

ALCOHOL AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brad R. Wilson

Senate Sponsor: Jerry W. Stevenson

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

- ▶ defines terms and modifies defined terms;
- ▶ clarifies the appropriate measurement point for determining proximity to a community location;
- ▶ addresses the standard for demonstrating a previously approved variance for purposes of proximity to a community location;
- ▶ requires electronic age verification of certain individuals who are within 10 feet of a grandfathered bar structure;
- ▶ clarifies and amends labeling requirements for certain malted beverages;
- ▶ allows the Alcoholic Beverage Control Advisory Board to meet at the chair's discretion;
- ▶ modifies the days on which certain package agencies located at a manufacturing facility may operate;
- ▶ modifies the circumstances under which a retail licensee shall submit a responsible alcohol service plan to the department;
- ▶ addresses expungement of a record related to a violation of a provision of the Alcoholic Beverage Control Act;
- ▶ amends the requirements related to when a retail manager or an off-premise retail manager must complete a department training program;

- 30 ▶ amends the requirements related to voting rights to obtain an equity license;
- 31 ▶ modifies the circumstances under which a person may hold two retail licenses for
32 the same premises or room;
- 33 ▶ addresses the circumstances under which a hotel licensee or a resort licensee may
34 have two sublicenses in the same room;
- 35 ▶ allows a patron to transport beer between two adjacent licensed premises located in
36 a sports center with a minimum seating capacity;
- 37 ▶ provides that a restaurant licensee may employ a minor who is at least 18 years of
38 age to bus tables;
- 39 ▶ provides an exemption from certain dispensing area requirements for small
40 restaurant licensees;
- 41 ▶ repeals the requirement for restaurant licensees to display a sign stating the
42 restaurant's license type;
- 43 ▶ allows a dining club licensee to convert to a full-service restaurant license or a bar
44 license before July 1, 2018;
- 45 ▶ increases the number of airport lounge licenses the commission may issue;
- 46 ▶ provides that the Department of Alcoholic Beverage Control shall study issues
47 related to the use of banquet catering contracts and report to the Business and Labor
48 Interim Committee;
- 49 ▶ modifies the off-premise beer retailer state license fee for a person who operates an
50 off-premise beer retailer on July 1, 2018;
- 51 ▶ extends the time for a business entity to transfer a retail license following a change
52 in ownership;
- 53 ▶ modifies the operational requirements for a hotel license and for a sublicense related
54 to calculating the percentage of gross receipts from the sale of food;
- 55 ▶ addresses the grades in which an LEA may offer the Underage Drinking Prevention
56 Program to students; and
- 57 ▶ makes technical and conforming changes.

58 **Money Appropriated in this Bill:**

59 None

60 **Other Special Clauses:**

61 None

62 **Utah Code Sections Affected:**

63 AMENDS:

64 **32B-1-102**, as last amended by Laws of Utah 2017, Chapter 455

65 **32B-1-202**, as last amended by Laws of Utah 2017, Chapters 455, 471 and last
66 amended by Coordination Clause, Laws of Utah 2017, Chapter 471

67 **32B-1-407**, as last amended by Laws of Utah 2017, Chapter 455

68 **32B-1-606**, as last amended by Laws of Utah 2017, Chapter 455

69 **32B-2-210**, as last amended by Laws of Utah 2017, Chapter 455

70 **32B-2-605**, as last amended by Laws of Utah 2016, Chapter 80

71 **32B-3-102**, as last amended by Laws of Utah 2017, Chapter 455

72 **32B-3-205**, as last amended by Laws of Utah 2017, Chapter 455

73 **32B-4-415**, as last amended by Laws of Utah 2017, Chapter 455

74 **32B-5-202**, as last amended by Laws of Utah 2017, Chapter 455

75 **32B-5-207**, as enacted by Laws of Utah 2017, Chapter 455

76 **32B-5-307**, as last amended by Laws of Utah 2017, Chapter 455

77 **32B-5-308**, as last amended by Laws of Utah 2011, Chapter 307

78 **32B-5-405**, as enacted by Laws of Utah 2017, Chapter 455

79 **32B-5-406**, as enacted by Laws of Utah 2017, Chapter 455

80 **32B-6-202**, as last amended by Laws of Utah 2017, Chapter 455

81 **32B-6-205**, as last amended by Laws of Utah 2017, Chapter 455

82 **32B-6-205.2**, as enacted by Laws of Utah 2017, Chapter 455

83 **32B-6-302**, as last amended by Laws of Utah 2017, Chapter 455

84 **32B-6-305**, as last amended by Laws of Utah 2017, Chapter 455

85 **32B-6-305.2**, as enacted by Laws of Utah 2017, Chapter 455

- 86 **32B-6-403**, as last amended by Laws of Utah 2017, Chapter 455
- 87 **32B-6-404**, as last amended by Laws of Utah 2017, Chapter 455
- 88 **32B-6-404.1**, as enacted by Laws of Utah 2017, Chapter 455
- 89 **32B-6-406**, as last amended by Laws of Utah 2017, Chapter 455
- 90 **32B-6-409**, as enacted by Laws of Utah 2011, Chapter 334
- 91 **32B-6-503**, as last amended by Laws of Utah 2011, Chapter 334
- 92 **32B-6-605**, as last amended by Laws of Utah 2011, Chapters 307 and 334
- 93 **32B-6-902**, as last amended by Laws of Utah 2017, Chapter 455
- 94 **32B-6-905**, as last amended by Laws of Utah 2017, Chapter 455
- 95 **32B-6-905.1**, as enacted by Laws of Utah 2017, Chapter 455
- 96 **32B-7-202**, as last amended by Laws of Utah 2017, Chapter 455
- 97 **32B-7-401**, as enacted by Laws of Utah 2017, Chapter 455
- 98 **32B-8a-202**, as last amended by Laws of Utah 2016, Chapter 82
- 99 **32B-8a-203**, as last amended by Laws of Utah 2016, Chapter 82
- 100 **32B-8b-102**, as last amended by Laws of Utah 2017, Chapter 455
- 101 **32B-8b-301**, as enacted by Laws of Utah 2016, Chapter 80
- 102 **32B-8b-302**, as enacted by Laws of Utah 2016, Chapter 80
- 103 **53F-9-304**, as renumbered and amended by Laws of Utah 2018, Chapter 2
- 104 **53G-10-406**, as renumbered and amended by Laws of Utah 2018, Chapter 3
- 105 **62A-15-401**, as last amended by Laws of Utah 2017, Chapter 455
- 106 **63I-2-232**, as last amended by Laws of Utah 2017, Chapter 455

107 ENACTS:

- 108 **32B-6-205.4**, Utah Code Annotated 1953
- 109 **32B-6-305.4**, Utah Code Annotated 1953
- 110 **32B-6-605.1**, Utah Code Annotated 1953
- 111 **32B-6-905.3**, Utah Code Annotated 1953



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

114 Section 1. Section **32B-1-102** is amended to read:

115 **32B-1-102. Definitions.**

116 As used in this title:

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

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

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

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

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

124 (a) beer; or

125 (b) liquor.

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

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

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

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

132 (c) "Alcoholic product" does not include any of the following common items that
133 otherwise come within the definition of an alcoholic product:

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

135 (ii) vinegar;

136 (iii) cider;

137 (iv) essence;

138 (v) tincture;

139 (vi) food preparation; or

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

141 (d) "Alcoholic product" includes an extract containing alcohol obtained by distillation

142 when it is used as a flavoring in the manufacturing of an alcoholic product.

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

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

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

146 (6) "Banquet" means an event:

147 (a) that is held at one or more designated locations approved by the commission in or

148 on the premises of a:

149 (i) hotel;

150 (ii) resort facility;

151 (iii) sports center; or

152 (iv) convention center;

153 (b) for which there is a contract:

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

155 and

156 (ii) under which the person operating a facility listed in Subsection (6)(a) is required to

157 provide an alcoholic product at the event; and

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

159 (7) "Bar structure" means a surface or structure on a licensed premises if on or at any

160 place of the surface or structure an alcoholic product is:

161 (a) stored; or

162 (b) dispensed.

163 (8) (a) " Bar establishment license" means a license issued in accordance with Chapter

164 5, Retail License Act, and Chapter 6, Part 4, Bar Establishment License.

165 (b) " Bar establishment license" includes:

166 (i) a dining club license;

167 (ii) an equity license;

168 (iii) a fraternal license; or

169 (iv) a bar license.

170 (9) " Bar license" means a license issued in accordance with Chapter 5, Retail License
171 Act, and Chapter 6, Part 4, Bar Establishment License.

172 (10) (a) Subject to Subsection (10)(d), "beer" means a product that:

173 (i) contains at least .5% of alcohol by volume, but not more than 4% of alcohol by
174 volume or 3.2% by weight; and

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

176 (b) "Beer" may or may not contain hops or other vegetable products.

177 (c) "Beer" includes a product that:

178 (i) contains alcohol in the percentages described in Subsection (10)(a); and

179 (ii) is referred to as:

180 (A) beer;

181 (B) ale;

182 (C) porter;

183 (D) stout;

184 (E) lager; or

185 (F) a malt or malted beverage.

186 (d) "Beer" does not include a flavored malt beverage.

187 (11) "Beer-only restaurant license" means a license issued in accordance with Chapter
188 5, Retail License Act, and Chapter 6, Part 9, Beer-Only Restaurant License.

189 (12) "Beer retailer" means a business that:

190 (a) is engaged, primarily or incidentally, in the retail sale of beer to a patron, whether
191 for consumption on or off the business premises; and

192 (b) is licensed as:

193 (i) an off-premise beer retailer, in accordance with Chapter 7, Part 2, Off-Premise Beer
194 Retailer Local Authority; or

195 (ii) an on-premise beer retailer, in accordance with Chapter 5, Retail License Act, and
196 Chapter 6, Part 7, On-Premise Beer Retailer License.

197 (13) "Beer wholesaling license" means a license:

198 (a) issued in accordance with Chapter 13, Beer Wholesaling License Act; and
199 (b) to import for sale, or sell beer in wholesale or jobbing quantities to one or more
200 retail licensees or off-premise beer retailers.

201 (14) "Billboard" means a public display used to advertise, including:

- 202 (a) a light device;
- 203 (b) a painting;
- 204 (c) a drawing;
- 205 (d) a poster;
- 206 (e) a sign;
- 207 (f) a signboard; or
- 208 (g) a scoreboard.

209 (15) "Brewer" means a person engaged in manufacturing:

- 210 (a) beer;
- 211 (b) heavy beer; or
- 212 (c) a flavored malt beverage.

213 (16) "Brewery manufacturing license" means a license issued in accordance with
214 Chapter 11, Part 5, Brewery Manufacturing License.

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

217 (18) "Chartered bus" means a passenger bus, coach, or other motor vehicle provided by
218 a bus company to a group of persons pursuant to a common purpose:

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

223 (19) "Church" means a building:

- 224 (a) set apart for worship;
- 225 (b) in which religious services are held;

- 226 (c) with which clergy is associated; and
- 227 (d) that is tax exempt under the laws of this state.
- 228 (20) "Commission" means the Alcoholic Beverage Control Commission created in
- 229 Section [32B-2-201](#).
- 230 (21) "Commissioner" means a member of the commission.
- 231 (22) "Community location" means:
- 232 (a) a public or private school;
- 233 (b) a church;
- 234 (c) a public library;
- 235 (d) a public playground; or
- 236 (e) a public park.
- 237 (23) "Community location governing authority" means:
- 238 (a) the governing body of the community location; or
- 239 (b) if the commission does not know who is the governing body of a community
- 240 location, a person who appears to the commission to have been given on behalf of the
- 241 community location the authority to prohibit an activity at the community location.
- 242 (24) "Container" means a receptacle that contains an alcoholic product, including:
- 243 (a) a bottle;
- 244 (b) a vessel; or
- 245 (c) a similar item.
- 246 (25) "Convention center" means a facility that is:
- 247 (a) in total at least 30,000 square feet; and
- 248 (b) otherwise defined as a "convention center" by the commission by rule.
- 249 (26) (a) "Counter" means a surface or structure in a dining area of a licensed premises
- 250 where seating is provided to a patron for service of food.
- 251 (b) "Counter" does not include a dispensing structure.
- 252 (27) "Department" means the Department of Alcoholic Beverage Control created in
- 253 Section [32B-2-203](#).

254 (28) "Department compliance officer" means an individual who is:

255 (a) an auditor or inspector; and

256 (b) employed by the department.

257 (29) "Department sample" means liquor that is placed in the possession of the
258 department for testing, analysis, and sampling.

259 (30) "Dining club license" means a license issued in accordance with Chapter 5, Retail
260 License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the
261 commission as a dining club license.

262 (31) "Director," unless the context requires otherwise, means the director of the
263 department.

264 (32) "Disciplinary proceeding" means an adjudicative proceeding permitted under this
265 title:

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

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

268 (33) (a) Subject to Subsection (33)(b), "dispense" means:

269 (i) drawing ~~[of]~~ an alcoholic product[:]; and

270 ~~[(A) from an area where it is stored; or]~~

271 ~~[(B) as provided in Subsection 32B-6-205(12)(b)(ii), 32B-6-305(12)(b)(ii),~~

272 ~~32B-6-805(15)(b)(ii), or 32B-6-905(12)(b)(ii), and]~~

273 (ii) using the alcoholic product ~~[described in Subsection (33)(a)(i) on the premises of~~
274 ~~the licensed premises]~~ at the location from which it was drawn to mix or prepare an alcoholic
275 product to be furnished to a patron of the retail licensee.

276 (b) The definition of "dispense" in this Subsection (33) applies only to:

277 (i) a full-service restaurant license;

278 (ii) a limited-service restaurant license;

279 (iii) a reception center license; and

280 (iv) a beer-only restaurant license.

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

282 (a) where an alcoholic product is [~~stored or~~] dispensed; or

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

284 (35) "Distillery manufacturing license" means a license issued in accordance with
285 Chapter 11, Part 4, Distillery Manufacturing License.

286 (36) "Distressed merchandise" means an alcoholic product in the possession of the
287 department that is saleable, but for some reason is unappealing to the public.

288 (37) "Educational facility" includes:

289 (a) a nursery school;

290 (b) an infant day care center; and

291 (c) a trade and technical school.

292 (38) "Equity license" means a license issued in accordance with Chapter 5, Retail
293 License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the
294 commission as an equity license.

295 (39) "Event permit" means:

296 (a) a single event permit; or

297 (b) a temporary beer event permit.

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

301 (41) (a) "Flavored malt beverage" means a beverage:

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

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

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

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

- 310 (B) that is not exempt under Subdivision (f) of 27 C.F.R. Sec. 25.55.
- 311 (b) "Flavored malt beverage" is considered liquor for purposes of this title.
- 312 (42) "Fraternal license" means a license issued in accordance with Chapter 5, Retail
313 License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the
314 commission as a fraternal license.
- 315 (43) "Full-service restaurant license" means a license issued in accordance with
316 Chapter 5, Retail License Act, and Chapter 6, Part 2, Full-Service Restaurant License.
- 317 (44) (a) "Furnish" means by any means to provide with, supply, or give an individual
318 an alcoholic product, by sale or otherwise.
- 319 (b) "Furnish" includes to:
- 320 (i) serve;
- 321 (ii) deliver; or
- 322 (iii) otherwise make available.
- 323 (45) "Guest" means an individual who meets the requirements of Subsection
324 [32B-6-407\(9\)](#).
- 325 (46) "Health care practitioner" means:
- 326 (a) a podiatrist licensed under Title 58, Chapter 5a, Podiatric Physician Licensing Act;
- 327 (b) an optometrist licensed under Title 58, Chapter 16a, Utah Optometry Practice Act;
- 328 (c) a pharmacist licensed under Title 58, Chapter 17b, Pharmacy Practice Act;
- 329 (d) a physical therapist licensed under Title 58, Chapter 24b, Physical Therapy Practice
330 Act;
- 331 (e) a nurse or advanced practice registered nurse licensed under Title 58, Chapter 31b,
332 Nurse Practice Act;
- 333 (f) a recreational therapist licensed under Title 58, Chapter 40, Recreational Therapy
334 Practice Act;
- 335 (g) an occupational therapist licensed under Title 58, Chapter 42a, Occupational
336 Therapy Practice Act;
- 337 (h) a nurse midwife licensed under Title 58, Chapter 44a, Nurse Midwife Practice Act;

338 (i) a mental health professional licensed under Title 58, Chapter 60, Mental Health
339 Professional Practice Act;

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

341 (k) an osteopath licensed under Title 58, Chapter 68, Utah Osteopathic Medical
342 Practice Act;

343 (l) a dentist or dental hygienist licensed under Title 58, Chapter 69, Dentist and Dental
344 Hygienist Practice Act; and

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

346 (47) (a) "Heavy beer" means a product that:

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

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

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

350 (48) "Hotel" is as defined by the commission by rule.

351 (49) "Hotel license" means a license issued in accordance with Chapter 5, Retail
352 License Act, and Chapter 8b, Hotel License Act.

353 (50) "Identification card" means an identification card issued under Title 53, Chapter 3,
354 Part 8, Identification Card Act.

355 (51) "Industry representative" means an individual who is compensated by salary,
356 commission, or other means for representing and selling an alcoholic product of a
357 manufacturer, supplier, or importer of liquor.

358 (52) "Industry representative sample" means liquor that is placed in the possession of
359 the department for testing, analysis, and sampling by a local industry representative on the
360 premises of the department to educate the local industry representative of the quality and
361 characteristics of the product.

362 (53) "Interdicted person" means a person to whom the sale, offer for sale, or furnishing
363 of an alcoholic product is prohibited by:

364 (a) law; or

365 (b) court order.

- 366 (54) "Intoxicated" means that a person:
- 367 (a) is significantly impaired as to the person's mental or physical functions as a result of
- 368 the use of:
- 369 (i) an alcoholic product;
- 370 (ii) a controlled substance;
- 371 (iii) a substance having the property of releasing toxic vapors; or
- 372 (iv) a combination of Subsections (54)(a)(i) through (iii); and
- 373 (b) exhibits plain and easily observed outward manifestations of behavior or physical
- 374 signs produced by the overconsumption of an alcoholic product.
- 375 (55) "Investigator" means an individual who is:
- 376 (a) a department compliance officer; or
- 377 (b) a nondepartment enforcement officer.
- 378 (56) "Invitee" means the same as that term is defined in Section [32B-8-102](#).
- 379 (57) "License" means:
- 380 (a) a retail license;
- 381 (b) a license issued in accordance with Chapter 11, Manufacturing and Related
- 382 Licenses Act;
- 383 (c) a license issued in accordance with Chapter 12, Liquor Warehousing License Act;
- 384 or
- 385 (d) a license issued in accordance with Chapter 13, Beer Wholesaling License Act.
- 386 (58) "Licensee" means a person who holds a license.
- 387 (59) "Limited-service restaurant license" means a license issued in accordance with
- 388 Chapter 5, Retail License Act, and Chapter 6, Part 3, Limited-Service Restaurant License.
- 389 (60) "Limousine" means a motor vehicle licensed by the state or a local authority, other
- 390 than a bus or taxicab:
- 391 (a) in which the driver and a passenger are separated by a partition, glass, or other
- 392 barrier;
- 393 (b) that is provided by a business entity to one or more individuals at a fixed charge in

394 accordance with the business entity's tariff; and

395 (c) to give the one or more individuals the exclusive use of the limousine and a driver
396 to travel to one or more specified destinations.

397 (61) (a) (i) "Liquor" means a liquid that:

398 (A) is:

399 (I) alcohol;

400 (II) an alcoholic, spirituous, vinous, fermented, malt, or other liquid;

401 (III) a combination of liquids a part of which is spirituous, vinous, or fermented; or

402 (IV) other drink or drinkable liquid; and

403 (B) (I) contains at least .5% alcohol by volume; and

404 (II) is suitable to use for beverage purposes.

405 (ii) "Liquor" includes:

406 (A) heavy beer;

407 (B) wine; and

408 (C) a flavored malt beverage.

409 (b) "Liquor" does not include beer.

410 (62) "Liquor Control Fund" means the enterprise fund created by Section [32B-2-301](#).

411 (63) "Liquor warehousing license" means a license that is issued:

412 (a) in accordance with Chapter 12, Liquor Warehousing License Act; and

413 (b) to a person, other than a licensed manufacturer, who engages in the importation for
414 storage, sale, or distribution of liquor regardless of amount.

415 (64) "Local authority" means:

416 (a) for premises that are located in an unincorporated area of a county, the governing
417 body of a county; or

418 (b) for premises that are located in an incorporated city, town, or metro township, the
419 governing body of the city, town, or metro township.

420 (65) "Lounge or bar area" is as defined by rule made by the commission.

421 (66) "Manufacture" means to distill, brew, rectify, mix, compound, process, ferment, or

422 otherwise make an alcoholic product for personal use or for sale or distribution to others.

423 (67) "Member" means an individual who, after paying regular dues, has full privileges
424 in an equity licensee or fraternal licensee.

425 (68) (a) "Military installation" means a base, air field, camp, post, station, yard, center,
426 or homeport facility for a ship:

427 (i) (A) under the control of the United States Department of Defense; or

428 (B) of the National Guard;

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

430 (iii) including a leased facility.

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

432 (i) civil works;

433 (ii) a rivers and harbors project; or

434 (iii) a flood control project.

435 (69) "Minor" means an individual under the age of 21 years.

436 (70) "Nondepartment enforcement agency" means an agency that:

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

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

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

440 (71) "Nondepartment enforcement officer" means an individual who is:

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

442 (b) employed by a nondepartment enforcement agency.

443 (72) (a) "Off-premise beer retailer" means a beer retailer who is:

444 (i) licensed in accordance with Chapter 7, Off-Premise Beer Retailer Act; and

445 (ii) engaged in the retail sale of beer to a patron for consumption off the beer retailer's
446 premises.

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

448 (73) "Off-premise beer retailer state license" means a state license issued in accordance
449 with Chapter 7, Part 4, Off-Premise Beer Retailer State License.

450 (74) "On-premise banquet license" means a license issued in accordance with Chapter
451 5, Retail License Act, and Chapter 6, Part 6, On-Premise Banquet License.

452 (75) "On-premise beer retailer" means a beer retailer who is:

453 (a) authorized to sell, offer for sale, or furnish beer under a license issued in
454 accordance with Chapter 5, Retail License Act, and Chapter 6, Part 7, On-Premise Beer
455 Retailer License; and

456 (b) engaged in the sale of beer to a patron for consumption on the beer retailer's
457 premises:

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

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

461 (A) as a tavern; or

462 (B) in a manner that meets the requirements of Subsection [32B-6-703\(2\)\(e\)\(i\)](#).

463 (76) "Opaque" means impenetrable to sight.

464 (77) "Package agency" means a retail liquor location operated:

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

466 (b) by a person:

467 (i) other than the state; and

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

470 (78) "Package agent" means a person who holds a package agency.

471 (79) "Patron" means an individual to whom food, beverages, or services are sold,
472 offered for sale, or furnished, or who consumes an alcoholic product including:

473 (a) a customer;

474 (b) a member;

475 (c) a guest;

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

477 (e) an individual who receives room service;

- 478 (f) a resident of a resort;
- 479 (g) a public customer under a resort spa sublicense, as defined in Section [32B-8-102](#);
- 480 or
- 481 (h) an invitee.
- 482 (80) "Permittee" means a person issued a permit under:
- 483 (a) Chapter 9, Event Permit Act; or
- 484 (b) Chapter 10, Special Use Permit Act.
- 485 (81) "Person subject to administrative action" means:
- 486 (a) a licensee;
- 487 (b) a permittee;
- 488 (c) a manufacturer;
- 489 (d) a supplier;
- 490 (e) an importer;
- 491 (f) one of the following holding a certificate of approval:
- 492 (i) an out-of-state brewer;
- 493 (ii) an out-of-state importer of beer, heavy beer, or flavored malt beverages; or
- 494 (iii) an out-of-state supplier of beer, heavy beer, or flavored malt beverages; or
- 495 (g) staff of:
- 496 (i) a person listed in Subsections (81)(a) through (f); or
- 497 (ii) a package agent.
- 498 (82) "Premises" means a building, enclosure, or room used in connection with the
- 499 storage, sale, furnishing, consumption, manufacture, or distribution, of an alcoholic product,
- 500 unless otherwise defined in this title or rules made by the commission.
- 501 (83) "Prescription" means an order issued by a health care practitioner when:
- 502 (a) the health care practitioner is licensed under Title 58, Occupations and Professions,
- 503 to prescribe a controlled substance, other drug, or device for medicinal purposes;
- 504 (b) the order is made in the course of that health care practitioner's professional
- 505 practice; and

506 (c) the order is made for obtaining an alcoholic product for medicinal purposes only.

507 (84) (a) "Private event" means a specific social, business, or recreational event:

508 (i) for which an entire room, area, or hall is leased or rented in advance by an identified
509 group; and

510 (ii) that is limited in attendance to people who are specifically designated and their
511 guests.

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

514 (85) (a) "Proof of age" means:

515 (i) an identification card;

516 (ii) an identification that:

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

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

520 (C) includes date of birth; and

521 (D) has a picture affixed;

522 (iii) a valid driver license certificate that:

523 (A) includes date of birth;

524 (B) has a picture affixed; and

525 (C) is issued:

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

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

528 (iv) a military identification card that:

529 (A) includes date of birth; and

530 (B) has a picture affixed; or

531 (v) a valid passport.

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

534 (86) (a) "Public building" means a building or permanent structure that is:

535 (i) owned or leased by:

536 (A) the state; or

537 (B) a local government entity; and

538 (ii) used for:

539 (A) public education;

540 (B) transacting public business; or

541 (C) regularly conducting government activities.

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

543 government entity when the building is used by a person, in whole or in part, for a proprietary

544 function.

545 (87) "Public conveyance" means a conveyance that the public or a portion of the public

546 has access to and a right to use for transportation, including an airline, railroad, bus, boat, or

547 other public conveyance.

548 (88) "Reception center" means a business that:

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

550 (b) has as its primary purpose the leasing of the facilities described in Subsection

551 (88)(a) to a third party for the third party's event.

552 (89) "Reception center license" means a license issued in accordance with Chapter 5,

553 Retail License Act, and Chapter 6, Part 8, Reception Center License.

554 (90) (a) "Record" means information that is:

555 (i) inscribed on a tangible medium; or

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

557 (b) "Record" includes:

558 (i) a book;

559 (ii) a book of account;

560 (iii) a paper;

561 (iv) a contract;

- 562 (v) an agreement;
- 563 (vi) a document; or
- 564 (vii) a recording in any medium.
- 565 (91) "Residence" means a person's principal place of abode within Utah.
- 566 (92) "Resident," in relation to a resort, means the same as that term is defined in
- 567 Section 32B-8-102.
- 568 (93) "Resort" means the same as that term is defined in Section 32B-8-102.
- 569 (94) "Resort facility" is as defined by the commission by rule.
- 570 (95) "Resort license" means a license issued in accordance with Chapter 5, Retail
- 571 License Act, and Chapter 8, Resort License Act.
- 572 (96) "Responsible alcohol service plan" means a written set of policies and procedures
- 573 that outlines measures to prevent employees from:
- 574 (a) over-serving alcoholic beverages to customers;
- 575 (b) serving alcoholic beverages to customers who are actually, apparently, or obviously
- 576 intoxicated; and
- 577 (c) serving alcoholic beverages to minors.
- 578 (97) "Restaurant" means a business location:
- 579 (a) at which a variety of foods are prepared;
- 580 (b) at which complete meals are served [~~to the general public~~]; and
- 581 (c) that is engaged primarily in serving meals [~~to the general public~~].
- 582 (98) "Retail license" means one of the following licenses issued under this title:
- 583 (a) a full-service restaurant license;
- 584 (b) a master full-service restaurant license;
- 585 (c) a limited-service restaurant license;
- 586 (d) a master limited-service restaurant license;
- 587 (e) a bar establishment license;
- 588 (f) an airport lounge license;
- 589 (g) an on-premise banquet license;

- 590 (h) an on-premise beer license;
- 591 (i) a reception center license;
- 592 (j) a beer-only restaurant license;
- 593 (k) a resort license; or
- 594 (l) a hotel license.
- 595 (99) "Room service" means furnishing an alcoholic product to a person in a guest room
- 596 of a:
 - 597 (a) hotel; or
 - 598 (b) resort facility.
- 599 (100) (a) "School" means a building used primarily for the general education of minors.
- 600 (b) "School" does not include an educational facility.
- 601 (101) "Sell" or "offer for sale" means a transaction, exchange, or barter whereby, for
- 602 consideration, an alcoholic product is either directly or indirectly transferred, solicited, ordered,
- 603 delivered for value, or by a means or under a pretext is promised or obtained, whether done by
- 604 a person as a principal, proprietor, or as staff, unless otherwise defined in this title or the rules
- 605 made by the commission.
- 606 (102) "Serve" means to place an alcoholic product before an individual.
- 607 (103) "Sexually oriented entertainer" means a person who while in a state of
- 608 seminudity appears at or performs:
 - 609 (a) for the entertainment of one or more patrons;
 - 610 (b) on the premises of:
 - 611 (i) a bar licensee; or
 - 612 (ii) a tavern;
 - 613 (c) on behalf of or at the request of the licensee described in Subsection (103)(b);
 - 614 (d) on a contractual or voluntary basis; and
 - 615 (e) whether or not the person is designated as:
 - 616 (i) an employee;
 - 617 (ii) an independent contractor;

- 618 (iii) an agent of the licensee; or
- 619 (iv) a different type of classification.
- 620 (104) "Single event permit" means a permit issued in accordance with Chapter 9, Part
- 621 3, Single Event Permit.
- 622 (105) "Small brewer" means a brewer who manufactures less than 60,000 barrels of
- 623 beer, heavy beer, and flavored malt beverages per year.
- 624 (106) "Special use permit" means a permit issued in accordance with Chapter 10,
- 625 Special Use Permit Act.
- 626 (107) (a) "Spirituous liquor" means liquor that is distilled.
- 627 (b) "Spirituous liquor" includes an alcoholic product defined as a "distilled spirit" by
- 628 27 U.S.C. Sec. 211 and 27 C.F.R. Sec. 5.11 through 5.23.
- 629 (108) "Sports center" is as defined by the commission by rule.
- 630 (109) (a) "Staff" means an individual who engages in activity governed by this title:
- 631 (i) on behalf of a business, including a package agent, licensee, permittee, or certificate
- 632 holder;
- 633 (ii) at the request of the business, including a package agent, licensee, permittee, or
- 634 certificate holder; or
- 635 (iii) under the authority of the business, including a package agent, licensee, permittee,
- 636 or certificate holder.
- 637 (b) "Staff" includes:
- 638 (i) an officer;
- 639 (ii) a director;
- 640 (iii) an employee;
- 641 (iv) personnel management;
- 642 (v) an agent of the licensee, including a managing agent;
- 643 (vi) an operator; or
- 644 (vii) a representative.
- 645 (110) "State of nudity" means:

- 646 (a) the appearance of:
- 647 (i) the nipple or areola of a female human breast;
- 648 (ii) a human genital;
- 649 (iii) a human pubic area; or
- 650 (iv) a human anus; or

- 651 (b) a state of dress that fails to opaquely cover:
- 652 (i) the nipple or areola of a female human breast;
- 653 (ii) a human genital;
- 654 (iii) a human pubic area; or
- 655 (iv) a human anus.

656 (111) "State of seminudity" means a state of dress in which opaque clothing covers no
657 more than:

- 658 (a) the nipple and areola of the female human breast in a shape and color other than the
659 natural shape and color of the nipple and areola; and
- 660 (b) the human genitals, pubic area, and anus:
 - 661 (i) with no less than the following at its widest point:
 - 662 (A) four inches coverage width in the front of the human body; and
 - 663 (B) five inches coverage width in the back of the human body; and
 - 664 (ii) with coverage that does not taper to less than one inch wide at the narrowest point.

665 (112) (a) "State store" means a facility for the sale of packaged liquor:

- 666 (i) located on premises owned or leased by the state; and
- 667 (ii) operated by a state employee.

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

- 669 (i) a package agency;
- 670 (ii) a licensee; or
- 671 (iii) a permittee.

672 (113) (a) "Storage area" means an area on licensed premises where the licensee stores
673 an alcoholic product.

674 (b) "Store" means to place or maintain in a location an alcoholic product [~~from which a~~
675 ~~person draws to prepare an alcoholic product to be furnished to a patron, except as provided in~~
676 ~~Subsection 32B-6-205(12)(b)(ii), 32B-6-305(12)(b)(ii), 32B-6-805(15)(b)(ii), or~~
677 ~~32B-6-905(12)(b)(ii)].~~

678 (114) "Sublicense" means the same as that term is defined in Section 32B-8-102 or
679 32B-8b-102.

680 (115) "Supplier" means a person who sells an alcoholic product to the department.

681 (116) "Tavern" means an on-premise beer retailer who is:

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

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

686 (117) "Temporary beer event permit" means a permit issued in accordance with
687 Chapter 9, Part 4, Temporary Beer Event Permit.

688 (118) "Temporary domicile" means the principal place of abode within Utah of a
689 person who does not have a present intention to continue residency within Utah permanently or
690 indefinitely.

691 (119) "Translucent" means a substance that allows light to pass through, but does not
692 allow an object or person to be seen through the substance.

693 (120) "Unsaleable liquor merchandise" means a container that:

694 (a) is unsaleable because the container is:

695 (i) unlabeled;

696 (ii) leaky;

697 (iii) damaged;

698 (iv) difficult to open; or

699 (v) partly filled;

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

701 (ii) has contents that are:

- 702 (A) cloudy;
- 703 (B) spoiled; or
- 704 (C) chemically determined to be impure; or
- 705 (iii) contains:
 - 706 (A) sediment; or
 - 707 (B) a foreign substance; or
 - 708 (c) is otherwise considered by the department as unfit for sale.
- 709 (121) (a) "Wine" means an alcoholic product obtained by the fermentation of the
- 710 natural sugar content of fruits, plants, honey, or milk, or other like substance, whether or not
- 711 another ingredient is added.
- 712 (b) "Wine" is considered liquor for purposes of this title, except as otherwise provided
- 713 in this title.
- 714 (122) "Winery manufacturing license" means a license issued in accordance with
- 715 Chapter 11, Part 3, Winery Manufacturing License.
- 716 Section 2. Section **32B-1-202** is amended to read:
- 717 **32B-1-202. Proximity to community location.**
- 718 (1) As used in this section:
 - 719 (a) (i) "Outlet" means:
 - 720 (A) a state store;
 - 721 (B) a package agency; or
 - 722 (C) a retail licensee.
 - 723 (ii) "Outlet" does not include:
 - 724 (A) an airport lounge licensee; or
 - 725 (B) a restaurant.
 - 726 (b) "Restaurant" means:
 - 727 (i) a full-service restaurant licensee;
 - 728 (ii) a limited-service restaurant licensee; or
 - 729 (iii) a beer-only restaurant licensee.

730 (2) (a) The commission may not issue a license for an outlet if, on the date the
731 commission takes final action to approve or deny the application, there is a community
732 location:

733 (i) within 600 feet of the proposed outlet, as measured from the nearest patron entrance
734 of the proposed outlet by following the shortest route of ordinary pedestrian travel to the
735 property boundary of the community location; or

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

739 (b) The commission may not issue a license for a restaurant if, on the date the
740 commission takes final action to approve or deny the application, there is a community
741 location:

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

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

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

753 [~~(a)~~] (i) the outlet or restaurant changes ownership;

754 [~~(b)~~] (ii) the property on which the outlet or restaurant is located changes ownership; or

755 [~~(c)~~] (iii) there is a lapse in the use of the property as an outlet or a restaurant with the
756 same type of license, unless during the lapse, the property is used for a different purpose.

757 (b) An outlet or a restaurant that has continuously operated at a location since before

758 January 1, 2007, is considered to have a previously approved variance.

759 (4) (a) If, after an outlet or a restaurant obtains a license under this title, a person
760 establishes a community location on a property that puts the outlet or restaurant in violation of
761 the proximity requirements in effect at the time the license is issued or a previously approved
762 variance described in Subsection (3), subject to the other provisions of this title, that outlet or
763 restaurant, or an outlet or a restaurant with the same type of license as that outlet or restaurant,
764 may operate at the premises regardless of whether:

- 765 (i) the outlet or restaurant changes ownership;
- 766 (ii) the property on which the outlet or restaurant is located changes ownership; or
- 767 (iii) there is a lapse in the use of the property as an outlet or a restaurant with the same
768 type of license, unless during the lapse the property is used for a different purpose.

769 (b) The provisions of this Subsection (4) apply regardless of when the outlet's or
770 restaurant's license is issued.

771 (5) Nothing in this section prevents the commission from considering the proximity of
772 an educational, religious, and recreational facility, or any other relevant factor in reaching a
773 decision on a proposed location of an outlet.

774 Section 3. Section **32B-1-407** is amended to read:

775 **32B-1-407. Verification of proof of age by applicable licensees.**

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

- 777 (a) a dining club;
- 778 (b) a bar;
- 779 (c) a tavern;
- 780 (d) a full-service restaurant;
- 781 (e) a limited-service restaurant; or
- 782 (f) a beer-only restaurant.

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

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

- 788 (a) gains admittance to the premises of a bar licensee or tavern;
- 789 (b) procures an alcoholic product on the premises of a dining club licensee; [~~or~~]
- 790 (c) procures an alcoholic product in a dispensing area in the premises of a full-service
791 restaurant licensee, a limited-service restaurant licensee, or a beer-only restaurant licensee[~~;~~]; or
792 (d) on or after July 1, 2018, procures an alcoholic product within 10 feet of a
793 grandfathered bar structure.

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

- 795 (a) request the individual present proof of age; and
- 796 (b) (i) verify the validity of the proof of age electronically under the verification
797 program created in Subsection (5); or
798 (ii) if the proof of age cannot be electronically verified as provided in Subsection
799 (4)(b)(i), request that the individual comply with a process established by the commission by
800 rule.

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

- 803 (a) the specifications for the technology used by the applicable licensee to
804 electronically verify proof of age, including that the technology display to the person described
805 in Subsection (2) no more than the following for the individual who presents the proof of age:
 - 806 (i) the name;
 - 807 (ii) the age;
 - 808 (iii) the number assigned to the individual's proof of age by the issuing authority;
 - 809 (iv) the birth date;
 - 810 (v) the gender; and
 - 811 (vi) the status and expiration date of the individual's proof of age; and
- 812 (b) the security measures that shall be used by an applicable licensee to ensure that
813 information obtained under this section is:

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

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

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

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

822 Section 4. Section **32B-1-606** is amended to read:

823 **32B-1-606. Special procedure for certain malted beverages.**

824 (1) A manufacturer of a malted beverage may not distribute or sell the malted beverage
825 in the state until the day on which the manufacturer receives approval of the labeling and
826 packaging from the department in accordance with:

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

828 (b) this section, if the malted beverage is labeled or packaged in a manner that is:

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

830 (ii) likely to confuse or mislead a patron to believe the malted beverage is a
831 nonalcoholic beverage.

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

835 (a) the front of the label on the malted beverage bears a prominently displayed label or
836 a firmly affixed sticker that provides the following information in a font that measures at least
837 three millimeters high:

838 (i) the statement:

839 (A) "alcoholic beverage"; or

840 (B) "contains alcohol"; and

841 (ii) the alcohol content of the ~~[flavored malt]~~ malted beverage[;], if the alcohol content

842 is not otherwise provided:

843 (A) in a serving facts statement on the container; and

844 (B) in a format allowed by the Federal Alcohol and Tobacco Tax Trade Bureau;

845 (b) [~~the front of~~] the packaging of the malted beverage prominently includes, either
846 imprinted on the packaging or imprinted on a sticker firmly affixed to the packaging in a font
847 that measures at least three millimeters high, the statement:

848 (i) "alcoholic beverage"; or

849 (ii) "contains alcohol";

850 (c) a statement required by Subsection (2)(a) or (b) appears in a format required by rule
851 made by the commission; and

852 (d) a statement of alcohol content required by Subsection (2)(a)(ii):

853 (i) states the alcohol content as a percentage of alcohol by volume or by weight; and

854 (ii) is in a format required by rule made by the commission.

855 (3) The department may reject a label or packaging that appears designed to obscure
856 the information required by Subsection (2).

857 (4) To determine whether a malted beverage is described in Subsection (1) and subject
858 to this section, the department may consider in addition to other factors one or more of the
859 following factors:

860 (a) whether the coloring, carbonation, and packaging of the malted beverage:

861 (i) is similar to those of a nonalcoholic beverage or product; or

862 (ii) can be confused with a nonalcoholic beverage;

863 (b) whether the malted beverage possesses a character and flavor distinctive from a
864 traditional malted beverage;

865 (c) whether the malted beverage:

866 (i) is prepackaged;

867 (ii) contains high levels of caffeine and other additives; and

868 (iii) is marketed as a beverage that is specifically designed to provide energy;

869 (d) whether the malted beverage contains added sweetener or sugar substitutes; or

870 (e) whether the malted beverage contains an added fruit flavor or other flavor that
871 masks the taste of a traditional malted beverage.

872 Section 5. Section **32B-2-210** is amended to read:

873 **32B-2-210. Alcoholic Beverage Control Advisory Board.**

874 (1) There is created within the department an advisory board known as the "Alcoholic
875 Beverage Control Advisory Board."

876 (2) The advisory board shall consist of eight voting members and one nonvoting
877 member as follows:

878 (a) four voting members appointed by the commission:

879 (i) one of whom represents the retail alcohol industry;

880 (ii) one of whom represents the wholesale alcohol industry;

881 (iii) one of whom represents the alcohol manufacturing industry; and

882 (iv) one of whom represents the restaurant industry;

883 (b) two voting members appointed by the commission, each of whom represents an
884 organization that addresses alcohol or drug abuse prevention, alcohol or drug related
885 enforcement, or alcohol or drug related education;

886 (c) the director of the Division of Substance Abuse and Mental Health or the director's
887 designee who serves as a voting member;

888 (d) the chair of the Utah Substance Use and Mental Health Advisory Council, or the
889 chair's designee, who serves as a voting member; and

890 (e) the chair of the commission or the chair's designee from the members of the
891 commission, who serves as a nonvoting member.

892 (3) (a) Except as required by Subsection (3)(b), as terms of current voting members of
893 the advisory board expire, the commission shall appoint each new member or reappointed
894 member to a four-year term beginning July 1 and ending June 30.

895 (b) Notwithstanding the requirements of Subsection (3)(a), the commission shall, at the
896 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
897 voting advisory board members are staggered so that approximately half of the advisory board

898 is appointed every two years.

899 (c) No two members of the board may be employed by the same company or nonprofit
900 organization.

901 (4) (a) When a vacancy occurs in the membership for any reason, the commission shall
902 appoint a replacement for the unexpired term.

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

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

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

910 (7) (a) Five members of the board constitute a quorum of the board.

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

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

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

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

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

917 (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and
918 [63A-3-107](#).

919 Section 6. Section **32B-2-605** is amended to read:

920 **32B-2-605. Operational requirements for package agency.**

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

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

925 (c) (i) If a package agent or staff of the package agent violates this title, rules under this

926 title, or the package agency agreement, the department may take any action against the package
927 agent that is allowed by the package agency agreement.

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

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

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

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

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

938 (i) the package agent; or

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

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

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

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

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

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

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

948 (f) A package agent shall:

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

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

953 (g) Failure to comply with the requirements of this Subsection (2) may result in the

954 immediate termination of a package agency agreement.

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

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

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

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

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

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

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

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

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

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

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

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

978 (b) At the discretion of the department, liquor may be provided by the department to a
979 package agency for sale on consignment.

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

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

984 (7) A package agency may not sell, offer for sale, or furnish liquor except at a price
985 fixed by the commission.

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

987 (a) a minor;

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

989 (c) a known interdicted person; or

990 (d) a known habitual drunkard.

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

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

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

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

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

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

999 (i) the package agency notifies the department in writing at least seven days before the
1000 closing; and

1001 (ii) the closure or cessation of operation is first approved by the department.

1002 (b) Notwithstanding Subsection (10)(a), in the case of emergency closure, a package
1003 agency shall immediately notify the department by telephone.

1004 (c) (i) The department may authorize a closure or cessation of operation for a period
1005 not to exceed 60 days.

1006 (ii) The department may extend the initial period an additional 30 days upon written
1007 request of the package agency and upon a showing of good cause.

1008 (iii) A closure or cessation of operation may not exceed a total of 90 days without
1009 commission approval.

- 1010 (d) The notice required by Subsection (10)(a) shall include:
- 1011 (i) the dates of closure or cessation of operation;
- 1012 (ii) the reason for the closure or cessation of operation; and
- 1013 (iii) the date on which the package agency will reopen or resume operation.
- 1014 (e) Failure of a package agency to provide notice and to obtain department
- 1015 authorization before closure or cessation of operation results in an automatic termination of the
- 1016 package agency agreement effective immediately.
- 1017 (f) Failure of a package agency to reopen or resume operation by the approved date
- 1018 results in an automatic termination of the package agency agreement effective on that date.
- 1019 (11) A package agency may not transfer its operations from one location to another
- 1020 location without prior written approval of the commission.
- 1021 (12) (a) A person, having been issued a package agency, may not sell, transfer, assign,
- 1022 exchange, barter, give, or attempt in any way to dispose of the package agency to another
- 1023 person, whether for monetary gain or not.
- 1024 (b) A package agency has no monetary value for any type of disposition.
- 1025 (13) (a) Subject to the other provisions of this Subsection (13):
- 1026 (i) sale or delivery of liquor may not be made on or from the premises of a package
- 1027 agency, and a package agency may not be kept open for the sale of liquor:
- 1028 (A) on Sunday; or
- 1029 (B) on a state or federal legal holiday.
- 1030 (ii) Sale or delivery of liquor may be made on or from the premises of a package
- 1031 agency, and a package agency may be open for the sale of liquor, only on a day and during
- 1032 hours that the commission directs by rule or order.
- 1033 (b) A package agency located at a manufacturing facility is not subject to Subsection
- 1034 (13)(a) if:
- 1035 (i) the package agency is located at a manufacturing facility licensed in accordance
- 1036 with Chapter 11, Manufacturing and Related Licenses Act;
- 1037 (ii) the manufacturing facility licensed in accordance with Chapter 11, Manufacturing

1038 and Related Licenses Act, holds:

1039 (A) a full-service restaurant license;

1040 (B) a limited-service restaurant license;

1041 (C) a beer-only restaurant license; ~~or~~

1042 (D) a dining club license; or

1043 (E) a bar license;

1044 (iii) the restaurant ~~or~~, dining club, or bar is located at the manufacturing facility;

1045 (iv) the restaurant ~~or~~, dining club, or bar sells an alcoholic product produced at the
1046 manufacturing facility;

1047 (v) the manufacturing facility:

1048 (A) owns the restaurant ~~or~~, dining club, or bar; or

1049 (B) operates the restaurant ~~or~~, dining club, or bar;

1050 (vi) the package agency only sells an alcoholic product produced at the manufacturing
1051 facility; and

1052 (vii) the package agency's days and hours of sale are the same as the days and hours of
1053 sale at the restaurant ~~or~~, dining club, or bar.

1054 (c) (i) Subsection (13)(a) does not apply to a package agency held by the following if
1055 the package agent that holds the package agency to sell liquor at a resort or hotel does not sell
1056 liquor in a manner similar to a state store:

1057 (A) a resort licensee; or

1058 (B) a hotel licensee.

1059 (ii) The commission may by rule define what constitutes a package agency that sells
1060 liquor "in a manner similar to a state store."

1061 (14) (a) Except to the extent authorized by commission rule, a minor may not be
1062 admitted into, or be on the premises of, a package agency unless accompanied by a person who
1063 is:

1064 (i) 21 years of age or older; and

1065 (ii) the minor's parent, legal guardian, or spouse.

1066 (b) A package agent or staff of a package agency that has reason to believe that a
1067 person who is on the premises of a package agency is under the age of 21 and is not
1068 accompanied by a person described in Subsection (14)(a) may:

- 1069 (i) ask the suspected minor for proof of age;
- 1070 (ii) ask the person who accompanies the suspected minor for proof of age; and
- 1071 (iii) ask the suspected minor or the person who accompanies the suspected minor for
1072 proof of parental, guardianship, or spousal relationship.

1073 (c) A package agent or staff of a package agency shall refuse to sell liquor to the
1074 suspected minor and to the person who accompanies the suspected minor into the package
1075 agency if the minor or person fails to provide any information specified in Subsection (14)(b).

1076 (d) A package agent or staff of a package agency shall require the suspected minor and
1077 the person who accompanies the suspected minor into the package agency to immediately leave
1078 the premises of the package agency if the minor or person fails to provide information specified
1079 in Subsection (14)(b).

1080 (15) (a) A package agency shall sell, offer for sale, or furnish liquor in a sealed
1081 container.

1082 (b) A person may not open a sealed container on the premises of a package agency.

1083 (c) Notwithstanding Subsection (15)(a), a package agency may sell, offer for sale, or
1084 furnish liquor in other than a sealed container:

1085 (i) if the package agency is the type of package agency that authorizes the package
1086 agency to sell, offer for sale, or furnish the liquor as part of room service;

1087 (ii) if the liquor is sold, offered for sale, or furnished as part of room service; and

1088 (iii) subject to:

1089 (A) staff of the package agency providing the liquor in person only to an adult guest in
1090 the guest room;

1091 (B) staff of the package agency not leaving the liquor outside a guest room for retrieval
1092 by a guest; and

1093 (C) the same limits on the portions in which an alcoholic product may be sold by a

1094 retail licensee under Section [32B-5-304](#).

1095 (16) On or after October 1, 2011, a package agency may not sell, offer for sale, or
1096 furnish heavy beer in a sealed container that exceeds two liters.

1097 (17) The department may pay or otherwise remunerate a package agent on any basis,
1098 including sales or volume of business done by the package agency.

1099 (18) The commission may prescribe by policy or rule general operational requirements
1100 of a package agency that are consistent with this title and relate to:

- 1101 (a) physical facilities;
- 1102 (b) conditions of operation;
- 1103 (c) hours of operation;
- 1104 (d) inventory levels;
- 1105 (e) payment schedules;
- 1106 (f) methods of payment;
- 1107 (g) premises security; and
- 1108 (h) any other matter considered appropriate by the commission.

1109 Section 7. Section **32B-3-102** is amended to read:

1110 **32B-3-102. Definitions.**

1111 As used in this chapter:

- 1112 (1) "Aggravating circumstances" means:
 - 1113 (a) prior warnings about compliance problems;
 - 1114 (b) a prior violation history;
 - 1115 (c) a lack of written policies governing employee conduct;
 - 1116 (d) multiple violations during the course of an investigation;
 - 1117 (e) efforts to conceal a violation;
 - 1118 (f) an intentional violation;
 - 1119 (g) the violation involved more than one patron or employee; or
 - 1120 (h) a violation that results in injury or death.
- 1121 (2) "Final adjudication" means an adjudication for which a final judgment or order is

1122 issued that:

1123 (a) is not appealed, and the time to appeal the judgment has expired; or

1124 (b) is appealed, and is affirmed, in whole or in part, on appeal.

1125 (3) "Mitigating circumstances" means:

1126 (a) no prior violation history for the licensee or permittee;

1127 (b) no prior violation history for the individual who committed the violation;

1128 (c) motive for the individual who engaged in or allowed the violation to retaliate

1129 against the licensee or permittee; or

1130 (d) extraordinary cooperation with the investigation of the violation that demonstrates

1131 that the licensee or permittee and the individual who committed the violation accept

1132 responsibility for the violation.

1133 Section 8. Section **32B-3-205** is amended to read:

1134 **32B-3-205. Penalties.**

1135 (1) If the commission is satisfied that a person subject to administrative action violates

1136 this title or the commission's rules, in accordance with Title 63G, Chapter 4, Administrative

1137 Procedures Act, the commission may:

1138 (a) suspend or revoke the person's license, permit, or certificate of approval;

1139 (b) subject to Subsection (2), impose a fine against the person, including individual

1140 staff of a licensee, permittee, or certificate holder;

1141 (c) assess the administrative costs of a disciplinary proceeding to the person if the

1142 person is a licensee, permittee, or certificate holder; or

1143 (d) take a combination of actions described in this Subsection (1).

1144 (2) (a) A fine imposed may not exceed \$25,000 in the aggregate for:

1145 (i) a single notice of agency action; or

1146 (ii) a single action against a package agency.

1147 (b) The commission shall by rule establish a schedule setting forth a range of fines for

1148 each violation.

1149 (c) When a presiding officer imposes a fine, the presiding officer shall consider any

1150 aggravating circumstances or mitigating circumstances in deciding where within the applicable
1151 range to set the fine.

1152 (3) The commission shall transfer the costs assessed under this section into the General
1153 Fund in accordance with Section [32B-2-301](#).

1154 (4) (a) If a license or permit is suspended under this section, the licensee or permittee
1155 shall prominently display a sign provided by the department:

1156 (i) during the suspension; and

1157 (ii) at the entrance of the premises of the licensee or permittee.

1158 (b) The sign required by this Subsection (4) shall:

1159 (i) read "The Utah Alcoholic Beverage Control Commission has suspended the
1160 alcoholic product license or permit of this establishment. An alcoholic product may not be
1161 sold, offered for sale, furnished, or consumed on these premises during the period of
1162 suspension."; and

1163 (ii) include the dates of the suspension period.

1164 (c) A licensee or permittee may not remove, alter, obscure, or destroy a sign required to
1165 be displayed under this Subsection (4) during the suspension period.

1166 (5) (a) If a license or permit is revoked, the commission may order the revocation of a
1167 bond posted by the licensee or permittee under this title.

1168 (b) Notwithstanding Subsection (5)(a), the department may make a claim against a
1169 bond posted by a licensee or permittee for money owed the department under this title without
1170 the commission first revoking the license or permit.

1171 (6) A licensee or permittee whose license or permit is revoked may not reapply for a
1172 license or permit under this title for three years from the date on which the license or permit is
1173 revoked.

1174 (7) If a staff member of a licensee, permittee, or certificate holder is found to have
1175 violated this title, in addition to imposing another penalty authorized by this title, the
1176 commission may prohibit the staff member from handling, selling, furnishing, distributing,
1177 manufacturing, wholesaling, or warehousing an alcoholic product in the course of acting as

1178 staff with a licensee, permittee, or certificate holder under this title for a period determined by
1179 the commission.

1180 (8) (a) If the commission makes the finding described in Subsection (8)(b), in addition
1181 to other penalties prescribed by this title, the commission may order:

1182 (i) the removal of an alcoholic product of the manufacturer's, supplier's, or importer's
1183 from the department's sales list; and

1184 (ii) a suspension of the department's purchase of an alcoholic product described in
1185 Subsection (8)(a)(i) for a period determined by the commission.

1186 (b) The commission may take the action described in Subsection (8)(a) if:

1187 (i) a manufacturer, supplier, or importer of liquor or its staff or representative violates
1188 this title; and

1189 (ii) the manufacturer, supplier, or importer:

1190 (A) directly commits the violation; or

1191 (B) solicits, requests, commands, encourages, or intentionally aids another to engage in
1192 the violation.

1193 (9) If the commission makes a finding that the brewer holding a certificate of approval
1194 violates this title or rules of the commission, the commission may take an action against the
1195 brewer holding a certificate of approval that the commission could take against a licensee
1196 including:

1197 (a) suspension or revocation of the certificate of approval; and

1198 (b) imposition of a fine.

1199 (10) Notwithstanding the other provisions of this title, the commission may not order a
1200 disciplinary action or fine in accordance with this section if the disciplinary action or fine is
1201 ordered on the basis of a violation:

1202 (a) of a provision in this title related to intoxication or becoming intoxicated; and

1203 (b) if the violation is first investigated by a law enforcement officer, as defined in
1204 Section [53-13-103](#), who has not received training regarding the requirements of this title
1205 related to responsible alcoholic product sale or service.

1206 (11) The commission shall expunge each record that relates to an individual's violation
1207 of a provision of this title, if the individual does not violate a provision of this title for a period
1208 of 36 consecutive months from the day on which the individual's last violation was adjudicated.

1209 Section 9. Section **32B-4-415** is amended to read:

1210 **32B-4-415. Unlawful bringing onto premises for consumption.**

1211 (1) Except as provided in Subsection (4) and Subsection 32B-5-307(4), a person may
1212 not bring an alcoholic product for on-premise consumption onto the premises of:

1213 (a) a retail licensee or person required to be licensed under this title as a retail licensee;

1214 (b) an establishment that conducts a business similar to a retail licensee;

1215 (c) an event where an alcoholic product is sold, offered for sale, or furnished under a
1216 single event permit or temporary beer event permit issued under this title;

1217 (d) an establishment open to the general public; or

1218 (e) the capitol hill complex.

1219 (2) Except as provided in Subsection (4) and Subsection 32B-5-307(4), the following
1220 may not allow a person to bring onto its premises an alcoholic product for on-premise
1221 consumption or allow consumption of an alcoholic product brought onto its premises in
1222 violation of this section:

1223 (a) a retail licensee or a person required to be licensed under this title as a retail
1224 licensee;

1225 (b) an establishment that conducts a business similar to a retail licensee;

1226 (c) a single event permittee or temporary beer event permittee;

1227 (d) an establishment open to the general public;

1228 (e) the State Capitol Preservation Board created in Section 63C-9-201; or

1229 (f) staff of a person listed in Subsections (2)(a) through (e).

1230 (3) Except as provided in Subsection (4)(c)(i)(A), a person may not consume an
1231 alcoholic product in a limousine or chartered bus if the limousine or chartered bus drops off a
1232 passenger at:

1233 (a) a location from which the passenger departs in a private vehicle; or

- 1234 (b) the capitol hill complex.
- 1235 (4) (a) A person may bring bottled wine onto the premises of the following and
1236 consume the wine pursuant to Section 32B-5-307:
- 1237 (i) a full-service restaurant licensee;
- 1238 (ii) a limited restaurant licensee;
- 1239 (iii) a bar establishment licensee; or
- 1240 (iv) a person operating under a resort spa sublicense.
- 1241 (b) A passenger of a limousine may bring onto, possess, and consume an alcoholic
1242 product in the limousine if:
- 1243 (i) the travel of the limousine begins and ends at:
- 1244 (A) the residence of the passenger;
- 1245 (B) the hotel of the passenger, if the passenger is a registered guest of the hotel; or
- 1246 (C) the temporary domicile of the passenger;
- 1247 (ii) the driver of the limousine is separated from the passengers by partition or other
1248 means approved by the department; and
- 1249 (iii) the limousine is not located on the capitol hill complex.
- 1250 (c) A passenger of a chartered bus may bring onto, possess, and consume an alcoholic
1251 product on the chartered bus:
- 1252 (i) (A) but may consume only during travel to a specified destination of the chartered
1253 bus and not during travel back to the place where the travel begins; or
- 1254 (B) if the travel of the chartered bus begins and ends at:
- 1255 (I) the residence of the passenger;
- 1256 (II) the hotel of the passenger, if the passenger is a registered guest of the hotel; or
- 1257 (III) the temporary domicile of the passenger;
- 1258 (ii) if the chartered bus has a nondrinking designee other than the driver traveling on
1259 the chartered bus to monitor consumption; and
- 1260 (iii) if the chartered bus is not located on the capitol hill complex.
- 1261 (5) A person may bring onto any premises, possess, and consume an alcoholic product

1262 at a private event.

1263 (6) Notwithstanding Subsection (5), private and public facilities may prohibit the
1264 possession or consumption of alcohol on their premises.

1265 (7) The restrictions of Subsections (2) and (3) apply to a resort licensee or hotel
1266 licensee or person operating under a sublicense in relationship to:

1267 (a) the boundary of a resort building or boundary of a hotel in an area that is open to
1268 the public; or

1269 (b) except as provided in Subsection (4), a sublicense premises.

1270 Section 10. Section **32B-5-202** is amended to read:

1271 **32B-5-202. Renewal requirements.**

1272 (1) A retail license expires each year on the day specified in the relevant part under
1273 Chapter 6, Specific Retail License Act, for that type of retail license.

1274 (2) (a) To renew a person's retail license, a retail licensee shall, by no later than the day
1275 specified in the relevant part under Chapter 6, Specific Retail License Act, for the type of retail
1276 license that is being renewed, submit:

1277 ~~[(a)]~~ (i) a completed renewal application [~~that includes a responsible alcohol service~~
1278 ~~plan to the department~~] in a form prescribed by the department; and

1279 ~~[(b)]~~ (ii) a renewal fee in the amount specified in the relevant part under Chapter 6,
1280 Specific Retail License Act, for the type of retail license that is being renewed.

1281 (b) A retail licensee shall submit a responsible alcohol service plan as part of the retail
1282 licensee's renewal application if, since the retail licensee's most recent application or renewal,
1283 the retail licensee:

1284 (i) made substantial changes to the retail licensee's responsible alcohol service plan; or

1285 (ii) violated a provision of this chapter.

1286 (c) The department may audit a retail licensee's responsible alcohol service plan.

1287 (3) Failure to meet the renewal requirements results in an automatic forfeiture of the
1288 retail license effective on the date the existing retail license expires.

1289 Section 11. Section **32B-5-207** is amended to read:

1290 **32B-5-207. Multiple retail licenses on same premises.**

1291 (1) As used in this section, "sublicense premises" means the same as that term is
1292 defined in Sections 32B-8-102 and 32B-8b-102.

1293 ~~[(1)(a)(i)]~~ (2) (a) The commission may not issue and one or more licensees may not
1294 hold more than one type of retail license for the same [room] premises.

1295 ~~[(ii) The commission may define "room" by rule made in accordance with Title 63G,~~
1296 ~~Chapter 3, Utah Administrative Rulemaking Act.]~~

1297 (b) Notwithstanding Subsection ~~[(1)]~~ (2)(a), the commission may issue and one or
1298 more licensees may hold more than one type of retail license for the same [room] premises if:

1299 (i) the applicant or licensee satisfies the requirements for each retail license;

1300 (ii) the types of retail licenses issued or held are two or more of the following:

1301 (A) a restaurant license;

1302 (B) an on-premise beer retailer license that is not a tavern; and

1303 (C) an on-premise banquet license or a reception center license; and

1304 (iii) the retail licenses do not operate at the same time on the same day.

1305 ~~[(2)]~~ (3) When one or more licensees hold more than one type of retail license for the
1306 same [room] premises under Subsection ~~[(1)]~~ (2)(b), the one or more licensees shall post in a
1307 conspicuous location at the entrance of the room a sign that:

1308 (a) measures 8-1/2 inches by 11 inches; and

1309 (b) states whether the premises is currently operating as:

1310 (i) a restaurant;

1311 (ii) an on-premise beer retailer that is not a tavern; or

1312 (iii) a banquet or a reception center.

1313 (4) (a) The commission may not issue and one or more licensees may not hold a bar
1314 license or a tavern license in the same room as a restaurant license.

1315 (b) For purposes of Subsection (4)(a), two licenses are not considered in the same room
1316 if:

1317 (i) each shared permanent wall between the premises licensed as a bar or a tavern and

1318 the premises licensed as a restaurant measures at least eight feet high;

1319 (ii) the premises for each license has a separate entryway that does not require a patron
1320 to pass through the premises licensed as a bar or a tavern to access the premises licensed as a
1321 restaurant; and

1322 (iii) if a patron must pass through the premises licensed as a restaurant to access the
1323 entryway to the premises licensed as a bar or a tavern, a patron on the premises licensed as a
1324 restaurant cannot see a dispensing structure on the premises licensed as a bar or a tavern.

1325 ~~[(3)]~~ (5) (a) If, on May 9, 2017, one or more licensees hold more than one type of retail
1326 license ~~[for the same room]~~ in violation of Subsection ~~[(1)]~~ (2) or (4), the one or more licensees
1327 may operate under the different types of retail licenses through June 30, 2018.

1328 (b) A licensee may not operate in violation of Subsection ~~[(1)]~~ (2) or (4) on or after
1329 July 1, 2018.

1330 (c) Before July 1, 2018, each licensee described in Subsection ~~[(3)]~~ (5)(a) shall notify
1331 the commission of each retail license that the licensee will surrender effective July 1, 2018, to
1332 comply with the provisions of Subsection ~~[(1)]~~ (2) or (4).

1333 (d) The commission shall establish by rule, made in accordance with Title 63G,
1334 Chapter 3, Utah Administrative Rulemaking Act, a procedure by which a licensee surrenders a
1335 retail license under this Subsection ~~[(3)]~~ (5).

1336 (6) (a) The commission may issue more than one type of sublicense to a resort licensed
1337 under Chapter 8, Resort License Act, or a hotel licensed under Chapter 8b, Hotel License Act,
1338 for the same room if the sublicense premises are clearly delineated by one or more permanent
1339 physical structures, such as a wall or other architectural feature, that separate the sublicense
1340 premises.

1341 (b) A patron may not transport an alcoholic beverage between two sublicense premises
1342 located in the same room in accordance with Subsection (6)(a).

1343 (c) Notwithstanding any provision to the contrary, a minor may momentarily pass
1344 through a sublicense premises that is a bar to reach another location where a minor may
1345 lawfully be, if there is no practical alternative route to the location.

1346 Section 12. Section **32B-5-307** is amended to read:

1347 **32B-5-307. Bringing alcoholic product onto or removing alcoholic product from**
1348 **premises.**

1349 (1) Except as provided in Subsection (3):

1350 (a) A person may not bring onto the licensed premises of a retail licensee an alcoholic
1351 product for on-premise consumption.

1352 (b) A retail licensee may not allow a person to:

1353 (i) bring onto licensed premises an alcoholic product for on-premise consumption; or

1354 (ii) consume an alcoholic product brought onto the licensed premises by a person other
1355 than the retail licensee.

1356 (c) A retail licensee may not sell, offer for sale, or furnish an alcoholic product through
1357 a window or door to a location off the licensed premises or to a vehicular traffic area.

1358 (2) Except as provided in [~~Subsection (3)~~] Subsections (3), (4), and [32B-4-415\(5\)](#):

1359 (a) a person may not carry from a licensed premises of a retail licensee an open
1360 container that:

1361 (i) is used primarily for drinking purposes; and

1362 (ii) contains an alcoholic product[-];

1363 (b) a retail licensee may not permit a patron to carry from the licensed premises an
1364 open container described in Subsection (2)(a)[-]; and

1365 [~~(c) Except as provided in Subsection (3)(d) or Subsection [32B-4-415\(5\)](#)~~];

1366 (c) (i) a person may not carry from a licensed premises of a retail licensee a sealed
1367 container of liquor that has been purchased from the retail licensee; and

1368 (ii) a retail licensee may not permit a patron to carry from the licensed premises a
1369 sealed container of liquor that has been purchased from the retail licensee.

1370 (3) (a) A patron may bring a bottled wine onto the premises of a retail licensee for
1371 on-premise consumption if:

1372 (i) permitted by the retail licensee; and

1373 (ii) the retail licensee is authorized to sell, offer for sale, or furnish wine.

1374 (b) If a patron carries bottled wine onto the licensed premises of a retail licensee, the
1375 patron shall deliver the bottled wine to a server or other representative of the retail licensee
1376 upon entering the licensed premises.

1377 (c) A retail licensee authorized to sell, offer for sale, or furnish wine, may provide a
1378 wine service for a bottled wine carried onto the licensed premises in accordance with this
1379 Subsection (3) or a bottled wine purchased at the licensed premises.

1380 (d) A patron may remove from a licensed premises the unconsumed contents of a bottle
1381 of wine purchased at the licensed premises, or brought onto the licensed premises in
1382 accordance with this Subsection (3), only if before removal the bottle is recorked or recapped.

1383 (4) A patron may transport beer between the premises of an on-premise banquet license
1384 and an on-premise beer retailer license that is not a tavern, and consume the beer on either
1385 licensed premises, if the licensed premises are:

1386 (a) immediately adjacent to one another; and

1387 (b) located in a sports center that has a seating capacity of at least 6,500.

1388 Section 13. Section **32B-5-308** is amended to read:

1389 **32B-5-308. Requirements on staff or others on premises -- Employing a minor.**

1390 (1) Staff of a retail licensee, while on duty, may not:

1391 (a) consume an alcoholic product; or

1392 (b) be intoxicated.

1393 (2) (a) A retail licensee may not employ a minor to sell, offer for sale, furnish, or
1394 dispense an alcoholic product.

1395 (b) Notwithstanding Subsection (2)(a), unless otherwise prohibited in the provisions
1396 related to the specific type of retail license, a retail licensee may employ a minor who is at least
1397 16 years of age to enter the sale at a cash register or other sales recording device.

1398 (3) A full-service restaurant licensee, limited-service restaurant licensee, or beer-only
1399 restaurant licensee may employ a minor who is at least 18 years of age to bus tables, including
1400 containers that contain an alcoholic product.

1401 Section 14. Section **32B-5-405** is amended to read:

1402 **32B-5-405. Department training programs.**

1403 (1) No later than January 1, 2018, the department shall develop the following training
1404 programs that are provided either in-person or online:

1405 (a) a training program for retail managers that addresses:

1406 (i) the statutes and rules that govern alcohol sales and consumption in the state;

1407 (ii) the requirements for operating as a retail licensee;

1408 (iii) using compliance assistance from the department; and

1409 (iv) any other topic the department determines beneficial to a retail manager; and

1410 (b) a training program for an individual employed by a retail licensee or an off-premise
1411 beer retailer who violates a provision of this title related to the sale, service, or furnishing of an
1412 alcoholic beverage to an intoxicated individual or a minor, that addresses:

1413 (i) the statutes and rules that govern the most common types of violations under this
1414 title;

1415 (ii) how to avoid common violations; and

1416 (iii) any other topic the department determines beneficial to the training program.

1417 (2) No later than January 1, 2019, the department shall develop a training program for
1418 off-premise retail managers that is provided either in-person or online and addresses:

1419 (a) the statutes and rules that govern sales at an off-premise beer retailer;

1420 (b) the requirements for operating an off-premise beer retailer;

1421 (c) using compliance assistance from the department; and

1422 (d) any other topic the department determines beneficial to an off-premise retail
1423 manager.

1424 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and
1425 the provisions of this section, the department shall make rules to develop and implement the
1426 training programs described in this section, including rules that establish:

1427 (a) the requirements for each training program described in this section;

1428 (b) measures that accurately identify each individual who takes and completes a
1429 training program;

1430 (c) measures that ensure an individual taking a training program is focused and actively
1431 engaged in the training material throughout the training program;

1432 (d) a record that certifies that an individual has completed a training program; and

1433 (e) a fee for participation in a training program to cover the department's cost of
1434 providing the training program.

1435 (4) (a) Except as provided in Subsection (5), each retail manager shall~~[(t)]~~ complete
1436 the training described in Subsection (1)(a) no later than the earlier of:

1437 ~~[(A)]~~ (i) 30 days after the day on which the retail manager is hired; or

1438 ~~[(B)]~~ (ii) before the day on which the retail licensee obtains a retail license under this
1439 chapter~~[, and]~~.

1440 ~~[(ii) retake the training program described in Subsection (1)(a) once every three years.]~~

1441 (b) Except as provided in Subsection (5), each off-premise retail manager shall~~[(t)]~~
1442 complete the training described in Subsection (2) no later than the earlier of:

1443 ~~[(A)]~~ (i) 30 days after the day on which the off-premise retail manager is hired; or

1444 ~~[(B)]~~ (ii) before the day on which the off-premise beer retailer obtains an off-premise
1445 beer retailer state license~~[, and]~~.

1446 ~~[(ii) retake the training program described in Subsection (2) once every three years.]~~

1447 (c) (i) If the commission finds that ~~[an individual employed by]~~ a retail licensee
1448 violated a provision of this title related to the sale, service, or furnishing of an alcoholic
1449 beverage to an intoxicated individual or a minor for a second time ~~[while employed by the~~
1450 ~~same retail licensee]~~ within 36 consecutive months after the day on which the first violation
1451 was adjudicated, the violator, all retail staff, and each retail manager shall complete the training
1452 program described in Subsection (1)(b).

1453 (ii) If the commission finds that ~~[an individual employed by]~~ an off-premise beer
1454 retailer violated a provision of this title related to the sale, service, or furnishing of an alcoholic
1455 beverage to an intoxicated individual or a minor for a second time ~~[while employed by the~~
1456 ~~same off-premise beer retailer]~~ within 36 consecutive months after the day on which the first
1457 violation was adjudicated, the violator and each off-premise retail manager shall complete the

1458 training program described in Subsection (1)(b).

1459 (5) (a) For a person who holds a retail license on January 1, 2018, each retail manager
1460 shall complete the training program described in Subsection (1)(a) for the first time as a
1461 condition of renewing the licensee's retail license in 2018.

1462 (b) For a person who holds an off-premise beer retailer state license on January 1,
1463 2019, each off-premise retail manager shall complete the training program described in
1464 Subsection (1)(b) for the first time as a condition of renewing the licensee's off-premise beer
1465 retailer state license in 2019.

1466 (6) If an individual fails to complete a required training program under this section:

1467 (a) the commission may suspend, revoke, or not renew the retail license or off-premise
1468 beer retailer state license;

1469 (b) a city, town, metro township, or county in which the retail licensee or off-premise
1470 beer retailer is located may suspend, revoke, or not renew the retail licensee's or off-premise
1471 beer retailer's business license; or

1472 (c) a local authority may suspend, revoke, or not renew the off-premise beer retailer's
1473 license.

1474 Section 15. Section **32B-5-406** is amended to read:

1475 **32B-5-406. Tracking certain enforcement actions.**

1476 (1) For each violation of a provision of this title involving the sale of an alcoholic
1477 product to a minor that staff of a retail licensee commits, the commission shall:

1478 (a) maintain a record of the violation until the record is expunged in accordance with
1479 Subsection (3);

1480 (b) include in the record described in Subsection (1)(a):

1481 (i) the name of the individual who committed the violation;

1482 (ii) the name of the retail licensee; and

1483 (iii) the date of the adjudication of the violation; and

1484 (c) provide the information described in Subsection (1)(b) to the Department of Public
1485 Safety within 30 days after the day on which the violation is adjudicated.

1486 (2) (a) The Department of Public Safety shall develop and operate a system to collect,
1487 analyze, maintain, track, and disseminate the information that the Department of Public Safety
1488 receives in accordance with Subsection (1).

1489 (b) The Department of Public Safety shall make the system described in Subsection
1490 (2)(a) available to:

1491 (i) assist the commission in assessing penalties under this title; and

1492 (ii) inform a retail licensee of an individual who has a violation history in the system.

1493 (3) The commission and the Department of Public Safety shall expunge each record in
1494 the system described in Subsection (2) that relates to an individual if the individual does not
1495 violate a provision of this title related to the sale of an alcoholic product to a minor for a period
1496 of 36 consecutive months from the day on which the ~~[individual was last found to have~~
1497 ~~violated a provision of this title related to the sale of an alcoholic product to a minor]~~
1498 individual's last violation related to the sale of an alcoholic product to a minor was adjudicated.

1499 Section 16. Section **32B-6-202** is amended to read:

1500 **32B-6-202. Definitions.**

1501 As used in this part:

1502 (1) (a) "Dining area" means an area in the licensed premises of a full-service restaurant
1503 licensee that is primarily used for the service and consumption of food by one or more patrons.

1504 (b) "Dining area" does not include a dispensing area.

1505 (2) (a) "Dispensing area" means an area in the licensed premises of a full-service
1506 restaurant licensee where a dispensing structure is located and that:

1507 (i) is physically separated from the dining area and any waiting area by a structure or
1508 other barrier that prevents a patron seated in the dining area or a waiting area from viewing the
1509 dispensing of alcoholic product;

1510 (ii) except as provided in Subsection (2)(b), measures at least 10 feet from ~~[any area~~
1511 ~~where alcoholic product is dispensed to]~~ the dining area and any waiting area~~[-measured from~~
1512 ~~the point of the area where alcoholic product is dispensed that is closest to the dining area or~~
1513 ~~waiting area]~~ to the nearest edge of the dispensing structure; or

1514 (iii) is physically separated from the dining area and any waiting area by a permanent
1515 physical structure that complies with the provisions of Title 15A, State Construction and Fire
1516 Codes Act, and, to the extent allowed under Title 15A, State Construction and Fire Codes Act,
1517 measures:

1518 (A) at least 42 inches high; and

1519 (B) at least 60 inches from the inside edge of the barrier to the nearest edge of the
1520 dispensing structure.

1521 (b) "Dispensing area" does not include any area described in Subsection (2)(a)(ii) that
1522 is less than 10 feet from an area where alcoholic product is dispensed, but from which a patron
1523 seated at a table or counter cannot view the dispensing of alcoholic product.

1524 (3) (a) "Grandfathered bar structure" means a bar structure in a licensed premises of a
1525 full-service restaurant licensee that:

1526 (i) as of May 11, 2009, has:

1527 (A) patron seating at the bar structure;

1528 (B) a partition at one or more locations on the bar structure that is along:

1529 (I) the width of the bar structure; or

1530 (II) the length of the bar structure; and

1531 (C) facilities for the dispensing or storage of an alcoholic product:

1532 (I) on the portion of the bar structure that is separated by the partition described in
1533 Subsection (3)(a)(i)(B); or

1534 (II) if the partition as described in Subsection (3)(a)(i)(B)(II) is adjacent to the bar
1535 structure in a manner visible to a patron sitting at the bar structure;

1536 (ii) is not operational as of May 12, 2009, if:

1537 (A) a person applying for a full-service restaurant license:

1538 (I) has as of May 12, 2009, a building permit to construct the restaurant;

1539 (II) is as of May 12, 2009, actively engaged in the construction of the restaurant, as
1540 defined by rule made by the commission; and

1541 (III) is issued the full-service restaurant license by no later than December 31, 2009;

1542 and

1543 (B) once constructed, the licensed premises has a bar structure described in Subsection

1544 (3)(a)(i);

1545 (iii) as of May 12, 2009, has no patron seating at the bar structure; or

1546 (iv) is not operational as of May 12, 2009, if:

1547 (A) a person applying for a full-service restaurant license:

1548 (I) has as of May 12, 2009, a building permit to construct the restaurant;

1549 (II) is as of May 12, 2009, actively engaged in the construction of the restaurant, as

1550 defined by rule made by the commission; and

1551 (III) is issued a full-service restaurant license by no later than December 31, 2009; and

1552 (B) once constructed, the licensed premises has a bar structure with no patron seating.

1553 (b) "Grandfathered bar structure" does not include a grandfathered bar structure

1554 described in Subsection (3)(a) on or after the day on which a restaurant remodels the

1555 grandfathered bar structure, as defined by rule made by the commission.

1556 (c) Subject to Subsection (3)(b), a grandfathered bar structure remains a grandfathered

1557 bar structure notwithstanding whether a restaurant undergoes a change of ownership.

1558 (4) "Seating grandfathered bar structure" means:

1559 (a) a grandfathered bar structure described in Subsection (3)(a)(i) or (ii); or

1560 (b) a bar structure grandfathered under Section [32B-6-409](#).

1561 (5) "Small full-service restaurant licensee" means a converted full-service restaurant

1562 licensee as defined in Section [32B-6-404.1](#) or a full-service restaurant licensee that has a

1563 grandfathered bar structure, whose dispensing area includes more than 45% of the available

1564 seating for patrons on the licensed premises, excluding outdoor seating:

1565 (a) when measured in accordance with Subsection (2)(a)(ii); and

1566 (b) based on the licensee's floor plan on file with the department on July 1, 2017.

1567 [~~5~~] (6) "Waiting area" includes a lobby.

1568 Section 17. Section **32B-6-205** is amended to read:

1569 **32B-6-205. Specific operational requirements for a full-service restaurant license**

1570 -- Before July 1, 2018, or July 1, 2022.

1571 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
1572 Requirements, a full-service restaurant licensee and staff of the full-service restaurant licensee
1573 shall comply with this section.

1574 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
1575 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

1576 (i) a full-service restaurant licensee;

1577 (ii) individual staff of a full-service restaurant licensee; or

1578 (iii) both a full-service restaurant licensee and staff of the full-service restaurant
1579 licensee.

1580 (2) In addition to complying with Subsection 32B-5-301(3), a full-service restaurant
1581 licensee shall ~~[:-(a)]~~ display in a prominent place in the restaurant a list of the types and brand
1582 names of liquor being furnished through the full-service restaurant licensee's calibrated metered
1583 dispensing system ~~[:and]~~.

1584 ~~[(b) display in a conspicuous place at the entrance to the licensed premises a sign
1585 approved by the commission that:]~~

1586 ~~[(i) measures at least 8-1/2 inches long and 11 inches wide; and]~~

1587 ~~[(ii) clearly states that the full-service restaurant licensee is a restaurant and not a bar.]~~

1588 (3) In addition to complying with Section 32B-5-303, a full-service restaurant licensee
1589 shall store an alcoholic product in a storage area described in Subsection (12)(a).

1590 (4) (a) An individual who serves an alcoholic product in a full-service restaurant
1591 licensee's premises shall make a written beverage tab for each table or group that orders or
1592 consumes an alcoholic product on the premises.

1593 (b) A beverage tab required by this Subsection (4) shall list the type and amount of an
1594 alcoholic product ordered or consumed.

1595 (5) A person's willingness to serve an alcoholic product may not be made a condition
1596 of employment as a server with a full-service restaurant licensee.

1597 (6) (a) A full-service restaurant licensee may sell, offer for sale, or furnish liquor at the

1598 licensed premises during the following time periods only:

1599 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or

1600 (ii) on a weekend or a state or federal legal holiday or for a private event, during the
1601 period that begins at 10:30 a.m. and ends at 11:59 p.m.

1602 (b) A full-service restaurant licensee may sell, offer for sale, or furnish beer at the
1603 licensed premises during the following time periods only:

1604 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

1605 (ii) on a weekend or a state or federal legal holiday or for a private event, during the
1606 period that begins at 10:30 a.m. and ends at 12:59 a.m.

1607 (7) A full-service restaurant licensee shall maintain at least 70% of its total restaurant
1608 business from the sale of food, which does not include:

1609 (a) mix for an alcoholic product; or

1610 (b) a service charge.

1611 (8) (a) A full-service restaurant licensee may not sell, offer for sale, or furnish an
1612 alcoholic product except after the full-service restaurant licensee confirms that the patron has
1613 the intent to order food prepared, sold, and furnished at the licensed premises.

1614 (b) A full-service restaurant licensee shall maintain on the licensed premises adequate
1615 culinary facilities for food preparation and dining accommodations.

1616 (9) (a) Subject to the other provisions of this Subsection (9), a patron may not have
1617 more than two alcoholic products of any kind at a time before the patron.

1618 (b) A patron may not have more than one spirituous liquor drink at a time before the
1619 patron.

1620 (c) An individual portion of wine is considered to be one alcoholic product under
1621 Subsection (9)(a).

1622 (10) A patron may consume an alcoholic product only:

1623 (a) at:

1624 (i) the patron's table;

1625 (ii) a counter; or

1626 (iii) a seating grandfathered bar structure; and

1627 (b) where food is served.

1628 (11) (a) A full-service restaurant licensee may not sell, offer for sale, or furnish an
1629 alcoholic product to a patron, and a patron may not consume an alcoholic product at a bar
1630 structure that is not a seating grandfathered bar structure.

1631 (b) At a seating grandfathered bar structure a patron who is 21 years of age or older
1632 may:

1633 (i) sit;

1634 (ii) be furnished an alcoholic product; and

1635 (iii) consume an alcoholic product.

1636 (c) Except as provided in Subsection (11)(d), at a seating grandfathered bar structure a
1637 full-service restaurant licensee may not permit a minor to, and a minor may not:

1638 (i) sit; or

1639 (ii) consume food or beverages.

1640 (d) (i) A minor may be at a seating grandfathered bar structure if the minor is
1641 employed by a full-service restaurant licensee:

1642 (A) as provided in Subsection [32B-5-308](#)(2); or

1643 (B) to perform maintenance and cleaning services during an hour when the full-service
1644 restaurant licensee is not open for business.

1645 (ii) A minor may momentarily pass by a seating grandfathered bar structure without
1646 remaining or sitting at the bar structure en route to an area of a full-service restaurant licensee's
1647 premises in which the minor is permitted to be.

1648 (12) Except as provided in Subsection [32B-5-307](#)(3), a full-service restaurant licensee
1649 may dispense an alcoholic product only if:

1650 (a) the alcoholic product is dispensed from:

1651 (i) a grandfathered bar structure;

1652 (ii) an area adjacent to a grandfathered bar structure that is visible to a patron sitting at
1653 the grandfathered bar structure if that area is used to dispense an alcoholic product as of May

1654 12, 2009; or
1655 (iii) an area that is:
1656 (A) separated from an area for the consumption of food by a patron by a solid,
1657 translucent, permanent structural barrier such that the facilities for the storage or dispensing of
1658 an alcoholic product are:
1659 (I) not readily visible to a patron; and
1660 (II) not accessible by a patron; and
1661 (B) apart from an area used:
1662 (I) for dining;
1663 (II) for staging; or
1664 (III) as a lobby or waiting area;
1665 (b) the full-service restaurant licensee uses an alcoholic product that is:
1666 (i) stored in an area described in Subsection (12)(a); or
1667 (ii) in an area not described in Subsection (12)(a) on the licensed premises and:
1668 (A) immediately before the alcoholic product is dispensed it is in an unopened
1669 container; (B) the unopened container is taken to an area described in Subsection (12)(a) before
1670 it is opened; and (C) once opened, the container is stored in an area described in Subsection
1671 (12)(a); and
1672 (c) any instrument or equipment used to dispense alcoholic product is located in an
1673 area described in Subsection (12)(a).
1674 (13) A full-service restaurant licensee may state in a food or alcoholic product menu a
1675 charge or fee made in connection with the sale, service, or consumption of liquor including:
1676 (a) a set-up charge;
1677 (b) a service charge; or
1678 (c) a chilling fee.
1679 (14) Beginning on July 1, 2018, a minor may not sit, remain, or consume food or
1680 beverages within 10 feet of a grandfathered bar structure, unless:
1681 (a) seating within 10 feet of the grandfathered bar structure is the only seating available

1682 in the licensed premises; and

1683 (b) the minor is accompanied by an individual who is 21 years of age or older.

1684 (15) Except as provided in Subsection 32B-6-205.2~~(18)~~(16) and Section

1685 32B-6-205.3, the provisions of this section apply before July 1, 2018.

1686 Section 18. Section 32B-6-205.2 is amended to read:

1687 **32B-6-205.2. Specific operational requirements for a full-service restaurant**
1688 **license -- On and after July 1, 2018, or July 1, 2022.**

1689 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
1690 Requirements, a full-service restaurant licensee and staff of the full-service restaurant licensee
1691 shall comply with this section.

1692 (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in
1693 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

1694 (i) a full-service restaurant licensee;

1695 (ii) individual staff of a full-service restaurant licensee; or

1696 (iii) both a full-service restaurant licensee and staff of the full-service restaurant
1697 licensee.

1698 ~~[(2) In addition to complying with Subsection 32B-5-301(3), a full-service restaurant~~
1699 ~~licensee shall display in a conspicuous place at the entrance to the licensed premises a sign~~
1700 ~~approved by the commission that:]~~

1701 ~~[(a) measures at least 8-1/2 inches long and 11 inches wide; and]~~

1702 ~~[(b) clearly states that the full-service restaurant licensee is a restaurant and not a bar.]~~

1703 ~~[(3) In addition to complying with Section 32B-5-303, a full-service restaurant licensee~~
1704 ~~shall store an alcoholic product in a storage area described in Subsection (13)(a).]~~

1705 ~~[(4)]~~ (2) (a) An individual who serves an alcoholic product in a full-service restaurant
1706 licensee's premises shall make a beverage tab for each table or group that orders or consumes
1707 an alcoholic product on the premises.

1708 (b) A beverage tab described in this Subsection ~~[(4)]~~ (2) shall state the type and amount
1709 of each alcoholic product ordered or consumed.

1710 ~~[(5)]~~ (3) A full-service restaurant licensee may not make an individual's willingness to
1711 serve an alcoholic product a condition of employment with a full-service restaurant licensee.

1712 ~~[(6)]~~ (4) (a) A full-service restaurant licensee may sell, offer for sale, or furnish liquor
1713 at the licensed premises during the following time periods only:

1714 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or

1715 (ii) on a weekend or a state or federal legal holiday or for a private event, during the
1716 period that begins at 10:30 a.m. and ends at 11:59 p.m.

1717 (b) A full-service restaurant licensee may sell, offer for sale, or furnish beer at the
1718 licensed premises during the following time periods only:

1719 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

1720 (ii) on a weekend or a state or federal legal holiday or for a private event, during the
1721 period that begins at 10:30 a.m. and ends at 12:59 a.m.

1722 ~~[(7)]~~ (5) A full-service restaurant licensee shall maintain at least 70% of the
1723 full-service restaurant licensee's total restaurant business from the sale of food, which does not
1724 include:

1725 (a) mix for an alcoholic product; or

1726 (b) a service charge.

1727 ~~[(8)]~~ (6) (a) A full-service restaurant licensee may not ~~[sell, offer for sale, or]~~ furnish
1728 an alcoholic product except after:

1729 (i) the patron to whom the full-service restaurant licensee ~~[sells, offers for sale, or]~~
1730 furnishes the alcoholic product is seated at:

1731 (A) a table that is located in a dining area or a dispensing area;

1732 (B) a counter that is located in a dining area or a dispensing area; or

1733 (C) a dispensing structure that is located in a dispensing area; and

1734 (ii) the full-service restaurant licensee confirms that the patron intends to:

1735 (A) order food prepared, sold, and furnished at the licensed premises; and

1736 (B) except as provided in Subsection ~~[(8)]~~ (6)(b), consume the food at the same
1737 location where the patron is seated and ~~[sold, offered for sale, or]~~ furnished the alcoholic

1738 product.

1739 (b) (i) While a patron waits for a seat at a table or counter in the dining area of a
1740 full-service restaurant licensee, the full-service restaurant licensee may sell, offer for sale, or
1741 furnish to the patron one drink that contains a single portion of an alcoholic product as
1742 described in Section 32B-5-304 if:

1743 (A) the patron is in a dispensing area and seated at a table, counter, or dispensing
1744 structure; and

1745 (B) the full-service restaurant licensee first confirms that after the patron is seated in
1746 the dining area, the patron intends to order food prepared, sold, and furnished at the licensed
1747 premises.

1748 (ii) If the patron does not finish the patron's alcoholic product before moving to a seat
1749 in the dining area, an employee of the full-service restaurant licensee who is qualified to sell
1750 and serve an alcoholic product under Section 32B-5-306 shall transport any unfinished portion
1751 of the patron's alcoholic product to the patron's seat in the dining area.

1752 (iii) For purposes of Subsection ~~[(8)]~~ (6)(b)(i) a single portion of wine is 5 ounces or
1753 less.

1754 (c) A full-service restaurant licensee shall maintain on the licensed premises adequate
1755 culinary facilities for food preparation and dining accommodations.

1756 ~~[(9)]~~ (7) A patron may consume an alcoholic product only if the patron is seated at:

1757 (a) a table that is located in a dining area or dispensing area;

1758 (b) a counter that is located in a dining area or dispensing area; or

1759 (c) a dispensing structure located in a dispensing area.

1760 ~~[(10)]~~ (8) (a) Subject to the other provisions of this Subsection ~~[(10)]~~ (8), a patron may
1761 not have more than two alcoholic products of any kind at a time before the patron.

1762 (b) A patron may not have more than one spirituous liquor drink at a time before the
1763 patron.

1764 (c) An individual portion of wine is considered to be one alcoholic product under
1765 Subsection ~~[(10)]~~ (8)(a).

1766 ~~[(11)]~~ (9) In accordance with the provisions of this section, an individual who is at
1767 least 21 years of age may consume food and beverages in a dispensing area.

1768 ~~[(12)]~~ (10) (a) Except as provided in Subsection ~~[(12)]~~ (10)(b), a minor may not sit,
1769 remain, or consume food or beverages in a dispensing area.

1770 (b) (i) A minor may be in a dispensing area if the minor is employed by the full-service
1771 restaurant licensee:

1772 (A) in accordance with Subsection 32B-5-308(2); or

1773 (B) to perform maintenance and cleaning services when the full-service restaurant
1774 licensee is not open for business.

1775 (ii) If there is no alternative route available, a minor may momentarily pass through a
1776 dispensing area without remaining or sitting in the dispensing area en route to an area of the
1777 full-service restaurant licensee's premises in which the minor is permitted to be.

1778 ~~[(13)]~~ (11) Except as provided in Subsection 32B-5-307(3), a full-service restaurant
1779 licensee may dispense an alcoholic product only if:

1780 (a) the alcoholic product is dispensed from:

1781 (i) a dispensing structure that is located in a dispensing area;

1782 (ii) an area that is:

1783 (A) separated from an area for the consumption of food by a patron by a solid,
1784 translucent, permanent structural barrier such that the facilities for the ~~[storage or]~~ dispensing
1785 of an alcoholic product are not readily visible to a patron and not accessible by a patron; and

1786 (B) apart from an area used for dining, for staging, or as a lobby or waiting area; or

1787 (iii) the premises of a bar licensee that is:

1788 (A) owned by the same person or persons as the full-service restaurant licensee; and

1789 (B) located immediately adjacent to the premises of the full-service restaurant licensee;

1790 and

1791 ~~[(b) the full-service restaurant licensee uses an alcoholic product that is stored in an
1792 area described in Subsection (13) (a) or in accordance with Section 32B-5-303; and]~~

1793 ~~[(c)]~~ (b) any instrument or equipment used to dispense alcoholic product is located in

1794 an area described in Subsection ~~[(13)]~~ (11)(a).

1795 ~~[(14)]~~ (12) (a) A full-service restaurant licensee may have more than one dispensing
1796 area in the licensed premises.

1797 (b) Each dispensing area in a licensed premises may satisfy the requirements for a
1798 dispensing area under Subsection 32B-6-202(2)(a)(i), (ii), or (iii), regardless of how any other
1799 dispensing area in the licensed premises satisfies the requirements for a dispensing area.

1800 ~~[(15)]~~ (13) A full-service restaurant licensee may not:

1801 (a) transfer, dispense, or serve an alcoholic product on or from a movable cart; or

1802 (b) display an alcoholic product or a product intended to appear like an alcoholic
1803 product by moving a cart or similar device around the licensed premises.

1804 ~~[(16)]~~ (14) A full-service restaurant licensee may state in a food or alcoholic product
1805 menu a charge or fee made in connection with the sale, service, or consumption of liquor,
1806 including:

1807 (a) a set-up charge;

1808 (b) a service charge; or

1809 (c) a chilling fee.

1810 ~~[(17)]~~ (15) (a) In addition to the requirements described in Section 32B-5-302, a
1811 full-service restaurant licensee shall maintain each of the following records for at least three
1812 years:

1813 (i) a record required by Section 32B-5-302; and

1814 (ii) a record that the commission requires a full-service restaurant licensee to use or
1815 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative
1816 Rulemaking Act.

1817 (b) The department shall audit the records of a full-service restaurant licensee at least
1818 once each calendar year.

1819 ~~[(18)]~~ (16) (a) In accordance with Section 32B-6-205.3, a full-service restaurant
1820 licensee:

1821 (i) may comply with the provisions of this section beginning on or after July 1, 2017;

1822 and

1823 (ii) shall comply with the provisions of this section:

1824 (A) for a full-service restaurant licensee that does not have a grandfathered bar
1825 structure, on and after July 1, 2018; or

1826 (B) for a full-service restaurant licensee that has a grandfathered bar structure, on and
1827 after July 1, 2022.

1828 (b) A full-service restaurant licensee that elects to comply with the provisions of this
1829 section before the latest applicable date described in Subsection ~~[(18)]~~ (16)(a)(ii):

1830 (i) shall comply with each provision of this section; and

1831 (ii) is not required to comply with the provisions of Section 32B-6-205.

1832 Section 19. Section 32B-6-205.4 is enacted to read:

1833 **32B-6-205.4. Small full-service restaurant licensee -- Exemption.**

1834 (1) Notwithstanding the provisions of Section 32B-6-205 or 32B-6-205.2 and subject
1835 to Subsection (2), a minor may sit, remain, or consume food or beverages in the dispensing
1836 area of a small full-service restaurant licensee if:

1837 (a) seating in the dispensing area is the only seating available for patrons on the
1838 licensed premises;

1839 (b) the minor is accompanied by an individual who is 21 years of age or older; and

1840 (c) the small full-service restaurant licensee applies for and obtains approval from the
1841 department to seat minors in the dispensing area in accordance with this section.

1842 (2) A minor may not sit, remain, or consume food or beverages at a dispensing
1843 structure.

1844 (3) The department shall:

1845 (a) grant an approval described in Subsection (1)(c) if the small full-service restaurant
1846 licensee demonstrates that the small full-service restaurant licensee meets the requirements
1847 described in Subsection 32B-6-202(5); and

1848 (b) for each application described in Subsection (1)(c) that the department receives on
1849 or before May 8, 2018, act on the application on or before July 1, 2018.

1850 Section 20. Section **32B-6-302** is amended to read:

1851 **32B-6-302. Definitions.**

1852 As used in this part:

1853 (1) (a) "Dining area" means an area in the licensed premises of a limited-service
1854 restaurant licensee that is primarily used for the service and consumption of food by one or
1855 more patrons.

1856 (b) "Dining area" does not include a dispensing area.

1857 (2) (a) "Dispensing area" means an area in the licensed premises of a limited-service
1858 restaurant licensee where a dispensing structure is located and that:

1859 (i) is physically separated from the dining area and any waiting area by a structure or
1860 other barrier that prevents a patron seated in the dining area or a waiting area from viewing the
1861 dispensing of alcoholic product;

1862 (ii) except as provided in Subsection (2)(b), measures at least 10 feet from [~~any area~~
1863 ~~where alcoholic product is dispensed to~~] the dining area and any waiting area[~~, measured from~~
1864 ~~the point of the area where alcoholic product is dispensed that is closest to the dining area or~~
1865 ~~waiting area~~] to the nearest edge of the dispensing structure; or

1866 (iii) is physically separated from the dining area and any waiting area by a permanent
1867 physical structure that complies with the provisions of Title 15A, State Construction and Fire
1868 Codes Act, and, to the extent allowed under Title 15A, State Construction and Fire Codes Act,
1869 measures:

1870 (A) at least 42 inches high; and

1871 (B) at least 60 inches from the inside edge of the barrier to the nearest edge of the
1872 dispensing structure.

1873 (b) "Dispensing area" does not include any area described in Subsection (2)(a)(ii) that
1874 is less than 10 feet from an area where alcoholic product is dispensed, but from which a patron
1875 seated at a table or counter cannot view the dispensing of alcoholic product.

1876 (3) (a) "Grandfathered bar structure" means a bar structure in a licensed premises of a
1877 limited-service restaurant licensee that:

- 1878 (i) as of May 11, 2009, has:
- 1879 (A) patron seating at the bar structure;
- 1880 (B) a partition at one or more locations on the bar structure that is along:
- 1881 (I) the width of the bar structure; or
- 1882 (II) the length of the bar structure; and
- 1883 (C) facilities for the dispensing or storage of an alcoholic product:
- 1884 (I) on the portion of the bar structure that is separated by the partition described in
- 1885 Subsection (3)(a)(i)(B); or
- 1886 (II) if the partition as described in Subsection (3)(a)(i)(B)(II) is adjacent to the bar
- 1887 structure in a manner visible to a patron sitting at the bar structure;
- 1888 (ii) is not operational as of May 12, 2009, if:
- 1889 (A) a person applying for a limited-service restaurant license:
- 1890 (I) has as of May 12, 2009, a building permit to construct the restaurant;
- 1891 (II) is as of May 12, 2009, actively engaged in the construction of the restaurant, as
- 1892 defined by rule made by the commission; and
- 1893 (III) is issued the limited-service restaurant license by no later than December 31,
- 1894 2009; and
- 1895 (B) once constructed, the licensed premises has a bar structure described in Subsection
- 1896 (3)(a)(i);
- 1897 (iii) as of May 12, 2009, has no patron seating at the bar structure; or
- 1898 (iv) is not operational as of May 12, 2009, if:
- 1899 (A) a person applying for a limited-service restaurant license:
- 1900 (I) has as of May 12, 2009, a building permit to construct the restaurant;
- 1901 (II) is as of May 12, 2009, actively engaged in the construction of the restaurant, as
- 1902 defined by rule made by the commission; and
- 1903 (III) is issued a limited-service restaurant license by no later than December 31, 2009;
- 1904 and
- 1905 (B) once constructed, the licensed premises has a bar structure with no patron seating.

- 1906 (b) "Grandfathered bar structure" does not include a grandfathered bar structure
 1907 described in Subsection (3)(a) on or after the day on which a restaurant remodels the
 1908 grandfathered bar structure, as defined by rule made by the commission.
- 1909 (c) Subject to Subsection (3)(b), a grandfathered bar structure remains a grandfathered
 1910 bar structure notwithstanding whether a restaurant undergoes a change of ownership.
- 1911 (4) "Seating grandfathered bar structure" means:
- 1912 (a) a grandfathered bar structure described in Subsection (3)(a)(i) or (ii); or
 1913 (b) a bar structure grandfathered under Section [32B-6-409](#).
- 1914 (5) "Small limited-service restaurant licensee" means a limited-service restaurant
 1915 licensee that has a grandfathered bar structure whose dispensing area includes more than 45%
 1916 of the available seating for patrons on the licensed premises, excluding outdoor seating:
- 1917 (a) when measured in accordance with Subsection (2)(a)(ii); and
 1918 (b) based on the licensee's floor plan on file with the department on July 1, 2017.
- 1919 [~~5~~] (6) "Waiting area" includes a lobby.
- 1920 [~~6~~] (7) "Wine" includes an alcoholic beverage defined as wine under 27 U.S.C. Sec.
 1921 211 and 27 C.F.R. Sec. 4.10, including the following alcoholic beverages made in the manner
 1922 of wine containing not less than 7% and not more than 24% of alcohol by volume:
- 1923 (a) sparkling and carbonated wine;
 1924 (b) wine made from condensed grape must;
 1925 (c) wine made from other agricultural products than the juice of sound, ripe grapes;
 1926 (d) imitation wine;
 1927 (e) compounds sold as wine;
 1928 (f) vermouth;
 1929 (g) cider;
 1930 (h) perry; and
 1931 (i) sake.
- 1932 Section 21. Section **32B-6-305** is amended to read:
 1933 **32B-6-305. Specific operational requirements for a limited-service restaurant**

1934 **license -- Before July 1, 2018, or July 1, 2022.**

1935 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
1936 Requirements, a limited-service restaurant licensee and staff of the limited-service restaurant
1937 licensee shall comply with this section.

1938 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
1939 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

- 1940 (i) a limited-service restaurant licensee;
- 1941 (ii) individual staff of a limited-service restaurant licensee; or
- 1942 (iii) both a limited-service restaurant licensee and staff of the limited-service restaurant
1943 licensee.

1944 (2) (a) A limited-service restaurant licensee on the licensed premises may not sell, offer
1945 for sale, furnish, or allow consumption of:

- 1946 (i) spirituous liquor; or
- 1947 (ii) a flavored malt beverage.

1948 (b) A product listed in Subsection (2)(a) may not be on the premises of a
1949 limited-service restaurant licensee except for use:

- 1950 (i) as a flavoring on a dessert; and
- 1951 (ii) in the preparation of a flaming food dish, drink, or dessert.

1952 (3) In addition to complying with Section [32B-5-303](#), a limited-service restaurant
1953 licensee shall store an alcoholic product in a storage area described in Subsection (12)(a).

1954 (4) (a) An individual who serves an alcoholic product in a limited-service restaurant
1955 licensee's premises shall make a written beverage tab for each table or group that orders or
1956 consumes an alcoholic product on the premises.

1957 (b) A beverage tab required by this Subsection (4) shall list the type and amount of an
1958 alcoholic product ordered or consumed.

1959 (5) A person's willingness to serve an alcoholic product may not be made a condition
1960 of employment as a server with a limited-service restaurant licensee.

1961 (6) (a) A limited-service restaurant licensee may sell, offer for sale, or furnish wine or

1962 heavy beer at the licensed premises during the following time periods only:

1963 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or

1964 (ii) on a weekend or a state or federal legal holiday or for a private event, during the
1965 period that begins at 10:30 a.m. and ends at 11:59 p.m.

1966 (b) A limited-service restaurant licensee may sell, offer for sale, or furnish beer at the
1967 licensed premises during the following time periods only:

1968 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

1969 (ii) on a weekend or state or federal legal holiday or for a private event, during the
1970 period that begins at 10:30 a.m. and ends at 12:59 a.m.

1971 (7) A limited-service restaurant licensee shall maintain at least 70% of its total
1972 restaurant business from the sale of food, which does not include a service charge.

1973 (8) (a) A limited-service restaurant licensee may not sell, offer for sale, or furnish an
1974 alcoholic product except after the limited-service restaurant licensee confirms that the patron
1975 has the intent to order food prepared, sold, and furnished at the licensed premises.

1976 (b) A limited-service restaurant licensee shall maintain on the licensed premises
1977 adequate culinary facilities for food preparation and dining accommodations.

1978 (9) (a) Subject to the other provisions of this Subsection (9), a patron may not have
1979 more than two alcoholic products of any kind at a time before the patron.

1980 (b) An individual portion of wine is considered to be one alcoholic product under
1981 Subsection (9)(a).

1982 (10) A patron may consume an alcoholic product only:

1983 (a) at:

1984 (i) the patron's table;

1985 (ii) a counter; or

1986 (iii) a seating grandfathered bar structure; and

1987 (b) where food is served.

1988 (11) (a) A limited-service restaurant licensee may not sell, offer for sale, or furnish an
1989 alcoholic product to a patron, and a patron may not consume an alcoholic product at a bar

1990 structure that is not a seating grandfathered bar structure.

1991 (b) At a seating grandfathered bar structure a patron who is 21 years of age or older
1992 may:

1993 (i) sit;

1994 (ii) be furnished an alcoholic product; and

1995 (iii) consume an alcoholic product.

1996 (c) Except as provided in Subsection (11)(d), at a seating grandfathered bar structure a
1997 limited-service restaurant licensee may not permit a minor to, and a minor may not:

1998 (i) sit; or

1999 (ii) consume food or beverages.

2000 (d) (i) A minor may be at a seating grandfathered bar structure if the minor is
2001 employed by a limited-service restaurant licensee:

2002 (A) as provided in Subsection [32B-5-308](#)(2); or

2003 (B) to perform maintenance and cleaning services during an hour when the
2004 limited-service restaurant licensee is not open for business.

2005 (ii) A minor may momentarily pass by a seating grandfathered bar structure without
2006 remaining or sitting at the bar structure en route to an area of a limited-service restaurant
2007 licensee's premises in which the minor is permitted to be.

2008 (12) Except as provided in Subsection [32B-5-307](#)(3), a limited-service restaurant
2009 licensee may dispense an alcoholic product only if:

2010 (a) the alcoholic product is dispensed from:

2011 (i) a grandfathered bar structure;

2012 (ii) an area adjacent to a grandfathered bar structure that is visible to a patron sitting at
2013 the grandfathered bar structure if that area is used to dispense an alcoholic product as of May
2014 12, 2009; or

2015 (iii) an area that is:

2016 (A) separated from an area for the consumption of food by a patron by a solid,
2017 translucent, permanent structural barrier such that the facilities for the storage or dispensing of

2018 an alcoholic product are:

2019 (I) not readily visible to a patron; and

2020 (II) not accessible by a patron; and

2021 (B) apart from an area used:

2022 (I) for dining;

2023 (II) for staging; or

2024 (III) as a lobby or waiting area;

2025 (b) the limited-service restaurant licensee uses an alcoholic product that is:

2026 (i) stored in an area described in Subsection (12)(a); or

2027 (ii) in an area not described in Subsection (12)(a) on the licensed premises and:

2028 (A) immediately before the alcoholic product is dispensed it is in an unopened

2029 container;

2030 (B) the unopened container is taken to an area described in Subsection (12)(a) before it

2031 is opened; and

2032 (C) once opened, the container is stored in an area described in Subsection (12)(a); and

2033 (c) any instrument or equipment used to dispense alcoholic product is located in an

2034 area described in Subsection (12)(a).

2035 (13) A limited-service restaurant licensee may state in a food or alcoholic product

2036 menu a charge or fee made in connection with the sale, service, or consumption of wine or

2037 heavy beer including:

2038 (a) a set-up charge;

2039 (b) a service charge; or

2040 (c) a chilling fee.

2041 ~~[(14) In addition to complying with Subsection 32B-5-301(3), a limited-service~~

2042 ~~restaurant licensee shall display in a conspicuous place at the entrance to the licensed premises~~

2043 ~~a sign approved by the commission that:]~~

2044 ~~[(a) measures at least 8-1/2 inches long and 11 inches wide; and]~~

2045 ~~[(b) clearly states that the limited-service restaurant licensee is a restaurant and not a~~

2046 bar.]

2047 [(15)] (14) Beginning on July 1, 2018, a minor may not sit, remain, or consume food or
2048 beverages within 10 feet of a grandfathered bar structure, unless:

2049 (a) seating within 10 feet of the grandfathered bar structure is the only seating available
2050 in the licensed premises; and

2051 (b) the minor is accompanied by an individual who is 21 years of age or older.

2052 [(16)] (15) Except as provided in Subsection 32B-6-305.2[(18)](16) and Section
2053 32B-6-305.3, the provisions of this section apply before July 1, 2018.

2054 Section 22. Section 32B-6-305.2 is amended to read:

2055 **32B-6-305.2. Specific operational requirements for a limited-service restaurant**
2056 **license -- On and after July 1, 2018, or July 1, 2022.**

2057 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
2058 Requirements, a limited-service restaurant licensee and staff of the limited-service restaurant
2059 licensee shall comply with this section.

2060 (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in
2061 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2062 (i) a limited-service restaurant licensee;

2063 (ii) individual staff of a limited-service restaurant licensee; or

2064 (iii) both a limited-service restaurant licensee and staff of the limited-service restaurant
2065 licensee.

2066 [~~(2) In addition to complying with Subsection 32B-5-301(3), a limited-service~~
2067 ~~restaurant licensee shall display in a conspicuous place at the entrance to the licensed premises~~
2068 ~~a sign approved by the commission that:]~~

2069 [~~(a) measures at least 8-1/2 inches long and 11 inches wide; and]~~

2070 [~~(b) clearly states that the limited-service restaurant licensee is a restaurant and not a~~
2071 ~~bar.]~~

2072 [~~(3) In addition to complying with Section 32B-5-303, a limited-service restaurant~~
2073 ~~licensee shall store an alcoholic product in a storage area described in Subsection (13)(a).]~~

2074 ~~[(4)]~~ (2) (a) An individual who serves an alcoholic product in a limited-service
2075 restaurant licensee's premises shall make a beverage tab for each table or group that orders or
2076 consumes an alcoholic product on the premises.

2077 (b) A beverage tab described in this Subsection ~~[(4)]~~ (2) shall state the type and amount
2078 of each alcoholic product ordered or consumed.

2079 ~~[(5)]~~ (3) A limited-service restaurant licensee may not make an individual's willingness
2080 to serve an alcoholic product a condition of employment with a limited-service restaurant
2081 licensee.

2082 ~~[(6)]~~ (4) (a) A limited-service restaurant licensee may sell, offer for sale, or furnish
2083 wine or heavy beer at the licensed premises during the following time periods only:

2084 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or

2085 (ii) on a weekend or a state or federal legal holiday or for a private event, during the
2086 period that begins at 10:30 a.m. and ends at 11:59 p.m.

2087 (b) A limited-service restaurant licensee may sell, offer for sale, or furnish beer at the
2088 licensed premises during the following time periods only:

2089 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

2090 (ii) on a weekend or a state or federal legal holiday or for a private event, during the
2091 period that begins at 10:30 a.m. and ends at 12:59 a.m.

2092 ~~[(7)]~~ (5) A limited-service restaurant licensee shall maintain at least 70% of the
2093 limited-service restaurant licensee's total restaurant business from the sale of food, which does
2094 not include a service charge.

2095 ~~[(8)]~~ (6) (a) A limited-service restaurant licensee may not ~~[sell, offer for sale, or]~~
2096 furnish an alcoholic product except after:

2097 (i) the patron to whom the limited-service restaurant licensee ~~[sells, offers for sale, or]~~
2098 furnishes the alcoholic product is seated at:

2099 (A) a table that is located in a dining area or a dispensing area;

2100 (B) a counter that is located in a dining area or a dispensing area; or

2101 (C) a dispensing structure that is located in a dispensing area; and

2102 (ii) the limited-service restaurant licensee confirms that the patron intends to:
2103 (A) order food prepared, sold, and furnished at the licensed premises; and
2104 (B) except as provided in Subsection ~~[(8)]~~ (6)(b), consume the food at the same
2105 location where the patron is seated and ~~[sold, offered for sale, or]~~ furnished the alcoholic
2106 product.

2107 (b) (i) While a patron waits for a seat at a table or counter in the dining area of a
2108 limited-service restaurant licensee, the limited-service restaurant licensee may sell, offer for
2109 sale, or furnish to the patron one drink that contains a single portion of an alcoholic product as
2110 described in Section 32B-5-304 if:

2111 (A) the patron is in a dispensing area and seated at a table, counter, or dispensing
2112 structure; and

2113 (B) the limited-service restaurant licensee first confirms that after the patron is seated
2114 in the dining area, the patron intends to order food prepared, sold, and furnished at the licensed
2115 premises.

2116 (ii) If the patron does not finish the patron's alcoholic product before moving to a seat
2117 in the dining area, an employee of the limited-service restaurant licensee who is qualified to
2118 sell and serve an alcoholic product under Section 32B-5-306 shall transport any unfinished
2119 portion of the patron's alcoholic product to the patron's seat in the dining area.

2120 (iii) For purposes of Subsection ~~[(8)]~~ (6)(b)(i) a single portion of wine is 5 ounces or
2121 less.

2122 (c) A limited-service restaurant licensee shall maintain on the licensed premises
2123 adequate culinary facilities for food preparation and dining accommodations.

2124 ~~[(9)]~~ (7) A patron may consume an alcoholic product only if the patron is seated at:

2125 (a) a table that is located in a dining area or a dispensing area;

2126 (b) a counter that is located in a dining area or a dispensing area; or

2127 (c) a dispensing structure located in a dispensing area.

2128 ~~[(10)]~~ (8) (a) Subject to the other provisions of this Subsection ~~[(10)]~~ (8), a patron may
2129 not have more than two alcoholic products of any kind at a time before the patron.

2130 (b) An individual portion of wine is considered to be one alcoholic product under
2131 Subsection ~~[(10)]~~ (8)(a).

2132 ~~[(11)]~~ (9) In accordance with the provisions of this section, an individual who is at
2133 least 21 years of age may consume food and beverages in a dispensing area.

2134 ~~[(12)]~~ (10) (a) Except as provided in Subsection ~~[(12)]~~ (10)(b), a minor may not sit,
2135 remain, or consume food or beverages in a dispensing area.

2136 (b) (i) A minor may be in a dispensing area if the minor is employed by the
2137 limited-service restaurant licensee:

2138 (A) in accordance with Subsection [32B-5-308\(2\)](#); or

2139 (B) to perform maintenance and cleaning services when the limited-service restaurant
2140 licensee is not open for business.

2141 (ii) If there is no alternative route available, a minor may momentarily pass through a
2142 dispensing area without remaining or sitting in the dispensing area en route to an area of the
2143 limited-service restaurant licensee's premises in which the minor is permitted to be.

2144 ~~[(13)]~~ (11) Except as provided in Subsection [32B-5-307\(3\)](#), a limited-service restaurant
2145 licensee may dispense an alcoholic product only if:

2146 (a) the alcoholic product is dispensed from:

2147 (i) a dispensing structure that is located in a dispensing area;

2148 (ii) an area that is:

2149 (A) separated from an area for the consumption of food by a patron by a solid,
2150 translucent, permanent structural barrier such that the facilities for the ~~[storage or]~~ dispensing
2151 of an alcoholic product are not readily visible to a patron and not accessible by a patron; and

2152 (B) apart from an area used for dining, for staging, or as a lobby or waiting area; or

2153 (iii) the premises of a bar licensee that is:

2154 (A) owned by the same person or persons as the limited-service restaurant licensee; and

2155 (B) located immediately adjacent to the premises of the limited-service restaurant

2156 licensee; and

2157 ~~[(b) the limited-service restaurant licensee uses an alcoholic product that is stored in an~~

2158 area described in Subsection (13) (a) or in accordance with Section [32B-5-303](#); and]

2159 ~~[(e)]~~ (b) any instrument or equipment used to dispense alcoholic product is located in

2160 an area described in Subsection ~~[(13)]~~ (11)(a).

2161 ~~[(14)]~~ (12) (a) A limited-service restaurant licensee may have more than one

2162 dispensing area in the licensed premises.

2163 (b) Each dispensing area in a licensed premises may satisfy the requirements for a

2164 dispensing area under Subsection [32B-6-202\(2\)\(a\)\(i\)](#), (ii), or (iii), regardless of how any other

2165 dispensing area in the licensed premises satisfies the requirements for a dispensing area.

2166 ~~[(15)]~~ (13) A limited-service restaurant licensee may not:

2167 (a) transfer, dispense, or serve an alcoholic product on or from a movable cart; or

2168 (b) display an alcoholic product or a product intended to appear like an alcoholic

2169 product by moving a cart or similar device around the licensed premises.

2170 ~~[(16)]~~ (14) A limited-service restaurant licensee may state in a food or alcoholic

2171 product menu a charge or fee made in connection with the sale, service, or consumption of

2172 wine or heavy beer, including:

2173 (a) a set-up charge;

2174 (b) a service charge; or

2175 (c) a chilling fee.

2176 ~~[(17)]~~ (15) (a) In addition to the requirements described in Section [32B-5-302](#), a

2177 limited-service restaurant licensee shall maintain each of the following records for at least three

2178 years:

2179 (i) a record required by Section [32B-5-302](#); and

2180 (ii) a record that the commission requires a limited-service restaurant licensee to use or

2181 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative

2182 Rulemaking Act.

2183 (b) The department shall audit the records of a limited-service restaurant licensee at

2184 least once each calendar year.

2185 ~~[(18)]~~ (16) (a) In accordance with Section [32B-6-305.3](#), a limited-service restaurant

2186 licensee:

2187 (i) may comply with the provisions of this section beginning on or after July 1, 2017;

2188 and

2189 (ii) shall comply with the provisions of this section:

2190 (A) for a limited-service restaurant licensee that does not have a grandfathered bar
2191 structure, on and after July 1, 2018; or

2192 (B) for a limited-service restaurant licensee that has a grandfathered bar structure, on
2193 and after July 1, 2022.

2194 (b) A limited-service restaurant licensee that elects to comply with the provisions of
2195 this section before the latest applicable date described in Subsection ~~[(18)]~~ (16)(a)(ii):

2196 (i) shall comply with each provision of this section; and

2197 (ii) is not required to comply with the provisions of Section 32B-6-305.

2198 Section 23. Section 32B-6-305.4 is enacted to read:

2199 **32B-6-305.4. Small limited-service restaurant licensee -- Exemption.**

2200 (1) Notwithstanding the provisions of Section 32B-6-305 or 32B-6-305.2 and subject
2201 to Subsection (2), a minor may sit, remain, or consume food or beverages in the dispensing
2202 area of a small limited-service restaurant licensee if:

2203 (a) seating in the dispensing area is the only seating available for patrons on the
2204 licensed premises;

2205 (b) the minor is accompanied by an individual who is 21 years of age or older; and

2206 (c) the small limited-service restaurant licensee applies for and obtains approval from
2207 the department to seat minors in the dispensing area in accordance with this section.

2208 (2) A minor may not sit, remain, or consume food or beverages at a dispensing
2209 structure.

2210 (3) The department shall:

2211 (a) grant an approval described in Subsection (1)(c) if the small limited-service
2212 restaurant licensee demonstrates that the small limited-service restaurant licensee meets the
2213 requirements described in Subsection 32B-6-302(5); and

2214 (b) for each application described in Subsection (1)(c) that the department receives on
2215 or before May 8, 2018, act on the application on or before July 1, 2018.

2216 Section 24. Section **32B-6-403** is amended to read:

2217 **32B-6-403. Commission's power to issue bar establishment license.**

2218 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of
2219 an alcoholic product on its premises as a bar establishment licensee, the person shall first
2220 obtain a bar establishment license from the commission in accordance with this part.

2221 (2) The commission may issue a bar establishment license to establish bar
2222 establishment licensed premises at places and in numbers the commission considers proper for
2223 the storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on
2224 premises operated by a bar establishment licensee.

2225 (3) Subject to Section **32B-1-201**:

2226 (a) (i) before July 1, 2018, the commission may not issue a total number of bar
2227 establishment licenses that at any time exceeds the number determined by dividing the
2228 population of the state by 7,850; and

2229 (ii) beginning on July 1, 2018, the commission may not issue a total number of bar
2230 establishment licenses that at any time exceeds the number determined by dividing the
2231 population of the state by [~~10,538~~] 10,200;

2232 (b) the commission may issue a seasonal bar establishment license in accordance with
2233 Section **32B-5-206** to:

2234 (i) a dining club licensee; or

2235 (ii) a bar licensee;

2236 (c) (i) if the location, design, and construction of a hotel may require more than one
2237 dining club license or bar license location within the hotel to serve the public convenience, the
2238 commission may authorize as many as three bar establishment license locations within the
2239 hotel under one bar establishment license if:

2240 (A) the hotel has a minimum of 150 guest rooms;

2241 (B) all locations under the bar establishment license are:

2242 (I) within the same hotel; and
2243 (II) on premises that are managed or operated, and owned or leased, by the bar
2244 establishment licensee; and
2245 (C) the locations under the bar establishment license operate under the same type of bar
2246 establishment license; and
2247 (ii) a facility other than a hotel shall have a separate bar establishment license for each
2248 bar establishment license location where an alcoholic product is sold, offered for sale, or
2249 furnished;
2250 (d) when a business establishment undergoes a change of ownership, the commission
2251 may issue a bar establishment license to the new owner of the business establishment
2252 notwithstanding that there is no bar establishment license available under Subsection (3)(a) if:
2253 (i) the primary business activity at the business establishment before and after the
2254 change of ownership is not the sale, offer for sale, or furnishing of an alcoholic product;
2255 (ii) before the change of ownership there are two or more licensed premises on the
2256 business establishment that operate under a retail license, with at least one of the retail licenses
2257 being a bar establishment license;
2258 (iii) subject to Subsection (3)(e), the licensed premises of the bar establishment license
2259 issued under this Subsection (3)(d) is at the same location where the bar establishment license
2260 licensed premises was located before the change of ownership; and
2261 (iv) the person who is the new owner of the business establishment qualifies for the bar
2262 establishment license, except for there being no bar establishment license available under
2263 Subsection (3)(a); and
2264 (e) if a bar establishment licensee of a bar establishment license issued under
2265 Subsection (3)(d) requests a change of location, the bar establishment licensee may retain the
2266 bar establishment license after the change of location only if on the day on which the bar
2267 establishment licensee seeks a change of location a bar establishment license is available under
2268 Subsection (3)(a).
2269 Section 25. Section **32B-6-404** is amended to read:

2270 **32B-6-404. Types of bar license.**

2271 (1) To obtain an equity license, in addition to meeting the other requirements of this
2272 part, a person shall:

2273 (a) whether incorporated or unincorporated:

2274 (i) be organized and operated solely for a social, recreational, patriotic, or fraternal
2275 purpose;

2276 (ii) have members;

2277 (iii) limit access to its licensed premises to a member or a guest of the member; and

2278 (iv) desire to maintain premises upon which an alcoholic product may be stored, sold
2279 to, offered for sale to, furnished to, and consumed by a member or a guest of a member;

2280 (b) own, maintain, or operate a substantial recreational facility in conjunction with a
2281 club house such as:

2282 (i) a golf course; or

2283 (ii) a tennis facility;

2284 (c) have at least 50% of the total membership having[:(i) full voting rights; and (ii)] an
2285 equal share of the equity of the entity or a right to redemption or refund at the equal value; and

2286 (d) if there is more than one class of membership, have at least one class of
2287 membership that entitles each member in that class to[:(i) full voting rights; and (ii)] an equal
2288 share of the equity of the entity or a right to redemption or refund at the equal value.

2289 (2) To obtain a fraternal license, in addition to meeting the other requirements of this
2290 part, a person shall:

2291 (a) whether incorporated or unincorporated:

2292 (i) be organized and operated solely for a social, recreational, patriotic, or fraternal
2293 purpose;

2294 (ii) have members;

2295 (iii) limit access to its licensed premises to a member or a guest of the member; and

2296 (iv) desire to maintain premises upon which an alcoholic product may be stored, sold
2297 to, offered for sale to, furnished to, and consumed by a member or a guest of a member;

- 2298 (b) have no capital stock;
- 2299 (c) exist solely for:
 - 2300 (i) the benefit of its members and their beneficiaries; and
 - 2301 (ii) a lawful social, intellectual, educational, charitable, benevolent, moral, fraternal,
 - 2302 patriotic, or religious purpose for the benefit of its members or the public, carried on through
 - 2303 voluntary activity of its members in their local lodges;
 - 2304 (d) have a representative form of government;
 - 2305 (e) have a lodge system in which:
 - 2306 (i) there is a supreme governing body;
 - 2307 (ii) subordinate to the supreme governing body are local lodges, however designated,
 - 2308 into which individuals are admitted as members in accordance with the laws of the fraternal;
 - 2309 (iii) the local lodges are required by the laws of the fraternal to hold regular meetings at
 - 2310 least monthly; and
 - 2311 (iv) the local lodges regularly engage in one or more programs involving member
 - 2312 participation to implement the purposes of Subsection (2)(c); and
 - 2313 (f) own or lease a building or space in a building used for lodge activities.
- 2314 (3) To obtain a dining club license, in addition to meeting the other requirements of
- 2315 this part, a person shall:
 - 2316 (a) maintain at least the following percentages of its total club business from the sale of
 - 2317 food, not including mix for alcoholic products, or service charges:
 - 2318 (i) for a dining club license that is issued as an original license on or after July 1, 2011,
 - 2319 60%; and
 - 2320 (ii) for a dining club license that is issued on or before June 30, 2011:
 - 2321 (A) 50% on or before June 30, 2012; and
 - 2322 (B) 60% on and after July 1, 2012; and
 - 2323 (b) obtain a determination by the commission that the person will operate as a dining
 - 2324 club licensee, as part of which the commission may consider:
 - 2325 (i) the square footage and seating capacity of the premises;

- 2326 (ii) what portion of the square footage and seating capacity will be used for a dining
2327 area in comparison to the portion that will be used as a lounge or bar area;
- 2328 (iii) whether full meals including appetizers, main courses, and desserts are served;
- 2329 (iv) whether the person will maintain adequate on-premise culinary facilities to prepare
2330 full meals, except a person who is located on the premise of a hotel or resort facility may use
2331 the culinary facilities of the hotel or resort facility;
- 2332 (v) whether the entertainment provided at the premises is suitable for minors; and
- 2333 (vi) the club management's ability to manage and operate a dining club license
2334 including:
- 2335 (A) management experience;
- 2336 (B) past dining club licensee or restaurant management experience; and
- 2337 (C) the type of management scheme used by the dining club license.
- 2338 (4) To obtain a bar license, a person is required to meet the requirements of this part
2339 except those listed in Subsection (1), (2), or (3).
- 2340 (5) (a) At the time that the commission issues a bar establishment license, the
2341 commission shall designate the type of bar establishment license for which the person qualifies.
- 2342 (b) If requested by a bar establishment licensee, the commission may approve a change
2343 in the type of bar establishment license in accordance with rules made by the commission.
- 2344 (6) To the extent not prohibited by law, this part does not prevent a dining club
2345 licensee or bar licensee from restricting access to the licensed premises on the basis of an
2346 individual:
- 2347 (a) paying a fee; or
- 2348 (b) agreeing to being on a list of individuals who have access to the licensed premises.
- 2349 (7) (a) (i) On or after July 1, 2017, the commission may not issue or renew a dining
2350 club license.
- 2351 (ii) ~~Effective~~ No later than July 1, 2018, the department shall convert each dining
2352 club license to a full-service restaurant license or a bar license in accordance with the
2353 provisions of this Subsection (7).

2354 (b) (i) (A) A person licensed as a dining club on July 1, 2017, shall notify the
2355 department no later than May 31, 2018, whether [~~effective July 1, 2018,~~] the person elects to be
2356 licensed as a full-service restaurant or a bar.

2357 (B) [~~Effective~~] No later than July 1, 2018, the department shall convert a dining club
2358 license to a full-service restaurant license or a bar license in accordance with the dining club
2359 licensee's election under Subsection (7)(b)(i)(A).

2360 (ii) If a dining club licensee fails to timely notify the department in accordance with
2361 Subsection (7)(b)(i), the dining club license is automatically converted to a full-service
2362 restaurant license on July 1, 2018.

2363 (c) Subject to Section [32B-6-404.1](#), after a dining club license converts to a full-service
2364 restaurant license or a bar license, the retail licensee shall operate under the provisions that
2365 govern the full-service restaurant license or the bar license, as applicable.

2366 (d) After a dining club license converts to a full-service restaurant license or a bar
2367 license in accordance with this Subsection (7):

2368 (i) the full-service restaurant license is not considered in determining the total number
2369 of full-service restaurant licenses available under Section [32B-6-203](#); or

2370 (ii) the bar license is not considered in determining the total number of bar
2371 establishment licenses available under Section [32B-6-403](#).

2372 (e) [~~Before~~] Except as provided in Subsections (7)(a) and (b), before July 1, 2018, the
2373 commission may not issue a full-service restaurant license, a limited-service restaurant license,
2374 or a beer-only restaurant license to a person who holds a dining club license on May 9, 2017,
2375 for the same premises.

2376 (f) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2377 commission may make rules establishing a procedure by which a dining club licensee elects
2378 and converts to a full-service restaurant licensee or a bar licensee under this Subsection (7).

2379 Section 26. Section [32B-6-404.1](#) is amended to read:

2380 **[32B-6-404.1. Transition from dining club license to full-service restaurant license.](#)**

2381 (1) As used in this section:

2382 (a) "Converted full-service restaurant licensee" means a dining club licensee that
2383 converts to a full-service restaurant licensee on or before July 1, 2018, in accordance with
2384 Subsection 32B-6-404(7).

2385 (b) "Grandfathered bar structure" means the same as that term is defined in Section
2386 32B-6-202.

2387 (2) (a) Except as provided in Subsection (2)(c)[~~beginning on July 1, 2018~~] and subject
2388 to the provisions of this section, a converted full-service restaurant licensee shall operate under
2389 the provisions that govern a full-service restaurant licensee that has a grandfathered bar
2390 structure.

2391 (b) For purposes of applying the provisions that govern a full-service restaurant
2392 licensee with a grandfathered bar structure, a converted full-service restaurant licensee's bar
2393 structure is considered a grandfathered bar structure.

2394 (c) The provisions of Section 32B-6-205.3 do not apply to a converted full-service
2395 restaurant licensee.

2396 (3) (a) A converted full-service restaurant licensee shall comply with the provisions of
2397 Section 32B-6-205.2 on or before the earlier of:

2398 (i) July 1, 2022;

2399 (ii) the date on which the converted full-service restaurant licensee remodels, as
2400 defined by commission rule made in accordance with Title 63G, Chapter 3, Utah
2401 Administrative Rulemaking Act, the converted full-service restaurant licensee's bar structure or
2402 dining area; or

2403 (iii) the date on which the converted full-service restaurant licensee experiences a
2404 change of ownership described in Subsection 32B-8a-202(1).

2405 (b) Before a converted full-service restaurant licensee changes the converted
2406 full-service restaurant licensee's approved location for storage, dispensing, or consumption to
2407 comply with the provisions of Section 32B-6-205.2, the converted full-service restaurant
2408 licensee shall submit an application for approval to the department in accordance with
2409 Subsection 32B-5-303(3).

2410 (c) A converted full-service restaurant licensee that cannot comply with the provisions
 2411 of Section 32B-6-205.2 without a change to the converted full-service restaurant licensee's
 2412 approved location for storage, dispensing, or consumption shall submit an application for
 2413 approval described in Subsection (3)(b) on or before May 1, 2022.

2414 (4) (a) Notwithstanding any provision to the contrary, a converted full-service
 2415 restaurant licensee shall maintain at least the following percentage of the converted full-service
 2416 restaurant licensee's total restaurant business from the sale of food:

2417 (i) beginning [~~July 1, 2018~~] the day on which the licensee becomes a converted
 2418 full-service restaurant licensee, and ending June 30, 2019, 64%;

2419 (ii) beginning July 1, 2019, and ending June 30, 2020, 68%; and

2420 (iii) on and after July 1, 2021, 70%.

2421 (b) For purposes of Subsection (4)(a), a converted full-service restaurant licensee's
 2422 restaurant business from the sale of food does not include:

2423 (i) mix for an alcoholic product; or

2424 (ii) a service charge.

2425 Section 27. Section 32B-6-406 is amended to read:

2426 **32B-6-406. Specific operational requirements for a bar establishment license.**

2427 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
 2428 Requirements, a bar establishment licensee and staff of the bar establishment licensee shall
 2429 comply with this section.

2430 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
 2431 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2432 (i) a bar establishment licensee;

2433 (ii) individual staff of a bar establishment licensee; or

2434 (iii) both a bar establishment licensee and staff of the bar establishment licensee.

2435 (2) In addition to complying with Subsection 32B-5-301(3), a bar licensee shall display
 2436 in a conspicuous place at the entrance to the licensed premises a sign [~~approved by the~~
 2437 ~~commission~~] that:

- 2438 (a) measures at least 8-1/2 inches long and 11 inches wide; and
- 2439 (b) clearly states that the bar licensee is a bar and ~~[not a restaurant]~~ that no one under
- 2440 21 years of age is allowed.
- 2441 (3) (a) In addition to complying with Section 32B-5-302, a bar establishment licensee
- 2442 shall maintain for a minimum of three years:
- 2443 (i) a record required by Section 32B-5-302; and
- 2444 (ii) a record maintained or used by the bar establishment licensee, as the department
- 2445 requires.
- 2446 (b) Section 32B-1-205 applies to a record required to be made, maintained, or used in
- 2447 accordance with this Subsection (3).
- 2448 (c) The department shall audit the records of a bar establishment licensee at least once
- 2449 annually.
- 2450 (4) (a) A bar establishment licensee may not sell, offer for sale, or furnish liquor on the
- 2451 licensed premises on any day during a period that:
- 2452 (i) begins at 1 a.m.; and
- 2453 (ii) ends at 9:59 a.m.
- 2454 (b) A bar establishment licensee may sell, offer for sale, or furnish beer during the
- 2455 hours specified in Part 7, On-Premise Beer Retailer License, for an on-premise beer retailer
- 2456 license.
- 2457 (c) (i) Notwithstanding Subsections (4)(a) and (b), a bar establishment licensee shall
- 2458 keep its licensed premises open for one hour after the bar establishment licensee ceases the sale
- 2459 and furnishing of an alcoholic product during which time a patron of the bar establishment
- 2460 licensee may finish consuming:
- 2461 (A) a single drink containing spirituous liquor;
- 2462 (B) a single serving of wine not exceeding five ounces;
- 2463 (C) a single serving of heavy beer;
- 2464 (D) a single serving of beer not exceeding 26 ounces; or
- 2465 (E) a single serving of a flavored malt beverage.

- 2466 (ii) A bar establishment licensee is not required to remain open:
2467 (A) after all patrons have vacated the premises; or
2468 (B) during an emergency.
- 2469 (5) (a) A minor may not be admitted into, use, or be in:
2470 (i) a lounge or bar area of the premises of:
2471 (A) an equity licensee;
2472 (B) a fraternal licensee; or
2473 (C) a dining club licensee; or
2474 (ii) the premises of:
2475 (A) a dining club licensee unless accompanied by an individual who is 21 years of age
2476 or older; or
2477 (B) a bar licensee, except to the extent provided for under Section [32B-6-406.1](#).
2478 (b) Notwithstanding Section [32B-5-308](#), a bar establishment licensee may not employ a
2479 minor to:
2480 (i) work in a lounge or bar area of an equity licensee, fraternal licensee, or dining club
2481 licensee; or
2482 (ii) handle an alcoholic product.
2483 (c) Notwithstanding Section [32B-5-308](#), a minor may not be employed on the licensed
2484 premises of a bar licensee.
2485 (d) Nothing in this part or Section [32B-5-308](#) precludes a local authority from being
2486 more restrictive of a minor's admittance to, use of, or presence on the licensed premises of a bar
2487 establishment licensee.
- 2488 (6) A bar establishment licensee shall have food available at all times when an
2489 alcoholic product is sold, offered for sale, furnished, or consumed on the licensed premises.
- 2490 (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have
2491 more than two alcoholic products of any kind at a time before the patron.
- 2492 (b) A patron may not have two spirituous liquor drinks before the bar establishment
2493 licensee patron if one of the spirituous liquor drinks consists only of the primary spirituous

2494 liquor for the other spirituous liquor drink.

2495 (c) An individual portion of wine is considered to be one alcoholic product under
2496 Subsection (7)(a).

2497 (8) A bar establishment licensee shall have available on the premises for a patron to
2498 review at the time that the patron requests it, a written alcoholic product price list or a menu
2499 containing the price of an alcoholic product sold, offered for sale, or furnished by the bar
2500 establishment licensee including:

2501 (a) a set-up charge;

2502 (b) a service charge; or

2503 (c) a chilling fee.

2504 (9) Subject to Section [32B-5-309](#), a bar establishment licensee may not temporarily
2505 rent or otherwise temporarily lease its premises to a person unless:

2506 (a) the person to whom the bar establishment licensee rents or leases the premises
2507 agrees in writing to comply with this title as if the person is the bar establishment licensee,
2508 except for a requirement related to making or maintaining a record; and

2509 (b) the bar establishment licensee takes reasonable steps to ensure that the person
2510 complies with this section as provided in Subsection (9)(a).

2511 (10) If a bar establishment licensee is an equity licensee or fraternal licensee, the bar
2512 establishment licensee shall comply with Section [32B-6-407](#).

2513 (11) If a bar establishment licensee is a dining club licensee or bar licensee, the bar
2514 establishment licensee shall comply with Section [32B-1-407](#).

2515 (12) (a) A bar establishment licensee shall own or lease premises suitable for the bar
2516 establishment licensee's activities.

2517 (b) A bar establishment licensee may not maintain licensed premises in a manner that
2518 barricades or conceals the bar establishment licensee's operation.

2519 Section 28. Section **32B-6-409** is amended to read:

2520 **32B-6-409. Conversion from dining club license to different type of retail license.**

2521 (1) In accordance with this section, a dining club licensee may convert its dining club

2522 license to a different type of retail license, including a different type of club license during the
2523 time period:

2524 (a) beginning on July 1, 2011; and

2525 (b) ending on June 30, 2013.

2526 (2) A dining club licensee may convert its dining license only to a retail license for
2527 which the dining club licensee qualifies.

2528 (3) The commission shall provide a procedure for a dining club to convert to a different
2529 type of retail license as provided in this section by rule made in accordance with Title 63G,
2530 Chapter 3, Utah Administrative Rulemaking Act.

2531 (4) After a dining club license is converted to another type of retail license, the retail
2532 licensee shall operate under the provisions relevant to the type of retail license held by the retail
2533 licensee~~[, except that, in accordance with Section 32B-1-201, the retail license is not~~
2534 ~~considered in determining the total number of licenses available for that type of retail license]~~.

2535 (5) If a dining club license is converted to full-service restaurant license,
2536 limited-service restaurant license, or beer-only restaurant license, the bar structure of the dining
2537 club is considered:

2538 (a) a seating grandfathered bar structure for purposes of a full-service restaurant license
2539 or a limited-service restaurant license; or

2540 (b) a grandfathered bar structure for purposes of a beer-only restaurant license.

2541 Section 29. Section **32B-6-503** is amended to read:

2542 **32B-6-503. Commission's power to issue airport lounge license.**

2543 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of
2544 an alcoholic product on its premises as an airport lounge licensee, the person shall first obtain
2545 an airport lounge license from the commission in accordance with this part.

2546 (2) The commission may issue an airport lounge license to establish airport lounge
2547 licensed premises beyond the security point at an international airport and in the numbers the
2548 commission considers proper for the storage, sale, offer for sale, furnishing, and consumption
2549 of an alcoholic product on licensed premises operated as an airport lounge.

2550 (3) (a) The commission may not issue a total number of airport lounge licenses for an
2551 international airport that at any time exceed one airport lounge license for each [~~2,500,000~~
2552 1,750,000 of total passengers at the international airport.

2553 (b) Notwithstanding Subsection (3)(a), the commission may not reduce the total
2554 number of airport lounge licenses unless:

2555 (i) the commission determines that the number of total passengers is reduced by more
2556 than 25% from the last day on which the commission determined the total number of airport
2557 lounge licenses allowed for that international airport under this Subsection (3); and

2558 (ii) the reduction can be accomplished without the international airport terminating a
2559 lease for an airport lounge before:

2560 (A) the expiration of the lease;

2561 (B) the airport lounge undergoes a change of ownership; or

2562 (C) the airport lounge ceases operations.

2563 Section 30. Section **32B-6-605** is amended to read:

2564 **32B-6-605. Specific operational requirements for on-premise banquet license.**

2565 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
2566 Requirements, an on-premise banquet licensee and staff of the on-premise banquet licensee
2567 shall comply with this section.

2568 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
2569 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2570 (i) an on-premise banquet licensee;

2571 (ii) individual staff of an on-premise banquet licensee; or

2572 (iii) both an on-premise banquet licensee and staff of the on-premise banquet licensee.

2573 (2) An on-premise banquet licensee shall comply with Subsections **32B-5-301(4)** and
2574 **(5)** for the entire premises of the hotel, resort facility, sports center, or convention center that is
2575 the basis for the on-premise banquet license.

2576 (3) (a) For the purpose described in Subsection (3)(b), an on-premise banquet licensee
2577 shall provide the department with advance notice of a scheduled banquet in accordance with

2578 rules made by the commission.

2579 (b) Any of the following may conduct a random inspection of a banquet:

2580 (i) an authorized representative of the commission or the department; or

2581 (ii) a law enforcement officer.

2582 (4) (a) An on-premise banquet licensee is not subject to Section [32B-5-302](#), but shall
2583 make and maintain the records the commission or department requires.

2584 (b) Section [32B-1-205](#) applies to a record required to be made or maintained in
2585 accordance with this Subsection (4).

2586 (5) (a) Except as otherwise provided in this title, an on-premise banquet licensee may
2587 sell, offer for sale, or furnish an alcoholic product at a banquet only for consumption at the
2588 location of the banquet.

2589 (b) ~~[A]~~ Except as provided in Subsection [32B-5-307\(4\)](#), a host of a banquet, a patron,
2590 or a person other than the on-premise banquet licensee or staff of the on-premise banquet
2591 licensee, may not remove an alcoholic product from the premises of the banquet.

2592 (c) Notwithstanding ~~[Section [32B-5-307](#)]~~ Subsection [32B-5-307\(3\)](#) and except as
2593 provided in Subsection [32B-5-307\(4\)](#), a patron at a banquet may not bring an alcoholic product
2594 into or onto, or remove an alcoholic product from, the premises of a banquet.

2595 (6) (a) An on-premise banquet licensee may not leave an unsold alcoholic product at
2596 the banquet following the conclusion of the banquet.

2597 (b) At the conclusion of a banquet, an on-premise banquet licensee shall:

2598 (i) destroy an opened and unused alcoholic product that is not saleable, under
2599 conditions established by the department; and

2600 (ii) return to the on-premise banquet licensee's approved locked storage area any:

2601 (A) opened and unused alcoholic product that is saleable; and

2602 (B) unopened container of an alcoholic product.

2603 (c) Except as provided in Subsection (6)(b) with regard to an open or sealed container
2604 of an alcoholic product not sold or consumed at a banquet, an on-premise banquet licensee:

2605 (i) shall store the alcoholic product in the on-premise banquet licensee's approved

2606 locked storage area; and

2607 (ii) may use the alcoholic product at more than one banquet.

2608 (7) Notwithstanding Section 32B-5-308, an on-premise banquet licensee may not
2609 employ a minor to sell, furnish, or dispense an alcoholic product in connection with the
2610 on-premise banquet licensee's banquet and room service activities.

2611 (8) An on-premise banquet licensee may not sell, offer for sale, or furnish an alcoholic
2612 product at a banquet or in connection with room service any day during a period that:

2613 (a) begins at 1 a.m.; and

2614 (b) ends at 9:59 a.m.

2615 (9) An on-premise banquet licensee shall maintain at least 50% of its total annual
2616 banquet gross receipts from the sale of food, not including:

2617 (a) mix for an alcoholic product; and

2618 (b) a charge in connection with the furnishing of an alcoholic product.

2619 (10) (a) Subject to the other provisions of this Subsection (10), a patron may not have
2620 more than two alcoholic products of any kind at a time before the patron.

2621 (b) A patron may not have more than one spirituous liquor drink at a time before the
2622 patron.

2623 (c) An individual portion of wine is considered to be one alcoholic product under
2624 Subsection (10)(a).

2625 (11) (a) An on-premise banquet licensee shall supervise and direct a person involved in
2626 the sale, offer for sale, or furnishing of an alcoholic product.

2627 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product
2628 shall complete an alcohol training and education seminar.

2629 (12) A staff person of an on-premise banquet licensee shall remain at the banquet at all
2630 times when an alcoholic product is sold, offered for sale, furnished, or consumed at the
2631 banquet.

2632 (13) (a) Room service of an alcoholic product to a guest room of a hotel or resort
2633 facility shall be provided in person by staff of an on-premise banquet licensee only to an adult

2634 guest in the guest room.

2635 (b) An alcoholic product may not be left outside a guest room for retrieval by a guest.

2636 Section 31. Section **32B-6-605.1** is enacted to read:

2637 **32B-6-605.1. Department study -- Rulemaking authority.**

2638 (1) The department shall:

2639 (a) study the use of banquet catering contracts and the operation of on-premise banquet
2640 licenses under the provisions of this part; and

2641 (b) no later than November 30, 2018, submit a written report to the Business and Labor
2642 Interim Committee that:

2643 (i) identifies any issues the department discovers during the study described in

2644 Subsection (1)(a); and

2645 (ii) recommends possible legislative solutions to the issues, if any.

2646 (2) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
2647 commission may make rules establishing:

2648 (a) required terms in a contract between the host of a banquet and an on-premise
2649 banquet licensee; and

2650 (b) size requirements for a location of a banquet.

2651 Section 32. Section **32B-6-902** is amended to read:

2652 **32B-6-902. Definitions.**

2653 (1) As used in this part:

2654 (a) (i) "Dining area" means an area in the licensed premises of a beer-only restaurant
2655 licensee that is primarily used for the service and consumption of food by one or more patrons.

2656 (ii) "Dining area" does not include a dispensing area.

2657 (b) (i) "Dispensing area" means an area in the licensed premises of a beer-only
2658 restaurant licensee where a dispensing structure is located and that:

2659 (A) is physically separated from the dining area and any waiting area by a structure or
2660 other barrier that prevents a patron seated in the dining area or a waiting area from viewing the
2661 dispensing of beer;

2662 (B) except as provided in Subsection (1)(b)(ii), measures at least 10 feet from [~~any area~~
2663 ~~where beer is dispensed to]~~ the dining area and any waiting area~~[, measured from the point of~~
2664 ~~the area where beer is dispensed that is closest to the dining area or waiting area]~~ to the nearest
2665 edge of the dispensing structure; or

2666 (C) is physically separated from the dining area and any waiting area by a permanent
2667 physical structure that complies with the provisions of Title 15A, State Construction and Fire
2668 Codes Act, and, to the extent allowed under Title 15A, State Construction and Fire Codes Act,
2669 measures at least 42 inches high, and at least 60 inches from the inside edge of the barrier to
2670 the nearest edge of the dispensing structure.

2671 (ii) "Dispensing area" does not include any area described in Subsection (1)(b)(i)(B)
2672 that is less than 10 feet from an area where alcoholic product is dispensed, but from which a
2673 patron seated at a table or counter cannot view the dispensing of alcoholic product.

2674 (c) "Grandfathered bar structure" means a bar structure in a licensed premises of a
2675 beer-only restaurant licensee that:

2676 (i) was licensed as an on-premise beer retailer as of August 1, 2011, and as of August
2677 1, 2011:

2678 (A) is operational;

2679 (B) has facilities for the dispensing or storage of an alcoholic product that do not meet
2680 the requirements of Subsection 32B-6-905(12)(a)(ii); and

2681 (C) in accordance with Subsection 32B-6-703(2)(e), notifies the department that
2682 effective March 1, 2012, the on-premise beer retailer licensee will seek to be licensed as a
2683 beer-only restaurant; or

2684 (ii) is a bar structure grandfathered under Section 32B-6-409.

2685 (d) "Grandfathered bar structure" does not include a grandfathered bar structure
2686 described in Subsection (1)(a) on or after the day on which a restaurant remodels the
2687 grandfathered bar structure, as defined by rule made by the commission.

2688 (e) "Small beer-only restaurant licensee" means a beer-only restaurant licensee that has
2689 a grandfathered bar structure whose dispensing area includes more than 45% of the available

2690 seating for patrons on the licensed premises, excluding outdoor seating:

2691 (i) when measured in accordance with Subsection (1)(b)(i)(B); and

2692 (ii) based on the licensee's floor plan on file with the department on July 1, 2017.

2693 ~~(e)~~ (f) "Waiting area" includes a lobby.

2694 (2) Subject to Subsection (1)(d), a grandfathered bar structure remains a grandfathered
2695 bar structure notwithstanding whether a restaurant undergoes a change of ownership.

2696 Section 33. Section **32B-6-905** is amended to read:

2697 **32B-6-905. Specific operational requirements for a beer-only restaurant license --**
2698 **Before July 1, 2018, or July 1, 2022.**

2699 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
2700 Requirements, a beer-only restaurant licensee and staff of the beer-only restaurant licensee
2701 shall comply with this section.

2702 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
2703 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

2704 (i) a beer-only restaurant licensee;

2705 (ii) individual staff of a beer-only restaurant licensee; or

2706 (iii) both a beer-only restaurant licensee and staff of the beer-only restaurant licensee.

2707 (2) (a) A beer-only restaurant licensee on the licensed premises may not sell, offer for
2708 sale, furnish, or allow consumption of liquor.

2709 (b) Liquor may not be on the premises of a beer-only restaurant licensee except for use:

2710 (i) as a flavoring on a dessert; and

2711 (ii) in the preparation of a flaming food dish, drink, or dessert.

2712 (3) In addition to complying with Section **32B-5-303**, a beer-only restaurant licensee
2713 shall store beer in a storage area described in Subsection (12)(a).

2714 (4) (a) An individual who serves beer in a beer-only restaurant licensee's premises shall
2715 make a written beverage tab for each table or group that orders or consumes an alcoholic
2716 product on the premises.

2717 (b) A beverage tab required by this Subsection (4) shall list the type and amount of

2718 beer ordered or consumed.

2719 (5) A person's willingness to serve beer may not be made a condition of employment as
2720 a server with a beer-only restaurant licensee.

2721 (6) A beer-only restaurant licensee may sell, offer for sale, or furnish beer at the
2722 licensed premises during the following time periods only:

2723 (a) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

2724 (b) on a weekend or a state or federal legal holiday or for a private event, during the
2725 period that begins at 10:30 a.m. and ends at 12:59 a.m.

2726 (7) A beer-only restaurant licensee shall maintain at least 70% of its total restaurant
2727 business from the sale of food, which does not include a service charge.

2728 (8) (a) A beer-only restaurant may not sell, offer for sale, or furnish beer except after
2729 the beer-only restaurant licensee confirms that the patron has the intent to order food prepared,
2730 sold, and furnished at the licensed premises.

2731 (b) A beer-only restaurant shall maintain on the licensed premises adequate culinary
2732 facilities for food preparation and dining accommodations.

2733 (9) A patron may not have more than two beers at a time before the patron.

2734 (10) A patron may consume a beer only:

2735 (a) at:

2736 (i) the patron's table;

2737 (ii) a grandfathered bar structure; or

2738 (iii) a counter; and

2739 (b) where food is served.

2740 (11) (a) A beer-only restaurant licensee may not sell, offer for sale, or furnish a beer to
2741 a patron, and a patron may not consume an alcoholic product at a bar structure.

2742 (b) Notwithstanding Subsection (11)(a), at a grandfathered bar structure, a patron who
2743 is 21 years of age or older may:

2744 (i) sit;

2745 (ii) be furnished a beer; and

- 2746 (iii) consume a beer.
- 2747 (c) Except as provided in Subsection (11)(d), at a grandfathered bar structure, a
- 2748 beer-only restaurant licensee may not permit a minor to, and a minor may not:
- 2749 (i) sit; or
- 2750 (ii) consume food or beverages.
- 2751 (d) (i) A minor may be at a grandfathered bar structure if the minor is employed by a
- 2752 beer-only restaurant licensee:
- 2753 (A) as provided in Subsection 32B-5-308(2); or
- 2754 (B) to perform maintenance and cleaning services during an hour when the beer-only
- 2755 restaurant licensee is not open for business.
- 2756 (ii) A minor may momentarily pass by a grandfathered bar structure without
- 2757 remaining or sitting at the bar structure en route to an area of a beer-only restaurant licensee's
- 2758 premises in which the minor is permitted to be.
- 2759 (12) A beer-only restaurant licensee may dispense a beer only if:
- 2760 (a) the beer is dispensed from an area that is:
- 2761 (i) a grandfathered bar structure; or
- 2762 (ii) separated from an area for the consumption of food by a patron by a solid,
- 2763 translucent, permanent structural barrier such that the facilities for the storage or dispensing of
- 2764 an alcoholic product are not readily visible to a patron, not accessible by a patron, and apart
- 2765 from an area used for dining, for staging, or as a lobby or waiting area;
- 2766 (b) the beer-only restaurant licensee uses a beer that is:
- 2767 (i) stored in an area described in Subsection (12)(a); or
- 2768 (ii) in an area not described in Subsection (12)(a) on the licensed premises and:
- 2769 (A) immediately before the beer is dispensed it is in an unopened container;
- 2770 (B) the unopened container is taken to an area described in Subsection (12)(a) before it
- 2771 is opened; and
- 2772 (C) once opened, the container is stored in an area described in Subsection (12)(a); and
- 2773 (c) any instrument or equipment used to dispense the beer is located in an area

2774 described in Subsection (12)(a).

2775 ~~[(13) In addition to complying with Subsection 32B-5-301(3), a beer-only restaurant~~
2776 ~~licensee shall display in a conspicuous place at the entrance to the licensed premises a sign~~
2777 ~~approved by the commission that:]~~

2778 ~~[(a) measures at least 8-1/2 inches long and 11 inches wide, and]~~

2779 ~~[(b) clearly states that the beer-only restaurant licensee is a restaurant and not a bar.]~~

2780 ~~[(14)]~~ (13) Beginning on July 1, 2018, a minor may not sit, remain, or consume food or
2781 beverages within 10 feet of a grandfathered bar structure, unless:

2782 (a) seating within 10 feet of the grandfathered bar structure is the only seating available
2783 in the licensed premises; and

2784 (b) the minor is accompanied by an individual who is 21 years of age or older.

2785 ~~[(15)]~~ (14) Except as provided in Subsection 32B-6-905.1~~[(18)]~~(16) and Section
2786 32B-6-905.2, the provisions of this section apply before July 1, 2018.

2787 Section 34. Section 32B-6-905.1 is amended to read:

2788 **32B-6-905.1. Specific operational requirements for a beer-only restaurant license**
2789 **-- On and after July 1, 2018, or July 1, 2022.**

2790 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
2791 Requirements, a beer-only restaurant licensee and staff of the beer-only restaurant licensee
2792 shall comply with this section.

2793 (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in
2794 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

- 2795 (i) a beer-only restaurant licensee;
- 2796 (ii) individual staff of a beer-only restaurant licensee; or
- 2797 (iii) both a beer-only restaurant licensee and staff of the beer-only restaurant licensee.

2798 (2) (a) A beer-only restaurant licensee on the licensed premises may not sell, offer for
2799 sale, furnish, or allow consumption of liquor.

2800 (b) Liquor may not be on the premises of a beer-only restaurant licensee except for use:

- 2801 (i) as a flavoring on a dessert; and

2802 (ii) in the preparation of a flaming food dish, drink, or dessert.

2803 [~~(3)~~] In addition to complying with Section ~~32B-5-303~~, a beer-only restaurant licensee
2804 shall store beer in a storage area described in Subsection (13)(a).]

2805 [~~(4)~~] (3) (a) An individual who serves beer in a beer-only restaurant licensee's premises
2806 shall make a beverage tab for each table or group that orders or consumes an alcoholic product
2807 on the premises.

2808 (b) A beverage tab described in this Subsection [~~(4)~~] (3) shall state the type and amount
2809 of each alcoholic product ordered or consumed.

2810 [~~(5)~~] (4) A beer-only restaurant licensee may not make an individual's willingness to
2811 serve beer a condition of employment as a server with a beer-only restaurant licensee.

2812 [~~(6)~~] (5) A beer-only restaurant licensee may sell, offer for sale, or furnish beer at the
2813 licensed premises during the following time periods only:

2814 (a) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

2815 (b) on a weekend or a state or federal legal holiday or for a private event, during the
2816 period that begins at 10:30 a.m. and ends at 12:59 a.m.

2817 [~~(7)~~] (6) A beer-only restaurant licensee shall maintain at least 70% of the beer-only
2818 restaurant licensee's total restaurant business from the sale of food, which does not include a
2819 service charge.

2820 [~~(8)~~] (7) (a) A beer-only restaurant licensee may not [~~sell, offer for sale, or~~] furnish
2821 beer except after:

2822 (i) the patron to whom the beer-only restaurant licensee [~~sells, offers for sale, or~~]
2823 furnishes the beer is seated at:

2824 (A) a table that is located in a dining area or a dispensing area;

2825 (B) a counter that is located in a dining area or a dispensing area; or

2826 (C) a dispensing structure that is located in a dispensing area; and

2827 (ii) the beer-only restaurant licensee confirms that the patron intends to:

2828 (A) order food prepared, sold, and furnished at the licensed premises; and

2829 (B) except as provided in Subsection [~~(8)~~] (7)(b), consume the food at the same

2830 location where the patron is seated and ~~[sold, offered for sale, or]~~ furnished the beer.

2831 (b) (i) While a patron waits for a seat at a table or counter in the dining area of a
2832 beer-only restaurant licensee, the beer-only restaurant licensee may sell, offer for sale, or
2833 furnish to the patron one portion of beer as described in Section [32B-5-304](#) if:

2834 (A) the patron is in a dispensing area and seated at a table, counter, or dispensing
2835 structure; and

2836 (B) the beer-only restaurant licensee first confirms that after the patron is seated in the
2837 dining area, the patron intends to order food prepared, sold, and furnished at the licensed
2838 premises.

2839 (ii) If the patron does not finish the patron's beer before moving to a seat in the dining
2840 area, an employee of the beer-only restaurant licensee who is qualified to sell and serve an
2841 alcoholic product under Section [32B-5-306](#) shall transport any unfinished portion of the
2842 patron's beer to the patron's seat in the dining area.

2843 (c) A beer-only restaurant licensee shall maintain on the licensed premises adequate
2844 culinary facilities for food preparation and dining accommodations.

2845 ~~[(9)]~~ (8) A patron may consume a beer only at:

2846 (a) a table that is located in a dining area or a dispensing area;

2847 (b) a counter that is located in a dining area or a dispensing area; or

2848 (c) a dispensing structure located in a dispensing area.

2849 ~~[(10)]~~ (9) A patron may not have more than two beers at a time before the patron.

2850 ~~[(11)]~~ (10) In accordance with the provisions of this section, an individual who is at
2851 least 21 years of age may consume food and beverages in a dispensing area.

2852 ~~[(12)]~~ (11) (a) Except as provided in Subsection ~~[(12)]~~ (11)(b), a minor may not sit,
2853 remain, or consume food or beverages in a dispensing area.

2854 (b) (i) A minor may be in a dispensing area if the minor is employed by the beer-only
2855 restaurant licensee:

2856 (A) in accordance with Subsection [32B-5-308](#)(2); or

2857 (B) to perform maintenance and cleaning services when the beer-only restaurant

2858 licensee is not open for business.

2859 (ii) If there is no alternative route available, a minor may momentarily pass through a
2860 dispensing area without remaining or sitting in the dispensing area en route to an area of the
2861 beer-only restaurant licensee's premises in which the minor is permitted to be.

2862 [~~(13)~~] (12) A beer-only restaurant licensee may dispense a beer only if:

2863 (a) the beer is dispensed from:

2864 (i) a dispensing structure that is located in a dispensing area;

2865 (ii) an area that is:

2866 (A) separated from an area for the consumption of food by a patron by a solid,
2867 translucent, permanent structural barrier such that the facilities for the ~~[storage or]~~ dispensing
2868 of an alcoholic product are not readily visible to a patron, not accessible by a patron; and

2869 (B) apart from an area used for dining, for staging, or as a lobby or waiting area; or

2870 (iii) the premises of a bar licensee that is:

2871 (A) owned by the same person or persons as the beer-only restaurant licensee; and

2872 (B) located immediately adjacent to the premises of the beer-only restaurant licensee;

2873 and

2874 [~~(b) the beer-only restaurant licensee uses a beer that is stored in an area described in~~
2875 ~~Subsection (13)(a) or in accordance with Section [32B-5-303](#); and]~~

2876 [~~(c)~~] (b) any instrument or equipment used to dispense the beer is located in an area
2877 described in Subsection [~~(13)~~] (12)(a).

2878 [~~(14)~~] (13) (a) A beer-only restaurant licensee may have more than one dispensing area
2879 in the licensed premises.

2880 (b) Each dispensing area in a licensed premises may satisfy the requirements for a
2881 dispensing area under Subsection [~~32B-6-202~~] [32B-6-902](#)(1)(b)(i)(A), (B), or (C), regardless of
2882 how any other dispensing area in the licensed premises satisfies the requirements for a
2883 dispensing area.

2884 [~~(15)~~] (14) A beer-only restaurant licensee may not transfer, dispense, or serve beer on
2885 or from a movable cart.

2886 ~~[(16)]~~ (15) (a) In addition to the requirements described in Section 32B-5-302, a
2887 beer-only restaurant licensee shall maintain each of the following records for at least three
2888 years:

2889 (i) a record required by Section 32B-5-302; and

2890 (ii) a record that the commission requires a beer-only restaurant licensee to use or
2891 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative
2892 Rulemaking Act.

2893 (b) The department shall audit the records of a beer-only restaurant licensee at least
2894 once each calendar year.

2895 ~~[(17) A beer-only restaurant licensee shall display in a conspicuous place at the
2896 entrance to the licensed premises a sign approved by the commission that:]~~

2897 ~~[(a) measures at least 8-1/2 inches long and 11 inches wide; and]~~

2898 ~~[(b) clearly states that the beer-only restaurant licensee is a restaurant and not a bar.]~~

2899 ~~[(18)]~~ (16) (a) In accordance with Section 32B-6-905.2, a beer-only restaurant licensee:

2900 (i) may comply with the provisions of this section beginning on or after July 1, 2017;

2901 and

2902 (ii) shall comply with the provisions of this section:

2903 (A) for a beer-only restaurant licensee that does not have a grandfathered bar structure,
2904 on and after July 1, 2018; or

2905 (B) for a beer-only restaurant licensee that has a grandfathered bar structure, on and
2906 after July 1, 2022.

2907 (b) A beer-only restaurant licensee that elects to comply with the provisions of this
2908 section before the latest applicable date described in Subsection ~~[(18)]~~ (16)(a)(ii):

2909 (i) shall comply with each provision of this section; and

2910 (ii) is not required to comply with the provisions of Section 32B-6-905.

2911 Section 35. Section 32B-6-905.3 is enacted to read:

2912 **32B-6-905.3. Small beer-only restaurant licensee -- Exemption.**

2913 (1) Notwithstanding the provisions of Section 32B-6-905 or 32B-6-905.2 and subject

2914 to Subsection (2), a minor may sit, remain, or consume food or beverages in the dispensing
2915 area of a small beer-only restaurant licensee if:

2916 (a) seating in the dispensing area is the only seating available for patrons on the
2917 licensed premises;

2918 (b) the minor is accompanied by an individual who is 21 years of age or older; and

2919 (c) the small beer-only restaurant licensee applies for and obtains approval from the
2920 department to seat minors in the dispensing area in accordance with this section.

2921 (2) A minor may not sit, remain, or consume food or beverages at a dispensing
2922 structure.

2923 (3) The department shall:

2924 (a) grant an approval described in Subsection (1)(c) if the small beer-only restaurant
2925 licensee demonstrates that the small beer-only restaurant licensee meets the requirements
2926 described in Subsection [32B-6-902\(1\)\(e\)](#); and

2927 (b) for each application described in Subsection (1)(c) that the department receives on
2928 or before May 8, 2018, act on the application on or before July 1, 2018.

2929 Section 36. Section **32B-7-202** is amended to read:

2930 **32B-7-202. General operational requirements for off-premise beer retailer.**

2931 (1) (a) An off-premise beer retailer or staff of the off-premise beer retailer shall comply
2932 with the provisions of this title and any applicable rules made by the commission.

2933 (b) Failure to comply with this section may result in a suspension or revocation of a
2934 local license and, on or after July 1, 2018, disciplinary action in accordance with Chapter 3,
2935 Disciplinary Actions and Enforcement Act.

2936 (2) (a) (i) An off-premise beer retailer may not purchase, acquire, possess for the
2937 purpose of resale, or sell beer, except beer that the off-premise beer retailer lawfully purchases
2938 from:

2939 (A) a beer wholesaler licensee; or

2940 (B) a small brewer that manufactures the beer.

2941 (ii) A violation of Subsection (2)(a) is a class A misdemeanor.

2942 (b) (i) If an off-premise beer retailer purchases beer under this Subsection (2) from a
2943 beer wholesaler licensee, the off-premise beer retailer shall purchase beer only from a beer
2944 wholesaler licensee who is designated by the manufacturer to sell beer in the geographical area
2945 in which the off-premise beer retailer is located, unless an alternate wholesaler is authorized by
2946 the department to sell to the off-premise beer retailer as provided in Section [32B-13-301](#).

2947 (ii) A violation of Subsection (2)(b) is a class B misdemeanor.

2948 (3) An off-premise beer retailer may not possess, sell, offer for sale, or furnish beer in a
2949 container larger than two liters.

2950 (4) (a) Staff of an off-premise beer retailer, while on duty, may not:

2951 (i) consume an alcoholic product; or

2952 (ii) be intoxicated.

2953 ~~[(4)]~~ (b) A minor may not sell beer on the licensed premises of an off-premise beer
2954 retailer unless:

2955 ~~[(a)]~~ (i) the sale is done under the supervision of a person 21 years of age or older who
2956 is on the licensed premises; and

2957 ~~[(b)]~~ (ii) the minor is at least 16 years of age.

2958 (5) An off-premise beer retailer may not sell, offer for sale, or furnish an alcoholic
2959 product to:

2960 (a) a minor;

2961 (b) a person actually, apparently, or obviously intoxicated;

2962 (c) a known interdicted person; or

2963 (d) a known habitual drunkard.

2964 ~~[(5)]~~ (6) (a) Subject to the other provisions of this Subsection ~~[(5)]~~ (6), an off-premise
2965 beer retailer shall:

2966 (i) display all beer accessible by and visible to a patron in no more than two locations
2967 on the retail sales floor, each of which is:

2968 (A) a display cabinet, cooler, aisle, floor display, or room where beer is the only
2969 beverage displayed; and

2970 (B) not adjacent to a display of nonalcoholic beverages, unless the location is a cooler
2971 with a door from which the nonalcoholic beverages are not accessible, or the beer is separated
2972 from the display of nonalcoholic beverages by a display of one or more nonbeverage products
2973 or another physical divider; and

2974 (ii) display a sign in the area described in Subsection [~~(5)~~] (6)(a)(i) that:

2975 (A) is prominent;

2976 (B) is easily readable by a consumer;

2977 (C) meets the requirements for format established by the commission by rule; and

2978 (D) reads in print that is no smaller than .5 inches, bold type, "These beverages contain
2979 alcohol. Please read the label carefully."

2980 (b) Notwithstanding Subsection [~~(5)~~] (6)(a), a nonalcoholic beer may be displayed with
2981 beer if the nonalcoholic beer is labeled, packaged, or advertised as a nonalcoholic beer.

2982 (c) The requirements of this Subsection [~~(5)~~] (6) apply to beer notwithstanding that it is
2983 labeled, packaged, or advertised as:

2984 (i) a malt cooler; or

2985 (ii) a beverage that may provide energy.

2986 (d) A violation of this Subsection [~~(5)~~] (6) is an infraction.

2987 (e) (i) Except as provided in Subsection [~~(5)~~] (6)(e)(ii), the provisions of Subsection
2988 [~~(5)~~] (6)(a)(i) apply on and after May 9, 2017.

2989 (ii) For a beer retailer that operates two or more off-premise beer retailers, the
2990 provisions of Subsection [~~(5)~~] (6)(a)(i) apply on and after August 1, 2017.

2991 [~~(6)~~] (7) (a) Staff of an off-premise beer retailer who directly supervises the sale of beer
2992 or who sells beer to a patron for consumption off the premises of the off-premise beer retailer
2993 shall wear a unique identification badge:

2994 (i) on the front of the staff's clothing;

2995 (ii) visible above the waist;

2996 (iii) bearing the staff's:

2997 (A) first or last name;

2998 (B) initials; or
2999 (C) unique identification in letters or numbers; and
3000 (iv) with the number or letters on the unique identification badge being sufficiently
3001 large to be clearly visible and identifiable while engaging in or directly supervising the retail
3002 sale of beer.

3003 (b) An off-premise beer retailer shall make and maintain a record of each current staff's
3004 unique identification badge assigned by the off-premise beer retailer that includes the staff's:

- 3005 (i) full name;
- 3006 (ii) address; and
- 3007 (iii) (A) driver license number; or
- 3008 (B) similar identification number.

3009 (c) An off-premise beer retailer shall make available a record required to be made or
3010 maintained under this Subsection [~~(6)~~] (7) for immediate inspection by:

- 3011 (i) a peace officer;
- 3012 (ii) a representative of the local authority that issues the off-premise beer retailer
3013 license; or
- 3014 (iii) for an off-premise beer retailer state license, a representative of the commission or
3015 department.

3016 (d) A local authority may impose a fine of up to \$250 against an off-premise beer
3017 retailer that does not comply or require its staff to comply with this Subsection [~~(6)~~] (7).

3018 Section 37. Section **32B-7-401** is amended to read:

3019 **32B-7-401. Commission's power to issue off-premise beer retailer state license.**

3020 (1) Beginning on July 1, 2018, and except as provided in Subsection (3), before a
3021 person may purchase, store, sell, or offer for sale beer for consumption off the person's
3022 premises, the person shall obtain an off-premise beer retailer state license in accordance with
3023 this part.

3024 (2) The commission may issue an off-premise beer retailer state license for the retail
3025 sale of beer for consumption off the beer retailer's premises.

3026 (3) (a) A person who operates as an off-premise beer retailer on July 1, 2018, shall
3027 ~~[obtain]~~ submit an application for an off-premise beer retailer state license on or before March
3028 1, 2019.

3029 ~~[(b) (i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,~~
3030 ~~the commission shall establish a deadline for each off-premise beer retailer described in~~
3031 ~~Subsection (3)(a) to submit to the department an application for an off-premise beer retailer~~
3032 ~~state license.]~~

3033 ~~[(ii) The commission shall act upon each timely application submitted in accordance~~
3034 ~~with this Subsection (3) on or before February 28, 2019.]~~

3035 ~~[(c) An off-premise beer retailer described in Subsection (3)(a) may continue to operate~~
3036 ~~without an off-premise beer retailer state license through February 28, 2019.]~~

3037 Section 38. Section **32B-8a-202** is amended to read:

3038 **32B-8a-202. Effect of transfer of ownership of business entity.**

3039 (1) (a) When the ownership of 51% or more of the shares of stock of a corporation is
3040 acquired by or transferred to one or more persons who did not hold the ownership of 51% of
3041 those shares of stock on the date a retail license is issued to the corporation, the corporation
3042 shall comply with this chapter to transfer the retail license to the corporation as if the
3043 corporation is newly constituted.

3044 (b) When there is a new general partner or when the ownership of 51% or more of the
3045 capital or profits of a limited partnership is acquired by or transferred to one or more persons as
3046 general or limited partners and who did not hold ownership of 51% or more of the capital or
3047 profits of the limited partnership on the date a retail license is issued to the limited partnership,
3048 the limited partnership shall comply with this chapter to transfer the retail license to the limited
3049 partnership as if the limited partnership is newly constituted.

3050 (c) When the ownership of 51% or more of the interests in a limited liability company
3051 is acquired by or transferred to one or more persons as members who did not hold ownership of
3052 51% or more of the interests in the limited liability company on the date a retail license is
3053 issued to the limited liability company, the limited liability company shall comply with this

3054 chapter to transfer the retail license to the limited liability company as if the limited liability
3055 company is newly constituted.

3056 (2) ~~[If a]~~ A business entity ~~[fails to]~~ shall comply with this section within ~~[30]~~ 60 days
3057 ~~[of]~~ after the day on which the event described in Subsection (1) occurs~~[-the business entity's~~
3058 ~~retail license is automatically forfeited]~~.

3059 Section 39. Section **32B-8a-203** is amended to read:

3060 **32B-8a-203. Operational requirements for transferee.**

3061 (1) (a) A transferee shall begin operations of the retail license within 30 days from the
3062 day on which a transfer is approved by the commission, except that:

3063 (i) the department may grant an extension of this time period not to exceed 30 days;
3064 and

3065 (ii) after the extension is authorized by the department under Subsection (1)(a)(i), the
3066 commission may grant one or more additional extensions not to exceed, in the aggregate, seven
3067 months from the day on which the commission approves the transfer, if the transferee can
3068 demonstrate to the commission that the transferee:

3069 (A) cannot begin operations because the transferee is improving the licensed premises;

3070 (B) has obtained a building permit for the improvements described in Subsection
3071 (1)(a)(ii)(A); and

3072 (C) is working expeditiously to complete the improvements to the licensed premises.

3073 (b) A transferee is considered to have begun operations of the retail license if the
3074 transferee:

3075 (i) has a licensed premises that is open ~~[to the public]~~ for business;

3076 (ii) sells, offers for sale, or furnishes alcoholic products to a patron on the licensed
3077 premises described in Subsection (1)(b)(i); and

3078 (iii) has a valid business license.

3079 (2) If a transferee fails to begin operations of the retail license within the time period
3080 required by Subsection (1), the following are automatically forfeited effective immediately:

3081 (a) the retail license; and

3082 (b) the retail license fee.

3083 (3) A transferee shall begin operations of the retail license at the location to which the
3084 transfer applies before the transferee may seek a transfer of the retail license to a different
3085 location.

3086 (4) Notwithstanding Subsection (1), the commission may not issue a conditional
3087 license unless the requirements of Section 32B-5-205 are met, except that the time periods
3088 required by this section supersede the time period provided in Section 32B-5-205.

3089 Section 40. Section 32B-8b-102 is amended to read:

3090 **32B-8b-102. Definitions.**

3091 As used in this chapter:

3092 (1) "Boundary of a hotel" means the physical boundary of ~~[the]~~ one or more contiguous
3093 parcels of real estate owned or managed by the same person and on which a hotel is located
3094 ~~[one or more buildings and any structure or improvement to that real estate as determined by~~
3095 ~~the commission]~~.

3096 (2) "Hotel" means one or more buildings that:

3097 (a) ~~[constitute]~~ comprise a hotel, as defined by the commission;

3098 (b) are owned or managed by the same person or by a person who has a majority
3099 interest in ~~[and]~~ or can direct or exercise control over the management or policy of the person
3100 who owns or manages any other building under the hotel license within the boundary of the
3101 hotel;

3102 (c) primarily operate to provide lodging accommodations;

3103 (d) provide room service within the boundary of the hotel meeting the requirements of
3104 this title;

3105 (e) have on-premise banquet space and provide on-premise banquet service within the
3106 boundary of the hotel meeting the requirements of this title;

3107 (f) have a restaurant or bar establishment within the boundary of the hotel meeting the
3108 requirements of this title; and

3109 (g) have at least 40 guest rooms.

- 3110 (3) "Provisions applicable to a sublicense" means:
- 3111 (a) for a full-service restaurant sublicense, Chapter 6, Part 2, Full-Service Restaurant
- 3112 License;
- 3113 (b) for a limited-service restaurant sublicense, Chapter 6, Part 3, Limited-Service
- 3114 Restaurant License;
- 3115 (c) for a bar establishment sublicense, Chapter 6, Part 4, Bar Establishment License;
- 3116 (d) for an on-premise banquet sublicense, Chapter 6, Part 6, On-Premise Banquet
- 3117 License;
- 3118 (e) for an on-premise beer retailer sublicense, Chapter 6, Part 7, On-Premise Beer
- 3119 Retailer License; and
- 3120 (f) for a beer-only restaurant sublicense, Chapter 6, Part 9, Beer-Only Restaurant
- 3121 License.

- 3122 (4) "Sublicense" means:
- 3123 (a) a full-service restaurant sublicense;
- 3124 (b) a limited-service restaurant sublicense;
- 3125 (c) a bar establishment sublicense;
- 3126 (d) an on-premise banquet sublicense;
- 3127 (e) an on-premise beer retailer sublicense; and
- 3128 (f) a beer-only restaurant sublicense.

3129 (5) "Sublicense premises" means a building, enclosure, or room used pursuant to a

3130 sublicense in connection with the storage, sale, furnishing, or consumption of an alcoholic

3131 product, unless otherwise defined in this title or in the rules made by the commission[~~; except~~

3132 ~~that sublicense premises may have only one sublicense within a room or an enclosure that is~~

3133 ~~separate from a room].~~

3134 Section 41. Section **32B-8b-301** is amended to read:

3135 **32B-8b-301. Specific operational requirements for hotel license.**

3136 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational

3137 Requirements, a hotel licensee, staff of the hotel licensee, and a person otherwise operating

3138 under a sublicense shall comply with this section.

3139 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
3140 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

3141 (i) a hotel licensee;

3142 (ii) individual staff of a hotel licensee;

3143 (iii) a person otherwise operating under a sublicense;

3144 (iv) individual staff of a person otherwise operating under a sublicense; or

3145 (v) any combination of the persons listed in this Subsection (1)(b).

3146 (2) (a) A hotel licensee may not sell, offer for sale, or furnish an alcoholic product
3147 except:

3148 (i) on a sublicense premises;

3149 (ii) pursuant to a permit issued under this title; or

3150 (iii) under a package agency agreement with the department, subject to Chapter 2, Part
3151 6, Package Agency.

3152 (b) A hotel licensee who sells, offers for sale, or furnishes an alcoholic product as
3153 provided in Subsection (2)(a) shall sell, offer for sale, or furnish the alcoholic product:

3154 (i) except as provided in Section 32B-8b-302, if on a sublicense premises, in
3155 accordance with the operational requirements under the provisions applicable to the sublicense;

3156 (ii) if under a permit issued under this title, in accordance with the operational
3157 requirements under the provisions applicable to the permit; and

3158 (iii) if as a package agency, in accordance with the contract with the department and
3159 Chapter 2, Part 6, Package Agency.

3160 (c) Notwithstanding the other provisions of this Subsection (2), a hotel licensee may
3161 not permit a patron to carry an alcoholic product off the premises of a sublicense in violation of
3162 Section 32B-5-307 or off an area designated under a permit.

3163 (3) A hotel licensee shall comply with Subsections 32B-5-301(4) and (5) within the
3164 boundary of the hotel.

3165 (4) A hotel licensee shall supervise and direct a person involved in the sale, offer for

3166 sale, or furnishing of an alcoholic product under a hotel license.

3167 (5) (a) Room service of an alcoholic product to a lodging accommodation of a hotel
3168 licensee shall be provided in person by staff of a hotel licensee only to an adult occupant in the
3169 lodging accommodation.

3170 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval
3171 by an occupant.

3172 (6) A hotel licensee shall operate in a manner so that at least 70% of the annual
3173 aggregate of the gross receipts related to the sale of food or beverages for the hotel license and
3174 each of the hotel license's sublicenses is from the sale of food, not including:

3175 (a) mix for an alcoholic product; and

3176 (b) a charge in connection with the service of an alcoholic product.

3177 Section 42. Section **32B-8b-302** is amended to read:

3178 **32B-8b-302. Specific operational requirements for a sublicense.**

3179 (1) [~~A~~] Except as provided in Subsection (2), a person operating under a sublicense is
3180 subject to the operational requirements under the provisions applicable to the sublicense.

3181 (2) A person operating under a sublicense is not subject to a requirement that a certain
3182 percentage of the gross receipts for the sublicense be from the sale of food, except to the extent
3183 the gross receipts for the sublicense are included in calculating the percentages under
3184 Subsection [32B-8-401\(4\)](#).

3185 [~~2~~] (3) For purposes of interpreting an operational requirement imposed by the
3186 provisions applicable to a sublicense:

3187 (a) a requirement imposed on a person operating under a sublicense applies to the hotel
3188 licensee; and

3189 (b) a requirement imposed on staff of a person operating under a sublicense applies to
3190 staff of the hotel licensee.

3191 Section 43. Section **53F-9-304** is amended to read:

3192 **53F-9-304. Underage Drinking Prevention Program Restricted Account.**

3193 (1) As used in this section, "account" means the Underage Drinking Prevention

3194 Program Restricted Account created in this section.

3195 (2) There is created within the Education Fund a restricted account known as the
 3196 "Underage Drinking Prevention Program Restricted Account."

3197 (3) (a) Before the Department of Alcoholic Beverage Control [~~remits~~] deposits any
 3198 portion of the markup collected under Section 32B-2-304 [~~to the State Tax Commission, the~~
 3199 ~~department~~] into the Liquor Control Fund in accordance with Section 32B-2-301, the
 3200 Department of Alcoholic Beverage Control shall deposit into the account:

3201 (i) for the fiscal year that begins July 1, 2017, \$1,750,000; or

3202 (ii) for each fiscal year that begins on or after July 1, 2018, an amount equal to the
 3203 amount that the [~~department~~] Department of Alcoholic Beverage Control deposited into the
 3204 account during the preceding fiscal year increased or decreased by a percentage equal to the
 3205 percentage difference between the Consumer Price Index for the second preceding calendar
 3206 year and the Consumer Price Index for the preceding calendar year [~~2017~~].

3207 (b) For purposes of this Subsection (3), the department shall calculate the Consumer
 3208 Price Index in accordance with 26 U.S.C. Secs. 1(f)(4) and 1(f)(5).

3209 (4) The account shall be funded:

3210 (a) in accordance with Subsection (3);

3211 (b) by appropriations made to the account by the Legislature; and

3212 (c) by interest earned on money in the account.

3213 (5) The State Board of Education shall use money in the account for the Underage
 3214 Drinking Prevention Program described in Section 53G-10-406.

3215 Section 44. Section **53G-10-406** is amended to read:

3216 **53G-10-406. Underage Drinking Prevention Program -- State Board of Education**
 3217 **rules.**

3218 (1) As used in this section:

3219 (a) "Advisory council" means the Underage Drinking Prevention Program Advisory
 3220 Council created in this section.

3221 (b) "Board" means the State Board of Education.

- 3222 (c) "LEA" means:
- 3223 (i) a school district;
- 3224 (ii) a charter school; or
- 3225 (iii) the Utah Schools for the Deaf and the Blind.
- 3226 (d) "Program" means the Underage Drinking Prevention Program created in this
- 3227 section.
- 3228 (e) "School-based prevention [~~presentation~~] program" means an evidence-based
- 3229 program intended for students aged 13 and older that:
- 3230 (i) is aimed at preventing underage consumption of alcohol;
- 3231 (ii) is delivered by methods that engage students in storytelling and visualization;
- 3232 (iii) addresses the behavioral risk factors associated with underage drinking; and
- 3233 (iv) provides practical tools to address the dangers of underage drinking.
- 3234 (2) There is created the Underage Drinking Prevention Program that consists of:
- 3235 (a) a school-based prevention [~~presentation~~] program for students in grade 7 or 8; and
- 3236 (b) a school-based prevention [~~presentation~~] program for students in grade 9 or 10 that
- 3237 increases awareness of the dangers of driving under the influence of alcohol.
- 3238 (3) (a) Beginning with the 2018-19 school year, an LEA shall offer the program each
- 3239 school year to each student in grade 7 or 8 and grade 9 or 10.
- 3240 (b) An LEA shall select from the providers qualified by the board under Subsection (6)
- 3241 to offer the program.
- 3242 (4) The board shall administer the program with input from the advisory council.
- 3243 (5) There is created the Underage Drinking Prevention Program Advisory Council
- 3244 comprised of the following members:
- 3245 (a) the executive director of the Department of Alcoholic Beverage Control or the
- 3246 executive director's designee;
- 3247 (b) the executive director of the Department of Health or the executive director's
- 3248 designee;
- 3249 (c) the director of the Division of Substance Abuse and Mental Health or the director's

3250 designee;

3251 (d) the director of the Division of Child and Family Services or the director's designee;

3252 (e) the director of the Division of Juvenile Justice Services or the director's designee;

3253 (f) the state superintendent of public instruction or the state superintendent of public

3254 instruction's designee; and

3255 (g) two members of the State Board of Education, appointed by the chair of the State

3256 Board of Education.

3257 (6) (a) In accordance with Title 63G, Chapter 6a, Utah Procurement Code, the board

3258 shall qualify one or more providers to provide the program to an LEA.

3259 (b) In selecting a provider described in Subsection (6)(a), the board shall consider:

3260 (i) whether the provider's program complies with the requirements described in this

3261 section;

3262 (ii) the extent to which the provider's underage drinking prevention program aligns

3263 with core standards for Utah public schools; and

3264 (iii) the provider's experience in providing a program that is effective at reducing

3265 underage drinking.

3266 (7) (a) The board shall use money from the Underage Drinking Prevention Program

3267 Restricted Account described in Section [53F-9-304](#) for the program.

3268 (b) The board may use money from the Underage Drinking Prevention Program

3269 Restricted Account to fund up to .5 of a full-time equivalent position to administer the

3270 program.

3271 (8) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

3272 board shall make rules that:

3273 (a) beginning with the 2018-19 school year, require an LEA to offer the Underage

3274 Drinking Prevention Program each school year to each student in grade 7 or 8 and grade 9 or

3275 10; and

3276 (b) establish criteria for the board to use in selecting a provider described in Subsection

3277 (6).

3278 Section 45. Section **62A-15-401** is amended to read:

3279 **62A-15-401. Alcohol training and education seminar.**

3280 (1) As used in this part:

3281 (a) "Instructor" means a person that directly provides the instruction during an alcohol
3282 training and education seminar for a seminar provider.

3283 (b) "Licensee" means a person who is:

3284 (i) (A) a new or renewing licensee under Title 32B, Alcoholic Beverage Control Act;
3285 and

3286 (B) engaged in the retail sale of an alcoholic product for consumption on the premises
3287 of the licensee; or

3288 (ii) a business that is:

3289 (A) a new or renewing licensee licensed by a city, town, or county; and

3290 (B) engaged in the retail sale of beer for consumption off the premises of the licensee.

3291 (c) "Off-premise beer retailer" is as defined in Section [32B-1-102](#).

3292 (d) "Seminar provider" means a person other than the division who provides an alcohol
3293 training and education seminar meeting the requirements of this section.

3294 (2) (a) This section applies to:

3295 (i) a retail manager as defined in Section [32B-5-402](#);

3296 (ii) retail staff as defined in Section [32B-5-402](#); and

3297 (iii) an individual who, as defined by division rule:

3298 (A) directly supervises the sale of beer to a customer for consumption off the premises
3299 of an off-premise beer retailer; or

3300 (B) sells beer to a customer for consumption off the premises of an off-premise beer
3301 retailer.

3302 (b) If the individual does not have a valid record that the individual has completed an
3303 alcohol training and education seminar, an individual described in Subsection (2)(a) shall:

3304 (i) (A) complete an alcohol training and education seminar within 30 days of the
3305 following if the individual is described in [~~Subsections~~] Subsection (2)(a)(i) [~~through (iii)~~] or

3306 (ii):
3307 (I) if the individual is an employee, the day the individual begins employment;
3308 (II) if the individual is an independent contractor, the day the individual is first hired;
3309 or
3310 (III) if the individual holds an ownership interest in the licensee, the day that the
3311 individual first engages in an activity that would result in that individual being required to
3312 complete an alcohol training and education seminar; or
3313 (B) complete an alcohol training and education seminar within the time periods
3314 specified in Subsection 32B-5-404(1) if the individual is described in [~~Subsections (2)(a)(iv)~~
3315 ~~and (v)~~] Subsection (2)(a)(iii)(A) or (B); and
3316 (ii) pay a fee:
3317 (A) to the seminar provider; and
3318 (B) that is equal to or greater than the amount established under Subsection (4)(h).
3319 (c) An individual shall have a valid record that the individual completed an alcohol
3320 training and education seminar within the time period provided in this Subsection (2) to engage
3321 in an activity described in Subsection (2)(a).
3322 (d) A record that an individual has completed an alcohol training and education
3323 seminar is valid for:
3324 (i) three years from the day on which the record is issued for an individual described in
3325 Subsection (2)(a)(i)[~~;~~] or (ii)[~~;~~ ~~or (iii)~~]; and
3326 (ii) five years from the day on which the record is issued for an individual described in
3327 Subsection (2)(a)[~~(iv) or (v)~~](iii)(A) or (B).
3328 (e) On and after July 1, 2011, to be considered as having completed an alcohol training
3329 and education seminar, an individual shall:
3330 (i) attend the alcohol training and education seminar and take any test required to
3331 demonstrate completion of the alcohol training and education seminar in the physical presence
3332 of an instructor of the seminar provider; or
3333 (ii) complete the alcohol training and education seminar and take any test required to

3334 demonstrate completion of the alcohol training and education seminar through an online course
3335 or testing program that meets the requirements described in Subsection (2)(f).

3336 (f) The division shall by rule made in accordance with Title 63G, Chapter 3, Utah
3337 Administrative Rulemaking Act, establish one or more requirements for an online course or
3338 testing program described in Subsection (2)(e) that are designed to inhibit fraud in the use of
3339 the online course or testing program. In developing the requirements by rule the division shall
3340 consider whether to require:

3341 (i) authentication that the an individual accurately identifies the individual as taking the
3342 online course or test;

3343 (ii) measures to ensure that an individual taking the online course or test is focused on
3344 training material throughout the entire training period;

3345 (iii) measures to track the actual time an individual taking the online course or test is
3346 actively engaged online;

3347 (iv) a seminar provider to provide technical support, such as requiring a telephone
3348 number, email, or other method of communication that allows an individual taking the online
3349 course or test to receive assistance if the individual is unable to participate online because of
3350 technical difficulties;

3351 (v) a test to meet quality standards, including randomization of test questions and
3352 maximum time limits to take a test;

3353 (vi) a seminar provider to have a system to reduce fraud as to who completes an online
3354 course or test, such as requiring a distinct online certificate with information printed on the
3355 certificate that identifies the person taking the online course or test, or requiring measures to
3356 inhibit duplication of a certificate;

3357 (vii) measures for the division to audit online courses or tests;

3358 (viii) measures to allow an individual taking an online course or test to provide an
3359 evaluation of the online course or test;

3360 (ix) a seminar provider to track the Internet protocol address or similar electronic
3361 location of an individual who takes an online course or test;

- 3362 (x) an individual who takes an online course or test to use an e-signature; or
3363 (xi) a seminar provider to invalidate a certificate if the seminar provider learns that the
3364 certificate does not accurately reflect the individual who took the online course or test.
- 3365 (3) (a) A licensee may not permit an individual who is not in compliance with
3366 Subsection (2) to:
- 3367 (i) serve or supervise the serving of an alcoholic product to a customer for
3368 consumption on the premises of the licensee;
- 3369 (ii) engage in any activity that would constitute managing operations at the premises of
3370 a licensee that engages in the retail sale of an alcoholic product for consumption on the
3371 premises of the licensee;
- 3372 (iii) directly supervise the sale of beer to a customer for consumption off the premises
3373 of an off-premise beer retailer; or
- 3374 (iv) sell beer to a customer for consumption off the premises of an off-premise beer
3375 retailer.
- 3376 (b) A licensee that violates Subsection (3)(a) is subject to Section [32B-5-403](#).
- 3377 (4) The division shall:
- 3378 (a) (i) provide alcohol training and education seminars; or
3379 (ii) certify one or more seminar providers;
- 3380 (b) establish the curriculum for an alcohol training and education seminar that includes
3381 the following subjects:
- 3382 (i) (A) alcohol as a drug; and
3383 (B) alcohol's effect on the body and behavior;
- 3384 (ii) recognizing the problem drinker or signs of intoxication;
3385 (iii) an overview of state alcohol laws related to responsible beverage sale or service,
3386 as determined in consultation with the Department of Alcoholic Beverage Control;
- 3387 (iv) dealing with the problem customer, including ways to terminate sale or service;
3388 and
- 3389 (v) for those supervising or engaging in the retail sale of an alcoholic product for

3390 consumption on the premises of a licensee, alternative means of transportation to get the
3391 customer safely home;

3392 (c) recertify each seminar provider every three years;

3393 (d) monitor compliance with the curriculum described in Subsection (4)(b);

3394 (e) maintain for at least five years a record of every person who has completed an
3395 alcohol training and education seminar;

3396 (f) provide the information described in Subsection (4)(e) on request to:

3397 (i) the Department of Alcoholic Beverage Control;

3398 (ii) law enforcement; or

3399 (iii) a person licensed by the state or a local government to sell an alcoholic product;

3400 (g) provide the Department of Alcoholic Beverage Control on request a list of any
3401 seminar provider certified by the division; and

3402 (h) establish a fee amount for each person attending an alcohol training and education
3403 seminar that is sufficient to offset the division's cost of administering this section.

3404 (5) The division shall by rule made in accordance with Title 63G, Chapter 3, Utah
3405 Administrative Rulemaking Act:

3406 (a) define what constitutes under this section an individual who:

3407 (i) manages operations at the premises of a licensee engaged in the retail sale of an
3408 alcoholic product for consumption on the premises of the licensee;

3409 (ii) supervises the serving of an alcoholic product to a customer for consumption on the
3410 premises of a licensee;

3411 (iii) serves an alcoholic product to a customer for consumption on the premises of a
3412 licensee;

3413 (iv) directly supervises the sale of beer to a customer for consumption off the premises
3414 of an off-premise beer retailer; or

3415 (v) sells beer to a customer for consumption off the premises of an off-premise beer
3416 retailer;

3417 (b) establish criteria for certifying and recertifying a seminar provider; and

- 3418 (c) establish guidelines for the manner in which an instructor provides an alcohol
3419 education and training seminar.
- 3420 (6) A seminar provider shall:
- 3421 (a) obtain recertification by the division every three years;
- 3422 (b) ensure that an instructor used by the seminar provider:
- 3423 (i) follows the curriculum established under this section; and
- 3424 (ii) conducts an alcohol training and education seminar in accordance with the
3425 guidelines established by rule;
- 3426 (c) ensure that any information provided by the seminar provider or instructor of a
3427 seminar provider is consistent with:
- 3428 (i) the curriculum established under this section; and
- 3429 (ii) this section;
- 3430 (d) provide the division with the names of all persons who complete an alcohol training
3431 and education seminar provided by the seminar provider;
- 3432 (e) (i) collect a fee for each person attending an alcohol training and education seminar
3433 in accordance with Subsection (2); and
- 3434 (ii) forward to the division the portion of the fee that is equal to the amount described
3435 in Subsection (4)(h); and
- 3436 (f) issue a record to an individual that completes an alcohol training and education
3437 seminar provided by the seminar provider.
- 3438 (7) (a) If after a hearing conducted in accordance with Title 63G, Chapter 4,
3439 Administrative Procedures Act, the division finds that a seminar provider violates this section
3440 or that an instructor of the seminar provider violates this section, the division may:
- 3441 (i) suspend the certification of the seminar provider for a period not to exceed 90 days;
- 3442 (ii) revoke the certification of the seminar provider;
- 3443 (iii) require the seminar provider to take corrective action regarding an instructor; or
- 3444 (iv) prohibit the seminar provider from using an instructor until such time that the
3445 seminar provider establishes to the satisfaction of the division that the instructor is in

3446 compliance with Subsection (6)(b).

3447 (b) The division may certify a seminar provider whose certification is revoked:

3448 (i) no sooner than 90 days from the date the certification is revoked; and

3449 (ii) if the seminar provider establishes to the satisfaction of the division that the

3450 seminar provider will comply with this section.

3451 Section 46. Section **63I-2-232** is amended to read:

3452 **63I-2-232. Repeal dates -- Title 32B.**

3453 (1) Subsection [32B-1-102\(7\)](#) is repealed July 1, 2022.

3454 [~~(2)~~ Subsection [32B-1-102\(33\)](#) (a)(i)(B), the language that states

3455 "[32B-6-205\(12\)\(b\)\(ii\)](#), [32B-6-305\(12\)\(b\)\(ii\)](#)," and ", or [32B-6-905\(12\)\(b\)\(ii\)](#)" is repealed July

3456 1, 2022.]

3457 [~~(3)~~ Subsection [32B-1-102\(114\)](#)(b), the language that states "[32B-6-205\(12\)\(b\)\(ii\)](#);

3458 [32B-6-305\(12\)\(b\)\(ii\)](#)," and ", or [32B-6-905\(12\)\(b\)\(ii\)](#)" is repealed July 1, 2022.]

3459 (2) Subsection [32B-1-407\(3\)](#)(d) is repealed July 1, 2022.

3460 [~~(4)~~ (3) Subsection [32B-1-604\(4\)](#) is repealed June 1, 2018.

3461 [~~(5)~~ (4) Subsections [32B-6-202\(3\)](#) and (4) are repealed July 1, 2022.

3462 [~~(6)~~ (5) Section [32B-6-205](#) is repealed July 1, 2022.

3463 [~~(7)~~ (6) Subsection [32B-6-205.2](#)[~~(17)~~](15) is repealed July 1, 2022.

3464 [~~(8)~~ (7) Section [32B-6-205.3](#) is repealed July 1, 2022.

3465 [~~(9)~~ (8) Subsections [32B-6-302\(3\)](#) and (4) are repealed July 1, 2022.

3466 [~~(10)~~ (9) Section [32B-6-305](#) is repealed July 1, 2022.

3467 [~~(11)~~ (10) Subsection [32B-6-305.2](#)[~~(17)~~](15) is repealed July 1, 2022.

3468 [~~(12)~~ (11) Section [32B-6-305.3](#) is repealed July 1, 2022.

3469 [~~(13)~~ (12) Section [32B-6-404.1](#) is repealed July 1, 2022.

3470 [~~(14)~~ (13) Section [32B-6-409](#) is repealed July 1, 2022.

3471 (14) Section [32B-6-605.1](#) is repealed July 1, 2019.

3472 (15) Subsection [32B-6-703\(2\)](#)(e)(iv) is repealed July 1, 2022.

3473 (16) Subsections [32B-6-902\(1\)](#)(c), (1)(d), and (2) are repealed July 1, 2022.

- 3474 (17) Section 32B-6-905 is repealed July 1, 2022.
- 3475 (18) Subsection 32B-6-905.1~~[(17)]~~(16) is repealed July 1, 2022.
- 3476 (19) Section 32B-6-905.2 is repealed July 1, 2022.
- 3477 (20) Section 32B-7-303 is repealed March 1, 2019.
- 3478 (21) Section 32B-7-304 is repealed March 1, 2019.
- 3479 (22) Subsection 32B-8-402(1)(b) is repealed July 1, 2022.