (ii) A violation of Subsection (2)(a) is a class A misdemeanor.

3959 (b) (i) If an off-premise beer retailer purchases beer under this Subsection (2) from a

3960 beer wholesaler licensee, the off-premise beer retailer shall purchase beer only from a beer

3961 wholesaler licensee who is designated by the manufacturer to sell beer in the geographical area



3962 in which the off-premise beer retailer is located, unless an alternate wholesaler is authorized by  
3963 the department to sell to the off-premise beer retailer as provided in Section 32B-13-301.

3964 (ii) A violation of Subsection (2)(b) is a class B misdemeanor.

3965 (3) An off-premise beer retailer may not possess, sell, offer for sale, or furnish beer in a  
3966 container larger than two liters.

3967 (4) A minor may not sell beer on the licensed premises of an off-premise beer retailer  
3968 unless:

3969 (a) the sale is done under the supervision of a person 21 years of age or older who is on  
3970 the licensed premises; and

3971 (b) the minor is at least 16 years of age.

3972 (5) (a) Subject to the other provisions of this Subsection (5), an off-premise beer  
3973 retailer shall:

3974 (i) display all beer sold by the off-premise beer retailer in [~~an area that is visibly~~  
3975 ~~separate and distinct from the area where nonalcoholic beverages are displayed; and~~] no more  
3976 than two locations on the retail sales floor, each of which is:

3977 (A) a display cabinet, cooler, aisle, floor display, or room where beer is the only  
3978 beverage displayed; and

3979 (B) not adjacent to a display of nonalcoholic beverages, unless the location is a cooler  
3980 with a door or the beer is separated from the display of nonalcoholic beverages by a display of  
3981 one or more nonbeverage products or another physical divider; and

3982 (ii) display a sign in the area described in Subsection (5)(a)(i) that:

3983 (A) is prominent;

3984 (B) is easily readable by a consumer;

3985 (C) meets the requirements for format established by the commission by rule; and

3986 (D) reads in print that is no smaller than .5 inches, bold type, "These beverages contain  
3987 alcohol. Please read the label carefully."

3988 (b) Notwithstanding Subsection (5)(a), a nonalcoholic beer may be displayed with beer  
3989 if the nonalcoholic beer is labeled, packaged, or advertised as a nonalcoholic beer.

3990 (c) The requirements of this Subsection (5) apply to beer notwithstanding that it is  
3991 labeled, packaged, or advertised as:

3992 (i) a malt cooler; or

3993 (ii) a beverage that may provide energy.

3994 [~~(d) The commission shall define by rule what constitutes an "area that is visibly~~  
3995 ~~separate and distinct from the area where a nonalcoholic beverage is displayed."~~]

3996 [~~(e)~~] (d) A violation of this Subsection (5) is an infraction.

3997 (6) (a) Staff of an off-premise beer retailer who directly supervises the sale of beer or  
3998 who sells beer to a patron for consumption off the premises of the off-premise beer retailer  
3999 shall wear a unique identification badge:

4000 (i) on the front of the staff's clothing;

4001 (ii) visible above the waist;

4002 (iii) bearing the staff's:

4003 (A) first or last name;

4004 (B) initials; or

4005 (C) unique identification in letters or numbers; and

4006 (iv) with the number or letters on the unique identification badge being sufficiently  
4007 large to be clearly visible and identifiable while engaging in or directly supervising the retail  
4008 sale of beer.

4009 (b) An off-premise beer retailer shall make and maintain a record of each current staff's  
4010 unique identification badge assigned by the off-premise beer retailer that includes the staff's:

4011 (i) full name;

4012 (ii) address; and

4013 (iii) (A) driver license number; or

4014 (B) similar identification number.

4015 (c) An off-premise beer retailer shall make available a record required to be made or  
4016 maintained under this Subsection (6) for immediate inspection by:

4017 (i) a peace officer; ~~[or]~~

4018 (ii) a representative of the local authority that issues the off-premise beer retailer  
4019 license[-]; or

4020 (iii) for an off-premise beer retailer state license, a representative of the commission or  
4021 department.

4022 (d) A local authority may impose a fine of up to \$250 against an off-premise beer  
4023 retailer that does not comply or require its staff to comply with this Subsection (6).

4024 Section 60. Section **32B-7-305** is amended to read:

4025 **32B-7-305. Tracking of enforcement actions -- Costs of enforcement actions.**

4026 (1) A local authority that pursuant to this part adjudicates an administrative penalty for  
4027 a violation of a law involving the sale of an alcoholic product to a minor, shall:

4028 (a) maintain a record of an adjudicated violation until the record is expunged under  
4029 Subsection (3);

4030 (b) include in the record described in Subsection (1)(a):

4031 (i) the name of the individual who commits the violation;

4032 (ii) the name of the off-premise beer retailer for whom the individual is a staff member  
4033 at the time of the violation; and

4034 (iii) the date of the adjudication of the violation; and

4035 (c) provide the information described in Subsection (1)(b) to [~~the Highway Safety~~  
4036 ~~Office of~~] the Department of Public Safety within 30 days of the date on which a violation is  
4037 adjudicated.

4038 (2) (a) The [~~Highway Safety Office~~] Department of Public Safety shall develop and  
4039 operate a system to collect, analyze, maintain, track, and disseminate the violation history  
4040 information received under Subsection (1).

4041 (b) The [~~Highway Safety Office~~] Department of Public Safety shall make the system  
4042 described in Subsection (2)(a) available to:

4043 (i) assist a local authority in assessing administrative penalties under Section

4044 **32B-7-303**; and

4045 (ii) inform an off-premise beer retailer of an individual who has an administrative  
4046 violation history under Section **32B-7-303**.

4047 (c) The [~~Highway Safety Office~~] Department of Public Safety shall maintain a record  
4048 of violation history information received pursuant to Subsection (1) until the record is  
4049 expunged under Subsection (3).

4050 (3) (a) A local authority and the [~~Highway Safety Office~~] Department of Public Safety  
4051 shall expunge from the records maintained an administrative penalty imposed under Section  
4052 **32B-7-303** for purposes of determining future administrative penalties under Section  
4053 **32B-7-303** if the individual has not been found in violation of any law involving the sale of an  
4054 alcoholic product to a minor for a period of 36 consecutive months from the day on which the

4055 individual is last adjudicated as violating a law involving the sale of an alcoholic product to a  
4056 minor.

4057 (b) A local authority shall expunge from the records maintained by the local authority  
4058 an administrative penalty imposed under Section 32B-7-303 against an off-premise beer  
4059 retailer for purposes of determining future administrative penalties under Section 32B-7-303 if  
4060 the off-premise beer retailer or any staff of that off-premise beer retailer has not been found in  
4061 violation of any law involving the sale of an alcoholic product to a minor for a period of 36  
4062 consecutive months from the day on which the off-premise beer retailer or staff of the  
4063 off-premise beer retailer is last adjudicated as violating a law involving the sale of an alcoholic  
4064 product to a minor.

4065 (4) The ~~[Highway Safety Office]~~ Department of Public Safety shall administer a  
4066 program to reimburse a municipal or county law enforcement agency:

4067 (a) for the actual costs of an alcohol-related compliance check investigation conducted  
4068 pursuant to Section 77-39-101 on the premises of an off-premise beer retailer;

4069 (b) for administrative costs associated with reporting the compliance check  
4070 investigation described in Subsection (4)(a);

4071 (c) if the municipal or county law enforcement agency completes and submits to the  
4072 ~~[Highway Safety Office]~~ Department of Public Safety a report within 90 days of the  
4073 compliance check investigation described in Subsection (4)(a) in a format required by the  
4074 ~~[Highway Safety Office]~~ Department of Public Safety; and

4075 (d) in the order that the municipal or county law enforcement agency submits the report  
4076 required by Subsection (4)(c) until the amount allocated by the ~~[Highway Safety Office]~~  
4077 Department of Public Safety to reimburse a municipal or county law enforcement agency is  
4078 spent.

4079 (5) The ~~[Highway Safety Office]~~ Department of Public Safety shall report to the Utah  
4080 Substance Abuse Advisory Council by no later than October 1 following a fiscal year on the  
4081 following funded during the prior fiscal year:

4082 (a) compliance check investigations reimbursed under Subsection (4); and

4083 (b) the collection, analysis, maintenance, tracking, and dissemination of violation  
4084 history information described in Subsection (2).

4085 Section 61. Section 32B-7-401 is enacted to read:

4086 **Part 4. Off-Premise Beer Retailer State License**4087 **32B-7-401. Commission's power to issue off-premise beer retailer state license.**

4088 (1) Beginning on July 1, 2018, and except as provided in Subsection (3), before a  
4089 person may purchase, store, sell, or offer for sale beer for consumption off the person's  
4090 premises, the person shall obtain an off-premise beer retailer state license in accordance with  
4091 this part.

4092 (2) The commission may issue an off-premise beer retailer state license for the retail  
4093 sale of beer for consumption off the beer retailer's premises.

4094 (3) (a) A person who operates as an off-premise beer retailer on July 1, 2018, shall  
4095 obtain an off-premise beer retailer state license on or before March 1, 2019.

4096 (b) (i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
4097 the commission shall establish a deadline for each off-premise beer retailer described in  
4098 Subsection (3)(a) to submit to the department an application for an off-premise beer retailer  
4099 state license.

4100 (ii) The commission shall act upon each timely application submitted in accordance  
4101 with this Subsection (3) on or before February 28, 2019.

4102 (c) An off-premise beer retailer described in Subsection (3)(a) may continue to operate  
4103 without an off-premise beer retailer state license through February 28, 2019.

4104 Section 62. Section **32B-7-402** is enacted to read:

4105 **32B-7-402. Application for off-premise beer retailer state license -- Qualifications.**

4106 To obtain an off-premise beer retailer state license, a person shall submit to the  
4107 department:

4108 (1) a written application in a form prescribed by the department;

4109 (2) a nonrefundable application fee of \$75;

4110 (3) an initial license fee of \$250 that is refundable if the commission does not issue the  
4111 off-premise beer retailer state license;

4112 (4) written consent of the local authority;

4113 (5) a copy of the person's current business license;

4114 (6) a floor plan of the premises that outlines the location of each beer display;

4115 (7) a signed consent form stating the person will permit any authorized representative  
4116 of the commission or the department or any law enforcement officer to have unrestricted right

4117 to enter the licensed premises;

4118 (8) if the person is an entity, property verification evidencing that the individual who  
4119 signs the application is authorized to sign on behalf of the entity; and

4120 (9) any other information that the commission or department requires.

4121 Section 63. Section **32B-7-403** is enacted to read:

4122 **32B-7-403. Renewal of off-premise beer retailer state license.**

4123 (1) An off-premise beer retailer state license expires on the last day of February each  
4124 year.

4125 (2) To renew an off-premise beer retailer state license, an off-premise beer retailer state  
4126 licensee shall, no later than January 31, submit:

4127 (a) a completed renewal application to the department in a form prescribed by the  
4128 department; and

4129 (b) a renewal fee of \$175.

4130 (3) An off-premise beer retailer state licensee automatically forfeits the off-premise  
4131 beer retailer state license if the off-premise beer retailer state licensee fails to satisfy the  
4132 renewal requirements described in this section.

4133 Section 64. Section **32B-7-404** is enacted to read:

4134 **32B-7-404. Duties of commission and department before issuing off-premise beer**  
4135 **retailer state license.**

4136 (1) (a) Before the commission issues an off-premise beer retailer state license, the  
4137 department shall conduct an investigation and may hold one or more public hearings to gather  
4138 information and make recommendations to the commission regarding whether the commission  
4139 should issue an off-premise beer retailer state license.

4140 (b) The department shall forward the information the department gathers and the  
4141 department's recommendations to the commission.

4142 (2) Before the commission issues an off-premise beer retailer state license, the  
4143 commission shall:

4144 (a) determine that the person filed a complete application and is in compliance with the  
4145 provisions of this chapter;

4146 (b) determine that the person is not disqualified under Section [32B-1-304](#);

4147 (c) consider the physical characteristics of the premises where the beer is displayed;

4148 and

4149 (d) consider any other factor that the commission considers necessary.

4150 Section 65. Section **32B-7-405** is enacted to read:

4151 **32B-7-405. Notifying department of change of ownership.**

4152 The commission may suspend or revoke an off-premise beer retailer state license if an  
4153 off-premise beer retailer state licensee does not immediately notify the department of a change  
4154 in:

4155 (1) ownership of the licensee's business;

4156 (2) for a corporate owner, a shareholder holding at least 20% of the total issued and  
4157 outstanding stock of the corporation; or

4158 (3) for a limited liability company, a member owning at least 20% of the limited  
4159 liability company.

4160 Section 66. Section **32B-8-102** is amended to read:

4161 **32B-8-102. Definitions.**

4162 As used in this chapter:

4163 (1) "Boundary of a resort building" means the physical boundary of the land reasonably  
4164 related to a resort building and any structure or improvement to that land as determined by the  
4165 commission.

4166 (2) "Dwelling" means a portion of a resort building:

4167 (a) owned by one or more individuals;

4168 (b) that is used or designated for use as a residence by one or more persons; and

4169 (c) that may be rented, loaned, leased, or hired out for a period of no longer than 30  
4170 consecutive days by a person who uses it for a residence.

4171 (3) "Engaged in the management of the resort" may be defined by the commission by  
4172 rule.

4173 (4) "Invitee" means an individual who in accordance with Subsection **32B-8-304(11)** is  
4174 authorized to use a resort spa by a host who is:

4175 (a) a resident; or

4176 (b) a public customer.

4177 (5) "Provisions applicable to a sublicense" means:

4178 (a) for a full-service restaurant sublicense, Chapter 6, Part 2, Full-Service Restaurant

- 4179 License;
- 4180 (b) for a limited-service restaurant sublicense, Chapter 6, Part 3, Limited-Service
- 4181 Restaurant License;
- 4182 (c) for a [~~club~~] bar establishment sublicense, Chapter 6, Part 4, [~~Club~~] Bar
- 4183 Establishment License;
- 4184 (d) for an on-premise banquet sublicense, Chapter 6, Part 6, On-Premise Banquet
- 4185 License;
- 4186 (e) for an on-premise beer retailer sublicense, Chapter 6, Part 7, On-Premise Beer
- 4187 Retailer License; and
- 4188 (f) for a resort spa sublicense, Part 3, Resort Spa Sublicense.
- 4189 (6) "Public customer" means an individual who holds a customer card in accordance
- 4190 with Subsection [32B-8-304\(12\)](#).
- 4191 (7) "Resident" means an individual who:
- 4192 (a) owns a dwelling located within a resort building; or
- 4193 (b) rents lodging accommodations for 30 consecutive days or less from:
- 4194 (i) an owner of a dwelling described in Subsection (7)(a); or
- 4195 (ii) the resort licensee.
- 4196 (8) "Resort" means a location:
- 4197 (a) on which is located one resort building; and
- 4198 (b) that is affiliated with a ski area that physically touches the boundary of the resort
- 4199 building.
- 4200 (9) "Resort building" means a building:
- 4201 (a) that is primarily operated to provide dwellings or lodging accommodations;
- 4202 (b) that has at least 150 units that consist of a dwelling or lodging accommodations;
- 4203 (c) that consists of at least 400,000 square feet:
- 4204 (i) including only the building itself; and
- 4205 (ii) not including areas such as above ground surface parking; and
- 4206 (d) of which at least 50% of the units described in Subsection (9)(b) consist of
- 4207 dwellings owned by a person other than the resort licensee.
- 4208 (10) "Resort spa" means a spa, as defined by rule by the commission, that is within the
- 4209 boundary of a resort building.



- 4210 (11) "Sublicense" means:
- 4211 (a) a full-service restaurant sublicense;
- 4212 (b) a limited-service restaurant sublicense;
- 4213 (c) a [~~club~~] bar establishment sublicense;
- 4214 (d) an on-premise banquet sublicense;
- 4215 (e) an on-premise beer retailer sublicense; and
- 4216 (f) a resort spa sublicense.

4217 (12) "Sublicense premises" means a building, enclosure, or room used pursuant to a

4218 sublicense in connection with the storage, sale, furnishing, or consumption of an alcoholic

4219 product, unless otherwise defined in this title or in the rules made by the commission.

4220 Section 67. Section **32B-8-304** is amended to read:

4221 **32B-8-304. Specific operational requirements for resort spa sublicense.**

4222 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational

4223 Requirements, a resort licensee, staff of the resort licensee, or a person otherwise related to a

4224 resort spa sublicense shall comply with this section.

4225 (b) Subject to Section **32B-8-502**, failure to comply as provided in Subsection (1)(a)

4226 may result in disciplinary action in accordance with Chapter 3, Disciplinary Actions and

4227 Enforcement Act, against:

- 4228 (i) a retail licensee;
- 4229 (ii) staff of the retail licensee;
- 4230 (iii) a person otherwise related to a resort spa sublicense; or
- 4231 (iv) any combination of the persons listed in this Subsection (1)(b).

4232 (2) (a) For purposes of the resort spa sublicense, the resort licensee shall ensure that a

4233 record required by this title is maintained, and a record is maintained or used for the resort spa

4234 sublicense:

- 4235 (i) as the department requires; and
- 4236 (ii) for a minimum period of three years.

4237 (b) A record is subject to inspection by an authorized representative of the commission

4238 and the department.

4239 (c) A resort licensee shall allow the department, through an auditor or examiner of the

4240 department, to audit the records for a resort spa sublicense at the times the department

4241 considers advisable.

4242 (d) The department shall audit the records for a resort spa sublicense at least once  
4243 annually.

4244 (e) Section 32B-1-205 applies to a record required to be made, maintained, or used in  
4245 accordance with this Subsection (2).

4246 (3) (a) A person operating under a resort spa sublicense may not sell, offer for sale, or  
4247 furnish liquor at a resort spa during a period that:

4248 (i) begins at 1 a.m.; and

4249 (ii) ends at 9:59 a.m.

4250 (b) A person operating under a resort spa sublicense may sell, offer for sale, or furnish  
4251 beer during the hours specified in Chapter 6, Part 7, On-Premise Beer Retailer License, for an  
4252 on-premise beer retailer.

4253 (c) (i) Notwithstanding Subsections (3)(a) and (b), a resort spa shall remain open for  
4254 one hour after the resort spa ceases the sale and furnishing of an alcoholic product during  
4255 which time a person at the resort spa may finish consuming:

4256 (A) a single drink containing spirituous liquor;

4257 (B) a single serving of wine not exceeding five ounces;

4258 (C) a single serving of heavy beer;

4259 (D) a single serving of beer not exceeding 26 ounces; or

4260 (E) a single serving of a flavored malt beverage.

4261 (ii) A resort spa is not required to remain open:

4262 (A) after all persons have vacated the resort spa sublicense premises; or

4263 (B) during an emergency.

4264 (4) A minor may not be admitted into, use, or be on:

4265 (a) the sublicense premises of a resort spa unless accompanied by a person 21 years of  
4266 age or older; or

4267 (b) a lounge or bar area of the resort spa sublicense premises.

4268 (5) A resort spa shall have food available at all times when an alcoholic product is sold,  
4269 offered for sale, furnished, or consumed on the resort spa sublicense premises.

4270 (6) (a) Subject to the other provisions of this Subsection (6), a patron may not have  
4271 more than two alcoholic products of any kind at a time before the patron.

4272 (b) A resort spa patron may not have two spirituous liquor drinks before the resort spa  
4273 patron if one of the spirituous liquor drinks consists only of the primary spirituous liquor for  
4274 the other spirituous liquor drink.

4275 (c) An individual portion of wine is considered to be one alcoholic product under this  
4276 Subsection (6).

4277 (7) (a) An alcoholic product may only be consumed at a table or counter.

4278 (b) An alcoholic product may not be served to or consumed by a patron at a [~~bar~~]  
4279 dispensing structure.

4280 (8) (a) A person operating under a resort spa sublicense shall have available on the  
4281 resort spa sublicense premises for a patron to review at the time that the patron requests it, a  
4282 written alcoholic product price list or a menu containing the price of an alcoholic product sold  
4283 or furnished by the resort spa including:

4284 (i) a set-up charge;

4285 (ii) a service charge; or

4286 (iii) a chilling fee.

4287 (b) A charge or fee made in connection with the sale, service, or consumption of liquor  
4288 may be stated in food or alcoholic product menus including:

4289 (i) a set-up charge;

4290 (ii) a service charge; or

4291 (iii) a chilling fee.

4292 (9) (a) A resort licensee shall own or lease premises suitable for the resort spa's  
4293 activities.

4294 (b) A resort licensee may not maintain premises in a manner that barricades or conceals  
4295 the resort spa sublicense's operation.

4296 (10) Subject to the other provisions of this section, a person operating under a resort  
4297 spa sublicense may not sell an alcoholic product to or allow a person to be admitted to or use  
4298 the resort spa sublicense premises other than:

4299 (a) a resident;

4300 (b) a public customer who holds a valid customer card issued under Subsection (12); or

4301 (c) an invitee.

4302 (11) A person operating under a resort spa sublicense may allow an individual to be

4303 admitted to or use the resort spa sublicense premises as an invitee subject to the following  
4304 conditions:

4305 (a) the individual shall be previously authorized by one of the following who agrees to  
4306 host the individual as an invitee into the resort spa:

4307 (i) a resident; or

4308 (ii) a public customer as described in Subsection (10);

4309 (b) the individual has only those privileges derived from the individual's host for the  
4310 duration of the invitee's visit to the resort spa; and

4311 (c) a resort licensee, resort spa, or staff of the resort licensee or resort spa may not enter  
4312 into an agreement or arrangement with a resident or public customer to indiscriminately host a  
4313 member of the general public into the resort spa as an invitee.

4314 (12) A person operating under a resort spa sublicense may issue a customer card to  
4315 allow an individual to enter and use the resort spa sublicense premises on a temporary basis  
4316 under the following conditions:

4317 (a) the resort spa may not issue a customer card for a time period that exceeds three  
4318 weeks;

4319 (b) the resort spa shall assess a fee to a public customer for a customer card;

4320 (c) the resort spa may not issue a customer card to a minor; and

4321 (d) a public customer may not host more than seven invitees at one time.

4322 Section 68. Section **32B-8a-302** is amended to read:

4323 **32B-8a-302. Application -- Approval process.**

4324 (1) To obtain the transfer of a retail license from a retail licensee, the transferee shall  
4325 file a transfer application with the department that includes:

4326 (a) an application in the form provided by the department;

4327 (b) a statement as to whether the consideration, if any, to be paid to the transferor  
4328 includes payment for transfer of the retail license;

4329 (c) a statement executed under penalty of perjury that the consideration as set forth in  
4330 the escrow agreement required by Section [32B-8a-401](#) is deposited with the escrow holder; and

4331 (d) (i) an application fee of \$300; and

4332 (ii) a transfer fee determined in accordance with Section [32B-8a-303](#).

4333 (2) If the intended transfer of a retail license involves consideration, at least 10 days

4334 before the commission may approve the transfer, the department shall post a notice of the  
4335 intended transfer on the Public Notice Website created in Section [63F-1-701](#) that states the  
4336 following:

- 4337 (a) the name of the transferor;
- 4338 (b) the name and address of the business currently associated with the retail license;
- 4339 (c) instructions for filing a claim with the escrow holder; and
- 4340 (d) the projected date that the commission may consider the transfer application.

4341 (3) (a) (i) Before the commission may approve the transfer of a retail license, the  
4342 department shall conduct an investigation and may hold public hearings to gather information  
4343 and make recommendations to the commission as to whether the transfer of the retail license  
4344 should be approved.

4345 (ii) The department shall forward the information and recommendations described in  
4346 this Subsection (3)(a) to the commission to aid in the commission's determination.

4347 (b) Before approving a transfer, the commission shall:

- 4348 (i) determine that the transferee filed a complete application;
- 4349 (ii) determine that the transferee is eligible to hold the type of retail license that is to be  
4350 transferred at the premises to which the retail license would be transferred;

4351 (iii) determine that the transferee is not delinquent in the payment of an amount  
4352 described in Subsection [32B-8a-201\(3\)](#);

4353 (iv) determine that the transferee is not disqualified under Section [32B-1-304](#);

4354 (v) consider the locality within which the proposed licensed premises is located,  
4355 including the factors listed in Section [32B-5-203](#) for the issuance of a retail license;

4356 (vi) consider the transferee's ability to manage and operate the retail license to be  
4357 transferred, including the factors listed in Section [32B-5-203](#) for the issuance of a retail license;

4358 (vii) consider the nature or type of retail licensee operation of the transferee, including  
4359 the factors listed in Section [32B-5-203](#) for the issuance of a retail license;

4360 (viii) if the transfer involves consideration, determine that the transferee and transferor  
4361 have complied with Part 4, Protection of Creditors; and

4362 (ix) consider any other factor the commission considers necessary.

4363 (4) ~~[(a)]~~ Except as provided in Subsection ~~[(4)(b)]~~ [32B-1-202\(3\)](#), the commission may  
4364 not approve the transfer of a retail license to premises that do not meet the proximity

4365 requirements of Section 32B-1-202.

4366 ~~[(b) If after a transfer of a retail license the transferee operates the same type of retail~~  
4367 ~~license at the same location as did the transferor, the commission may waive or vary the~~  
4368 ~~proximity requirements of Subsection 32B-1-202(2) in considering whether to approve the~~  
4369 ~~transfer under the same circumstances that the commission may waive or vary the proximity~~  
4370 ~~requirements in accordance with Subsection 32B-1-202(4) when considering whether to issue a~~  
4371 ~~retail license.]~~

4372 Section 69. Section 32B-8b-102 is amended to read:

4373 **32B-8b-102. Definitions.**

4374 As used in this chapter:

4375 (1) "Boundary of a hotel" means the physical boundary of the contiguous parcels of  
4376 real estate owned by the same person on which is located one or more buildings and any  
4377 structure or improvement to that real estate as determined by the commission.

4378 (2) "Hotel" means one or more buildings that:

4379 (a) constitute a hotel, as defined by the commission;

4380 (b) are owned by the same person or by a person who has a majority interest in and can  
4381 direct or exercise control over the management or policy of the person who owns any other  
4382 building under the hotel license within the boundary of the hotel;

4383 (c) primarily operate to provide lodging accommodations;

4384 (d) provide room service within the boundary of the hotel meeting the requirements of  
4385 this title;

4386 (e) have on-premise banquet space and provide on-premise banquet service within the  
4387 boundary of the hotel meeting the requirements of this title;

4388 (f) have a restaurant or ~~[club]~~ bar establishment within the boundary of the hotel  
4389 meeting the requirements of this title; and

4390 (g) have at least 40 guest rooms.

4391 (3) "Provisions applicable to a sublicense" means:

4392 (a) for a full-service restaurant sublicense, Chapter 6, Part 2, Full-Service Restaurant  
4393 License;

4394 (b) for a limited-service restaurant sublicense, Chapter 6, Part 3, Limited-Service  
4395 Restaurant License;

- 4396 (c) for a [~~club~~] bar establishment sublicense, Chapter 6, Part 4, [~~Club~~] Bar  
4397 Establishment License;
- 4398 (d) for an on-premise banquet sublicense, Chapter 6, Part 6, On-Premise Banquet  
4399 License;
- 4400 (e) for an on-premise beer retailer sublicense, Chapter 6, Part 7, On-Premise Beer  
4401 Retailer License; and
- 4402 (f) for a beer-only restaurant sublicense, Chapter 6, Part 9, Beer-Only Restaurant  
4403 License.

4404 (4) "Sublicense" means:

- 4405 (a) a full-service restaurant sublicense;
- 4406 (b) a limited-service restaurant sublicense;
- 4407 (c) a [~~club~~] bar establishment sublicense;
- 4408 (d) an on-premise banquet sublicense;
- 4409 (e) an on-premise beer retailer sublicense; and
- 4410 (f) a beer-only restaurant sublicense.

4411 (5) "Sublicense premises" means a building, enclosure, or room used pursuant to a  
4412 sublicense in connection with the storage, sale, furnishing, or consumption of an alcoholic  
4413 product, unless otherwise defined in this title or in the rules made by the commission, except  
4414 that sublicense premises may have only one sublicense within a room or an enclosure that is  
4415 separate from a room.

4416 Section 70. Section **32B-8b-201** is amended to read:

4417 **32B-8b-201. Commission's power to issue a hotel license.**

4418 (1) Before a person as a hotel under a single license may store, sell, offer for sale,  
4419 furnish, or allow the consumption of an alcoholic product on sublicense premises, the person  
4420 shall first obtain a hotel license from the commission in accordance with this part.

4421 (2) (a) The commission may issue to a person a hotel license to allow the storage, sale,  
4422 offer for sale, furnishing, and consumption of an alcoholic product in connection with a hotel  
4423 designated in the hotel license if the person operates at least three sublicenses under the hotel  
4424 license one of which is an on-premise banquet license and one of which is a sublicense for a  
4425 restaurant or [~~club~~] bar establishment.

4426 (b) A hotel license shall:

4427 (i) consist of:  
4428 (A) a general hotel license; and  
4429 (B) three or more sublicenses meeting the requirements of Subsection (2)(a); and  
4430 (ii) designate the boundary of the hotel and sublicenses.  
4431 (c) This chapter does not prohibit an alcoholic product on the boundary of the hotel to  
4432 the extent otherwise permitted by this title.

4433 (d) The commission may not issue a sublicense that is separate from a hotel license.

4434 (3) (a) The commission may not issue a total number of hotel licenses that at any time  
4435 totals more than 80.

4436 (b) Subject to Subsection (3)(c), when determining the total number of licenses the  
4437 commission has issued for each type of retail license, the commission may not include a  
4438 sublicense as one of the retail licenses issued under the provisions applicable to the sublicense.

4439 (c) If a hotel license issued under this chapter includes a ~~club~~ bar establishment  
4440 sublicense that before the issuance of the hotel license was a ~~club~~ bar establishment license,  
4441 the commission shall include the ~~club~~ bar establishment sublicense as one of the ~~club~~ bar  
4442 establishment licenses in determining if the total number of licenses issued under the  
4443 provisions applicable to the ~~club~~ bar establishment license exceeds the number calculated by  
4444 dividing the population of the state by the number specified in the provisions applicable to the  
4445 ~~club~~ bar establishment license.

4446 (d) A person may not transfer a ~~club~~ bar establishment license under Chapter 8a,  
4447 Transfer of Retail License Act, in a manner that circumvents the limitations of Subsection  
4448 (3)(c).

4449 Section 71. Section **53-10-305** is amended to read:

4450 **53-10-305. Duties of bureau chief.**

4451 The bureau chief, with the consent of the commissioner, shall do the following:

4452 (1) conduct in conjunction with the state boards of education and higher education in  
4453 state schools, colleges, and universities, an educational program concerning alcoholic  
4454 beverages and alcoholic products, and work in conjunction with civic organizations, churches,  
4455 local units of government, and other organizations in the prevention of alcoholic beverage,  
4456 alcoholic product, and drug violations;

4457 (2) coordinate law enforcement programs throughout the state and accumulate and



4458 disseminate information related to the prevention, detection, and control of violations of this  
4459 chapter and Title 32B, Alcoholic Beverage Control Act, as it relates to storage or consumption  
4460 of an alcoholic beverage or alcoholic product on premises maintained by a ~~[club]~~ bar  
4461 establishment licensee, or a person required to obtain a ~~[club]~~ bar establishment license, as  
4462 defined in Section [32B-1-102](#);

4463 (3) make inspections and investigations as required by the commission and the  
4464 Department of Alcoholic Beverage Control;

4465 (4) perform other acts as may be necessary or appropriate concerning control of the use  
4466 of an alcoholic beverage or alcoholic product and drugs; and

4467 (5) make reports and recommendations to the Legislature, the governor, the  
4468 commissioner, the commission, and the Department of Alcoholic Beverage Control as may be  
4469 required or requested.

4470 Section 72. Section **53A-13-102** is amended to read:

4471 **53A-13-102. Instruction on the harmful effects of alcohol, tobacco, and controlled**  
4472 **substances -- School-based underage drinking prevention program.**

4473 (1) The State Board of Education shall adopt rules providing for instruction at each  
4474 grade level on the harmful effects of alcohol, tobacco, and controlled substances upon the  
4475 human body and society. The rules shall require but are not limited to instruction on the  
4476 following:

4477 (a) teaching of skills needed to evaluate advertisements for, and media portrayal of,  
4478 alcohol, tobacco, and controlled substances;

4479 (b) directing students towards healthy and productive alternatives to the use of alcohol,  
4480 tobacco, and controlled substances; and

4481 (c) discouraging the use of alcohol, tobacco, and controlled substances.

4482 (2) At the request of the board, the Division of Substance Abuse and Mental Health  
4483 shall cooperate with the board in developing programs to provide this instruction.

4484 (3) The board shall participate in efforts to enhance communication among community  
4485 organizations and state agencies, and shall cooperate with those entities in efforts which are  
4486 compatible with the purposes of ~~[this section]~~ Subsections (1) and (2).

4487 (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
4488 board shall make rules that require each LEA, as defined in Section [53A-1-401](#), to:

- 4489           (a) present the school-based underage drinking prevention program as defined in  
4490 Section 32B-2-306 each year to students in grade 8;
- 4491           (b) present the grade 10 school-based underage drinking prevention program as defined  
4492 in Section 32B-2-306 each year to students in grade 10;
- 4493           (c) ensure that each student in grade 8 or 10 participates in the school-based underage  
4494 drinking prevention program or the grade 10 school-based underage drinking prevention  
4495 program, unless the student's parent or guardian excused the student from participation; and
- 4496           (d) coordinate with the Department of Alcoholic Beverage Control to set a date each  
4497 year for the Department of Alcoholic Beverage Control or the provider with whom the  
4498 Department of Alcoholic Beverage Control contracts to provide the school-based underage  
4499 drinking prevention program or the grade 10 school-based underage drinking prevention  
4500 program.

4501           Section 73. Section **62A-15-401** is amended to read:

4502           **62A-15-401. Alcohol training and education seminar.**

4503           (1) As used in this part:

4504           (a) "Instructor" means a person that directly provides the instruction during an alcohol  
4505 training and education seminar for a seminar provider.

4506           (b) "Licensee" means a person who is:

4507           (i) (A) a new or renewing licensee under Title 32B, Alcoholic Beverage Control Act;  
4508 and

4509           (B) engaged in the retail sale of an alcoholic product for consumption on the premises  
4510 of the licensee; or

4511           (ii) a business that is:

4512           (A) a new or renewing licensee licensed by a city, town, or county; and

4513           (B) engaged in the retail sale of beer for consumption off the premises of the licensee.

4514           (c) "Off-premise beer retailer" is as defined in Section 32B-1-102.

4515           (d) "Seminar provider" means a person other than the division who provides an alcohol  
4516 training and education seminar meeting the requirements of this section.

4517           (2) (a) This section applies to ~~[an individual who, as defined by the division by rule]:~~

4518           ~~[(i) manages operations at the premises of a licensee engaged in the retail sale of an~~  
4519 ~~alcoholic product for consumption on the premises of the licensee;]~~

4520 ~~[(ii) supervises the serving of an alcoholic product to a customer for consumption on~~  
4521 ~~the premises of a licensee;]~~

4522 ~~[(iii) serves an alcoholic product to a customer for consumption on the premises of a~~  
4523 ~~licensee;]~~

4524 (i) a retail manager as defined in Section 32B-5-402;

4525 (ii) retail staff as defined in Section 32B-5-402; and

4526 (iii) an individual who, as defined by division rule:

4527 ~~[(iv)]~~ (A) directly supervises the sale of beer to a customer for consumption off the  
4528 premises of an off-premise beer retailer; or

4529 ~~[(v)]~~ (B) sells beer to a customer for consumption off the premises of an off-premise  
4530 beer retailer.

4531 (b) If the individual does not have a valid record that the individual has completed an  
4532 alcohol training and education seminar, an individual described in Subsection (2)(a) shall:

4533 (i) (A) complete an alcohol training and education seminar within 30 days of the  
4534 following if the individual is described in Subsections (2)(a)(i) through (iii):

4535 (I) if the individual is an employee, the day the individual begins employment;

4536 (II) if the individual is an independent contractor, the day the individual is first hired;

4537 or

4538 (III) if the individual holds an ownership interest in the licensee, the day that the  
4539 individual first engages in an activity that would result in that individual being required to  
4540 complete an alcohol training and education seminar; or

4541 (B) complete an alcohol training and education seminar within the time periods  
4542 specified in Subsection 32B-5-404(1) if the individual is described in Subsections (2)(a)(iv)  
4543 and (v); and

4544 (ii) pay a fee:

4545 (A) to the seminar provider; and

4546 (B) that is equal to or greater than the amount established under Subsection (4)(h).

4547 (c) An individual shall have a valid record that the individual completed an alcohol  
4548 training and education seminar within the time period provided in this Subsection (2) to engage  
4549 in an activity described in Subsection (2)(a).

4550 (d) A record that an individual has completed an alcohol training and education

4551 seminar is valid for:

4552 (i) three years from the day on which the record is issued for an individual described in  
4553 Subsection (2)(a)(i), (ii), or (iii); and

4554 (ii) five years from the day on which the record is issued for an individual described in  
4555 Subsection (2)(a)(iv) or (v).

4556 (e) On and after July 1, 2011, to be considered as having completed an alcohol training  
4557 and education seminar, an individual shall:

4558 (i) attend the alcohol training and education seminar and take any test required to  
4559 demonstrate completion of the alcohol training and education seminar in the physical presence  
4560 of an instructor of the seminar provider; or

4561 (ii) complete the alcohol training and education seminar and take any test required to  
4562 demonstrate completion of the alcohol training and education seminar through an online course  
4563 or testing program that meets the requirements described in Subsection (2)(f).

4564 (f) The division shall by rule made in accordance with Title 63G, Chapter 3, Utah  
4565 Administrative Rulemaking Act, establish one or more requirements for an online course or  
4566 testing program described in Subsection (2)(e) that are designed to inhibit fraud in the use of  
4567 the online course or testing program. In developing the requirements by rule the division shall  
4568 consider whether to require:

4569 (i) authentication that the an individual accurately identifies the individual as taking the  
4570 online course or test;

4571 (ii) measures to ensure that an individual taking the online course or test is focused on  
4572 training material throughout the entire training period;

4573 (iii) measures to track the actual time an individual taking the online course or test is  
4574 actively engaged online;

4575 (iv) a seminar provider to provide technical support, such as requiring a telephone  
4576 number, email, or other method of communication that allows an individual taking the online  
4577 course or test to receive assistance if the individual is unable to participate online because of  
4578 technical difficulties;

4579 (v) a test to meet quality standards, including randomization of test questions and  
4580 maximum time limits to take a test;

4581 (vi) a seminar provider to have a system to reduce fraud as to who completes an online

4582 course or test, such as requiring a distinct online certificate with information printed on the  
4583 certificate that identifies the person taking the online course or test, or requiring measures to  
4584 inhibit duplication of a certificate;

4585 (vii) measures for the division to audit online courses or tests;

4586 (viii) measures to allow an individual taking an online course or test to provide an  
4587 evaluation of the online course or test;

4588 (ix) a seminar provider to track the Internet protocol address or similar electronic  
4589 location of an individual who takes an online course or test;

4590 (x) an individual who takes an online course or test to use an e-signature; or

4591 (xi) a seminar provider to invalidate a certificate if the seminar provider learns that the  
4592 certificate does not accurately reflect the individual who took the online course or test.

4593 (3) (a) A licensee may not permit an individual who is not in compliance with  
4594 Subsection (2) to:

4595 (i) serve or supervise the serving of an alcoholic product to a customer for  
4596 consumption on the premises of the licensee;

4597 (ii) engage in any activity that would constitute managing operations at the premises of  
4598 a licensee that engages in the retail sale of an alcoholic product for consumption on the  
4599 premises of the licensee;

4600 (iii) directly supervise the sale of beer to a customer for consumption off the premises  
4601 of an off-premise beer retailer; or

4602 (iv) sell beer to a customer for consumption off the premises of an off-premise beer  
4603 retailer.

4604 (b) A licensee that violates Subsection (3)(a) is subject to Section [32B-5-403](#).

4605 (4) The division shall:

4606 (a) (i) provide alcohol training and education seminars; or

4607 (ii) certify one or more seminar providers;

4608 (b) establish the curriculum for an alcohol training and education seminar that includes  
4609 the following subjects:

4610 (i) (A) alcohol as a drug; and

4611 (B) alcohol's effect on the body and behavior;

4612 (ii) recognizing the problem drinker or signs of intoxication;

4613 (iii) an overview of state alcohol laws related to responsible beverage sale or service,  
4614 as determined in consultation with the Department of Alcoholic Beverage Control;

4615 (iv) dealing with the problem customer, including ways to terminate sale or service;  
4616 and

4617 (v) for those supervising or engaging in the retail sale of an alcoholic product for  
4618 consumption on the premises of a licensee, alternative means of transportation to get the  
4619 customer safely home;

4620 (c) recertify each seminar provider every three years;

4621 (d) monitor compliance with the curriculum described in Subsection (4)(b);

4622 (e) maintain for at least five years a record of every person who has completed an  
4623 alcohol training and education seminar;

4624 (f) provide the information described in Subsection (4)(e) on request to:

4625 (i) the Department of Alcoholic Beverage Control;

4626 (ii) law enforcement; or

4627 (iii) a person licensed by the state or a local government to sell an alcoholic product;

4628 (g) provide the Department of Alcoholic Beverage Control on request a list of any  
4629 seminar provider certified by the division; and

4630 (h) establish a fee amount for each person attending an alcohol training and education  
4631 seminar that is sufficient to offset the division's cost of administering this section.

4632 (5) The division shall by rule made in accordance with Title 63G, Chapter 3, Utah  
4633 Administrative Rulemaking Act:

4634 (a) define what constitutes under this section an individual who:

4635 (i) manages operations at the premises of a licensee engaged in the retail sale of an  
4636 alcoholic product for consumption on the premises of the licensee;

4637 (ii) supervises the serving of an alcoholic product to a customer for consumption on the  
4638 premises of a licensee;

4639 (iii) serves an alcoholic product to a customer for consumption on the premises of a  
4640 licensee;

4641 (iv) directly supervises the sale of beer to a customer for consumption off the premises  
4642 of an off-premise beer retailer; or

4643 (v) sells beer to a customer for consumption off the premises of an off-premise beer

4644 retailer;

4645 (b) establish criteria for certifying and recertifying a seminar provider; and

4646 (c) establish guidelines for the manner in which an instructor provides an alcohol

4647 education and training seminar.

4648 (6) A seminar provider shall:

4649 (a) obtain recertification by the division every three years;

4650 (b) ensure that an instructor used by the seminar provider:

4651 (i) follows the curriculum established under this section; and

4652 (ii) conducts an alcohol training and education seminar in accordance with the

4653 guidelines established by rule;

4654 (c) ensure that any information provided by the seminar provider or instructor of a

4655 seminar provider is consistent with:

4656 (i) the curriculum established under this section; and

4657 (ii) this section;

4658 (d) provide the division with the names of all persons who complete an alcohol training

4659 and education seminar provided by the seminar provider;

4660 (e) (i) collect a fee for each person attending an alcohol training and education seminar

4661 in accordance with Subsection (2); and

4662 (ii) forward to the division the portion of the fee that is equal to the amount described

4663 in Subsection (4)(h); and

4664 (f) issue a record to an individual that completes an alcohol training and education

4665 seminar provided by the seminar provider.

4666 (7) (a) If after a hearing conducted in accordance with Title 63G, Chapter 4,

4667 Administrative Procedures Act, the division finds that a seminar provider violates this section

4668 or that an instructor of the seminar provider violates this section, the division may:

4669 (i) suspend the certification of the seminar provider for a period not to exceed 90 days;

4670 (ii) revoke the certification of the seminar provider;

4671 (iii) require the seminar provider to take corrective action regarding an instructor; or

4672 (iv) prohibit the seminar provider from using an instructor until such time that the

4673 seminar provider establishes to the satisfaction of the division that the instructor is in

4674 compliance with Subsection (6)(b).

4675 (b) The division may certify a seminar provider whose certification is revoked:  
4676 (i) no sooner than 90 days from the date the certification is revoked; and  
4677 (ii) if the seminar provider establishes to the satisfaction of the division that the  
4678 seminar provider will comply with this section.

4679 Section 74. Section **63I-2-232** is amended to read:

4680 **63I-2-232. Repeal dates -- Title 32B.**

4681 (1) Subsection 32B-1-102(7) is repealed July 1, 2022.

4682 (2) Subsection 32B-1-102(33)(a)(i)(B), the language that states "32B-6-205(12)(b)(ii),  
4683 32B-6-305(12)(b)(ii)," and ", or 32B-6-905(12)(b)(ii)" is repealed July 1, 2022.

4684 (3) Subsection 32B-1-102(114)(b), the language that states "32B-6-205(12)(b)(ii),  
4685 32B-6-305(12)(b)(ii)," and ", or 32B-6-905(12)(b)(ii)" is repealed July 1, 2022.

4686 (4) Subsection 32B-1-604(4) is repealed June 1, 2018.

4687 (5) Subsections 32B-6-202(3) and (4) are repealed July 1, 2022.

4688 (6) Section 32B-6-205 is repealed July 1, 2022.

4689 (7) Subsection 32B-6-205.2(17) is repealed July 1, 2022.

4690 (8) Section 32B-6-205.3 is repealed July 1, 2022.

4691 (9) Subsections 32B-6-302(3) and (4) are repealed July 1, 2022.

4692 (10) Section 32B-6-305 is repealed July 1, 2022.

4693 (11) Subsection 32B-6-305.2(17) is repealed July 1, 2022.

4694 (12) Section 32B-6-305.3 is repealed July 1, 2022.

4695 (13) Section 32B-6-404.1 is repealed July 1, 2022.

4696 (14) Section 32B-6-409 is repealed July 1, 2022.

4697 (15) Subsection 32B-6-703(2)(e)(iv) is repealed July 1, 2022.

4698 (16) Subsections 32B-6-902(1)(c), (1)(d), and (2) are repealed July 1, 2022.

4699 (17) Section 32B-6-905 is repealed July 1, 2022.

4700 (18) Subsection 32B-6-905.1(17) is repealed July 1, 2022.

4701 (19) Section 32B-6-905.2 is repealed July 1, 2022.

4702 (20) Section 32B-7-303 is repealed March 1, 2019.

4703 (21) Section 32B-7-304 is repealed March 1, 2019.

4704 (22) Subsection 32B-8-402(1)(b) is repealed July 1, 2022.

4705 Section 75. **Repealer.**



4706 This bill repeals:

4707 Section **32B-6-205.1**, Credit for grandfathered bar structures of full-service  
4708 restaurant licensee.

4709 Section **32B-6-305.1**, Credit for grandfathered bar structures for limited-service  
4710 restaurant licensee.