

S.B. 176 Alcoholic Beverage Control Act Amendments

Bill Text

Status

Hearings/Debate

Enrolled

S.B. 176

Bill Sponsor:

Floor Sponsor:

[Printer Friendly](#) 

1 **ALCOHOLIC BEVERAGE CONTROL ACT AMENDMENTS**

2 2022 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Jerry W. Stevenson**

5 House Sponsor: Steve Waldrip



7 **LONG TITLE**

8 **General Description:**

9 This bill amends provisions of the Alcoholic Beverage Control Act and provisions related to the Act.

11 **Highlighted Provisions:**

- 12 This bill:
 - 13 ▶ defines and amends terms;
 - 14 ▶ amends proximity requirements for certain arena licensees;
 - 15 ▶ amends provisions of the Malted Beverage Act regarding:
 - 16 • labeling and packaging; and
 - 17 • the power of the commission and department to classify flavored malt



Sen. Stevenson, Jerry W.



Rep. Waldrip, Steve

Substitute Sponsor:
Sen. Stevenson, Jerry W.

Drafting Attorney:
Amy L. West

Fiscal Analyst: Gary R. Syphus

Bill Tracking

[Tracking Page](#)

Bill Text

[Introduced](#) 

[Amended](#) 

18 beverages;

19 ▶ amends the time period in which a retail manager is required to complete a certain

20 training program;

21 ▶ changes the name of the "Department of Alcoholic Beverage Control" to the

22 "Department of Alcoholic Beverage Services";

23 ▶ changes the name of the "Alcoholic Beverage Control Commission" to the

24 "Alcoholic Beverage Services Commission";

25 ▶ changes the name of the "Alcoholic Beverage Control Advisory Board" to the

26 "Alcoholic Beverage Services Advisory Board";

27 ▶ amends provisions related to the late renewal of a license;

28 ▶ amends provisions regarding the liquor control fund;

29 ▶ amends provisions regarding the calculation of manufacturer production for school

30 lunch program markup purposes;

31 ▶ requires a package agency to submit any information the commission or department

32 may require for the renewal of a package agency agreement;

33 ▶ permits a package agency located at a manufacturing facility to, under certain

34 conditions, remain open on a Sunday or on a state or federal holiday;

35 ▶ amends a provision related to the furnishing of alcohol to a minor;

36 ▶ amends the application requirements for a retail license;

37 ▶ amends the requirements for a conditional retail license;

38 ▶ prohibits the commission from including certain sublicenses in the total number of

39 licenses the commission has issued for each type of retail license;

40 ▶ permits various retail licensees to sell beer for off-premise consumption under

41 certain conditions;

42 ▶ makes references to the department's auditing of a retail licensee's records

43 consistent;

44 ▶ amends provisions regarding a retail licensee's ceasing of operations;

45 ▶ permits a management agreement under certain conditions;

46 ▶ prohibits an off-premise beer retailer from:

47 • engaging in or permitting on the licensed premises gambling or fringe gambling;

48 • having certain devices or games on the licensed premises;


or

49 • knowingly allowing certain drug-related activities on the licensed premises;

50 ▶ amends provisions regarding the tracking of enforcement actions to remove

51 references to and requirements related to a repealed section of statute;

Amended Pages
Only

Enrolled  (Currently
Displayed)

Other Versions

[S.B. 176](#)

[S.B. 176 1st
Substitute \(Not
Adopted\)](#)

Related Documents

[Fiscal Note !\[\]\(c50c8b7b2cc2cf9ff925edec0ee94c0d_img.jpg\)](#)

[House Floor
Amendment 1\(passed\)](#)

[SB0176S01
comparison](#)

Information

Last Action: 24 Mar
2022, Governor
Signed

Last Location:
Lieutenant Governor's
office for filing

Effective Date: 1
Jun 2022

**Session Law
Chapter:** 447

Similar Bills

[Business](#)

[Alcohol](#)

52 ▶ amends the total number of resort licenses permitted at a time
in the state to eight;

53 ▶ permits a hotel licensee or person applying for a hotel license
to obtain a spa

54 sublicense;

55 ▶ amends the number of 72-hour single event permits the
director may issue in a

56 calendar year to the same person to 24;

57 ▶ amends and renumbers the Transfer of Alcohol License Act;
and

58 ▶ makes technical and conforming changes.

59 **Money Appropriated in this Bill:**

60 None

61 **Other Special Clauses:**

62 This bill provides a special effective date.

63 **Utah Code Sections Affected:**

64 AMENDS:

65 **32B-1-102**, as last amended by Laws of Utah 2021, Chapter 291

66 **32B-1-202.1**, as enacted by Laws of Utah 2021, Chapter 291

67 **32B-1-603**, as enacted by Laws of Utah 2010, Chapter 276

68 **32B-1-604**, as last amended by Laws of Utah 2017, Chapter 455

69 **32B-1-605**, as last amended by Laws of Utah 2018, Chapter 281

70 **32B-1-606**, as last amended by Laws of Utah 2018, Chapter 249

71 **32B-1-701**, as last amended by Laws of Utah 2019, Chapter 12

and renumbered and

72 amended by Laws of Utah 2019, Chapter 403

73 **32B-1-704**, as renumbered and amended by Laws of Utah 2019,

Chapter 403

74 **32B-2-101**, as enacted by Laws of Utah 2010, Chapter 276

75 **32B-2-201**, as last amended by Laws of Utah 2020, Chapters 352

and 373

76 **32B-2-202**, as last amended by Laws of Utah 2020, Chapter 219

77 **32B-2-203**, as enacted by Laws of Utah 2010, Chapter 276

78 **32B-2-205**, as last amended by Laws of Utah 2020, Chapter 352

79 **32B-2-210**, as last amended by Laws of Utah 2018, Chapter 249

80 **32B-2-301**, as last amended by Laws of Utah 2021, Chapter 424

81 **32B-2-304**, as last amended by Laws of Utah 2021, Chapter 291

82 **32B-2-602**, as last amended by Laws of Utah 2011, Chapters 307

and 334

83 **32B-2-605**, as last amended by Laws of Utah 2021, Chapter 291

84 **32B-3-202**, as last amended by Laws of Utah 2020, Chapter 219

85 **32B-3-205**, as last amended by Laws of Utah 2018, Chapters 249

and 329

Department of
Alcoholic Beverage
Control

Food Services and
Drinking Places

Sections Affected

32B-1-102

32B-1-202.1

32B-1-603

32B-1-604

32B-1-605

32B-1-606

32B-1-701

32B-1-704

32B-2-101

32B-2-201

32B-2-202

32B-2-203

32B-2-205

32B-2-210

32B-2-301

32B-2-304

32B-2-602

32B-2-605

32B-3-202

32B-3-205

32B-4-403

86	32B-4-403 , as last amended by Laws of Utah 2021, Chapter 291	32B-4-415
87	32B-4-415 , as last amended by Laws of Utah 2020, Chapter 219	
88	32B-5-102 , as last amended by Laws of Utah 2019, Chapter 403	32B-5-102
89	32B-5-201 , as last amended by Laws of Utah 2020, Chapter 219	32B-5-201
90	32B-5-202 , as last amended by Laws of Utah 2021, Chapter 291	
91	32B-5-205 , as last amended by Laws of Utah 2021, Chapter 291	32B-5-202
92	32B-5-304 , as last amended by Laws of Utah 2019, Chapter 403	32B-5-205
93	32B-5-307 , as last amended by Laws of Utah 2021, Chapter 291	
94	32B-5-309 , as last amended by Laws of Utah 2020, Chapter 219	32B-5-304
95	32B-6-205 , as last amended by Laws of Utah 2020, Chapter 219	32B-5-307
96	32B-6-205.2 , as last amended by Laws of Utah 2020, Chapter 219	32B-5-309
97	32B-6-205.3 , as enacted by Laws of Utah 2017, Chapter 455	32B-5-310
98	32B-6-305 , as last amended by Laws of Utah 2019, Chapter 403	
99	32B-6-305.2 , as last amended by Laws of Utah 2019, Chapter 403	32B-6-205
100	32B-6-305.3 , as enacted by Laws of Utah 2017, Chapter 455	
101	32B-6-404.1 , as last amended by Laws of Utah 2018, Chapter	32B-6-205.2
249		
102	32B-6-605 , as last amended by Laws of Utah 2021, Chapter 291	32B-6-205.3
103	32B-6-706 , as last amended by Laws of Utah 2017, Chapter 455	32B-6-305
104	32B-6-905 , as last amended by Laws of Utah 2019, Chapter 403	
105	32B-6-905.1 , as last amended by Laws of Utah 2019, Chapter	32B-6-305.2
403		
106	32B-6-905.2 , as last amended by Laws of Utah 2018, Chapter	32B-6-305.3
281		
107	32B-6-1005 , as enacted by Laws of Utah 2020, Chapter 219	32B-6-404.1
108	32B-7-202 , as last amended by Laws of Utah 2019, Chapter 403	32B-6-605
109	32B-7-305 , as last amended by Laws of Utah 2017, Chapters	32B-6-706
163 and 455		
110	32B-8-201 , as last amended by Laws of Utah 2020, Chapter 219	32B-6-905
111	32B-8b-301 , as last amended by Laws of Utah 2020, Chapter	32B-6-905.1
219		
112	32B-8c-202 , as enacted by Laws of Utah 2020, Chapter 219	32B-6-905.2
113	32B-8d-102 , as enacted by Laws of Utah 2020, Chapter 219	
		32B-6-1005
114	32B-8d-103 , as enacted by Laws of Utah 2020, Chapter 219	32B-7-202
115	32B-8d-104 , as last amended by Laws of Utah 2021, Chapter	
291		32B-7-305
116	32B-8d-201 , as enacted by Laws of Utah 2020, Chapter 219	32B-8-201
117	32B-8d-202 , as renumbered and amended by Laws of Utah	
2020, Chapter 219		32B-8a-101
118	32B-8d-203 , as renumbered and amended by Laws of Utah	
2020, Chapter 219		32B-8a-102

119	32B-8d-204 , as renumbered and amended by Laws of Utah 2020, Chapter 219	32B-8a-201
120	32B-8d-205 , as renumbered and amended by Laws of Utah 2020, Chapter 219	32B-8a-202
121	32B-9-303 , as last amended by Laws of Utah 2012, Chapter 365	32B-8a-203
122	32B-10-206 , as last amended by Laws of Utah 2020, Sixth Special Session, Chapter 6	32B-8a-302
123	32B-11-208 , as last amended by Laws of Utah 2020, Chapter 219	32B-8a-303
124	32B-11-303 , as last amended by Laws of Utah 2016, Chapter 266	32B-8a-501
125	32B-11-403 , as last amended by Laws of Utah 2020, Chapter 219	32B-8a-502
126	32B-11-503 , as last amended by Laws of Utah 2019, Chapter 403	32B-8b-301
127	32B-11-504 , as enacted by Laws of Utah 2021, Chapter 291	32B-8c-202
128	34-52-201 , as last amended by Laws of Utah 2019, Chapters 371 and 479	32B-8d-102
129	53-2a-802 , as last amended by Laws of Utah 2021, Chapters 184 and 344	32B-8d-103
130	53-8-105 , as last amended by Laws of Utah 2016, Chapter 245	32B-8d-104
131	53-10-102 , as last amended by Laws of Utah 2019, Chapter 33	32B-8d-201
132	53-10-305 , as last amended by Laws of Utah 2017, Chapter 455	32B-8d-202
133	53F-9-304 , as last amended by Laws of Utah 2020, Chapter 161	32B-8d-203
134	53G-10-406 , as last amended by Laws of Utah 2020, Chapters 161 and 408	32B-8d-204
135	59-1-403 , as last amended by Laws of Utah 2021, Chapters 282, 367, 369, and 382	32B-8d-205
136	59-15-108 , as renumbered and amended by Laws of Utah 1987, Chapter 2	32B-9-303
137	62A-1-121 , as last amended by Laws of Utah 2021, Chapter 344	32B-10-206
138	62A-15-401 , as last amended by Laws of Utah 2019, Chapter 403	32B-11-208
139	63A-17-502 , as last amended by Laws of Utah 2021, Chapter 184 and renumbered and	32B-11-303
140	amended by Laws of Utah 2021, Chapter 344	32B-11-403
141	63A-17-807 , as last amended by Laws of Utah 2021, Chapter 184 and renumbered and	32B-11-503
142	amended by Laws of Utah 2021, Chapter 344	32B-11-504
143	63B-3-301 , as last amended by Laws of Utah 2021, Chapters 280 and 382	32B-12-207
144	63B-5-201 , as last amended by Laws of Utah 2021, Chapter 280	34-52-201
145	63B-10-301 , as last amended by Laws of Utah 2008, Chapter 382	53-2a-802

146	63B-11-701 , as last amended by Laws of Utah 2008, Chapter	53-8-105
382		
147	63B-13-201 , as enacted by Laws of Utah 2004, Chapter 364	53-10-102
148	63B-14-201 , as enacted by Laws of Utah 2005, Chapter 180	53-10-305
149	63B-15-201 , as enacted by Laws of Utah 2006, Chapter 169	53F-9-304
150	63B-16-201 , as last amended by Laws of Utah 2020, Chapter	53G-10-406
152		
151	63B-17-201 , as last amended by Laws of Utah 2020, Chapter	59-1-403
152		
152	63B-18-201 , as enacted by Laws of Utah 2009, Chapter 134	59-15-108
153	63B-24-101 , as enacted by Laws of Utah 2015, Chapter 281	62A-1-121
154	63B-26-101 , as enacted by Laws of Utah 2016, Chapter 250	62A-15-401
155	63B-27-201 , as enacted by Laws of Utah 2017, Chapter 355	63A-17-502
156	63B-28-101 , as last amended by Laws of Utah 2020, Chapter	63A-17-807
301		
157	63B-29-101 , as enacted by Laws of Utah 2019, Chapter 410	63B-3-301
158	63B-31-202 , as enacted by Laws of Utah 2021, Chapter 320	63B-5-201
159	63G-12-306 , as last amended by Laws of Utah 2014, Chapter	63B-10-301
189		
160	63I-5-201 (Superseded 07/01/22) , as last amended by Laws of	63B-11-701
	Utah 2021, Chapter 184	
161	63I-5-201 (Effective 07/01/22) , as last amended by Laws of Utah	63B-13-201
	2021, Second Special	
162	Session, Chapter 1	63B-14-201
163	63J-1-219 , as last amended by Laws of Utah 2021, Chapters	63B-15-201
	184 and 344	
164	63J-1-602.2 , as last amended by Laws of Utah 2021, Chapters	63B-16-201
	179, 344, 412, 421, and	
165	424	63B-17-201
166	67-22-2 , as last amended by Laws of Utah 2021, Chapters 64,	63B-18-201
	184, 344, and 382	
167	ENACTS:	63B-24-101
168	32B-18-203 , Utah Code Annotated 1953	63B-26-101
169	32B-18-205 , Utah Code Annotated 1953	63B-27-201
170	32B-18-301 , Utah Code Annotated 1953	63B-28-101
171	32B-18-302 , Utah Code Annotated 1953	63B-29-101
172	32B-18-303 , Utah Code Annotated 1953	63B-31-202
173	RENUMBERS AND AMENDS:	
174	32B-18-101 , (Renumbered from 32B-8a-102, as last amended	
	by Laws of Utah 2021,	
175	Chapter 291)	
176	32B-18-201 , (Renumbered from 32B-8a-201, as last amended	
	by Laws of Utah 2021,	
177	Chapter 291)	

178 **32B-18-202**, (Renumbered from 32B-8a-202, as last amended
by Laws of Utah 2021,
179 Chapter 291)
180 **32B-18-204**, (Renumbered from 32B-5-310, as last amended by
Laws of Utah 2021,
181 Chapter 291)
182 **32B-18-206**, (Renumbered from 32B-8a-203, as last amended
by Laws of Utah 2021,
183 Chapter 291)
184 **32B-18-207**, (Renumbered from 32B-8a-303, as last amended
by Laws of Utah 2021,
185 Chapter 291)
186 **32B-18-401**, (Renumbered from 32B-8a-501, as last amended
by Laws of Utah 2021,
187 Chapter 291)
188 **32B-18-402**, (Renumbered from 32B-8a-502, as last amended
by Laws of Utah 2020,
189 Chapter 219)
190 REPEALS:
191 **32B-8a-101**, as last amended by Laws of Utah 2020, Chapter
219
192 **32B-8a-302**, as last amended by Laws of Utah 2021, Chapters
84, 291, and 345
193 **32B-12-207**, as enacted by Laws of Utah 2021, Chapter 291
194

63G-12-306

63I-5-201 (Effective
07/01/22)63I-5-201
(Superseded
07/01/22)

63J-1-219

63J-1-602.2

67-22-2

195 *Be it enacted by the Legislature of the state of Utah:*
196 Section 1. Section **32B-1-102** is amended to read:
197 **32B-1-102. Definitions.**

198 As used in this title:
199 (1) "Airport lounge" means a business location:
200 (a) at which an alcoholic product is sold at retail for consumption
on the premises; and
201 (b) that is located at an international airport.
202 (2) "Airport lounge license" means a license issued in
accordance with Chapter 5,
203 Retail License Act, and Chapter 6, Part 5, Airport Lounge License.
204 (3) "Alcoholic beverage" means the following:
205 (a) beer; or
206 (b) liquor.
207 (4) (a) "Alcoholic product" means a product that:
208 (i) contains at least .5% of alcohol by volume; and
209 (ii) is obtained by fermentation, infusion, decoction, brewing,
distillation, or other
210 process that uses liquid or combinations of liquids, whether
drinkable or not, to create alcohol
211 in an amount equal to or greater than .5% of alcohol by volume.

- 212 (b) "Alcoholic product" includes an alcoholic beverage.
- 213 (c) "Alcoholic product" does not include any of the following
common items that
- 214 otherwise come within the definition of an alcoholic product:
- 215 (i) except as provided in Subsection (4)(d), an extract;
- 216 (ii) vinegar;
- 217 (iii) preserved nonintoxicating cider;
- 218 (iv) essence;
- 219 (v) tincture;
- 220 (vi) food preparation; or
- 221 (vii) an over-the-counter medicine.
- 222 (d) "Alcoholic product" includes an extract containing alcohol
obtained by distillation
- 223 when it is used as a flavoring in the manufacturing of an alcoholic
product.
- 224 (5) "Alcohol training and education seminar" means a seminar
that is:
- 225 (a) required by Chapter 1, Part 7, Alcohol Training and Education
Act; and
-
- 226 (b) described in Section [62A-15-401](#).
- 227 (6) "Arena" means an enclosed building:
- 228 (a) that is managed by:
- 229 (i) the same person who owns the enclosed building;
- 230 (ii) a person who has a majority interest in each person who
owns or manages a space
- 231 in the enclosed building; or
- 232 (iii) a person who has authority to direct or exercise control over
the management or
- 233 policy of each person who owns or manages a space in the
enclosed building;
- 234 (b) that operates as a venue; and
- 235 (c) that has an occupancy capacity of at least 12,500.
- 236 (7) "Arena license" means a license issued in accordance with
Chapter 5, Retail
- 237 License Act, and Chapter 8c, Arena License Act.
- 238 (8) "Banquet" means an event:
- 239 (a) that is a private event or a privately sponsored event;
- 240 (b) that is held at one or more designated locations approved by
the commission in or
- 241 on the premises of:
- 242 (i) a hotel;
- 243 (ii) a resort facility;
- 244 (iii) a sports center;
- 245 (iv) a convention center;
- 246 (v) a performing arts facility; or
- 247 (vi) an arena;
- 248 (c) for which there is a contract:
- 249 (i) between a person operating a facility listed in Subsection (8)
(b) and another person
- 250 that has common ownership of less than 20% with the person

operating the facility; and

251 (ii) under which the person operating a facility listed in

Subsection (8)(b) is required to

252 provide an alcoholic product at the event; and

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

254 (9) "Bar structure" means a surface or structure on a licensed
premises if on or at any

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

256 (a) stored; or

257 (b) dispensed.

258 (10) (a) "Bar establishment license" means a license issued in
accordance with Chapter

259 5, Retail License Act, and Chapter 6, Part 4, Bar Establishment
License.

260 (b) "Bar establishment license" includes:

261 (i) a dining club license;

262 (ii) an equity license;

263 (iii) a fraternal license; or

264 (iv) a bar license.

265 (11) "Bar license" means a license issued in accordance with
Chapter 5, Retail License

266 Act, and Chapter 6, Part 4, Bar Establishment License.

267 (12) (a) [~~Subject to Subsection (12)(d), "beer"~~] "Beer" means a
product that:

268 (i) contains;

269 (A) at least .5% of alcohol by volume[~~-, but not~~]; and

270 (B) no more than 5% of alcohol by volume or 4% by weight; [and]

271 (ii) is obtained by fermentation, infusion, or decoction of [~~malted~~
grain];

272 (A) malt; or

273 (B) a malt substitute; and

274 (iii) is clearly marketed, labeled, and identified as:

275 (A) beer;

276 (B) ale;

277 (C) porter;

278 (D) stout;

279 (E) lager;

280 (F) a malt;

281 (G) a malted beverage; or

282 (H) seltzer.

283 (b) "Beer" may [~~or may not contain hops or other vegetable~~
~~products.] contain:~~

284 (i) hops extract; or

285 (ii) caffeine, if the caffeine is a natural constituent of an added
ingredient.

286 [~~(c) "Beer" includes a product that:]~~

287 [~~(i) contains alcohol in the percentages described in Subsection~~
~~(12)(a); and]~~

288 [~~(ii) is referred to as:]~~

289 ~~[(A) beer;]~~
290 ~~[(B) ale;]~~
291 ~~[(C) porter;]~~
292 ~~[(D) stout;]~~
293 ~~[(E) lager; or]~~
294 ~~[(F) a malt or malted beverage;]~~
295 ~~[(G)]~~ (C) "Beer" does not include:
296 (i) a flavored malt beverage[-];
297 (ii) a product that contains alcohol derived from:
298 (A) spirituous liquor; or
299 (B) wine; or
300 (iii) a product that contains an additive masking or altering a
physiological effect of
301 alcohol, including kratom, kava, cannabidiol, or natural or synthetic
tetrahydrocannabinol.
302 (13) "Beer-only restaurant license" means a license issued in
accordance with Chapter
303 5, Retail License Act, and Chapter 6, Part 9, Beer-Only Restaurant
License.
304 (14) "Beer retailer" means a business that:
305 (a) is engaged, primarily or incidentally, in the retail sale of beer
to a patron, whether
306 for consumption on or off the business premises; and
307 (b) is licensed as:
308 (i) an off-premise beer retailer, in accordance with Chapter 7,
Part 2, Off-Premise Beer
309 Retailer Local Authority; or

310 (ii) an on-premise beer retailer, in accordance with Chapter 5,
Retail License Act, and
311 Chapter 6, Part 7, On-Premise Beer Retailer License.
312 (15) "Beer wholesaling license" means a license:
313 (a) issued in accordance with Chapter 13, Beer Wholesaling
License Act; and
314 (b) to import for sale, or sell beer in wholesale or jobbing
quantities to one or more
315 retail licensees or off-premise beer retailers.
316 (16) "Billboard" means a public display used to advertise,
including:
317 (a) a light device;
318 (b) a painting;
319 (c) a drawing;
320 (d) a poster;
321 (e) a sign;
322 (f) a signboard; or
323 (g) a scoreboard.
324 (17) "Brewer" means a person engaged in manufacturing:
325 (a) beer;
326 (b) heavy beer; or
327 (c) a flavored malt beverage.
328 (18) "Brewery manufacturing license" means a license issued in
accordance with

329 Chapter 11, Part 5, Brewery Manufacturing License.

330 (19) "Certificate of approval" means a certificate of approval
obtained from the

331 department under Section [32B-11-201](#).

332 (20) "Chartered bus" means a passenger bus, coach, or other
motor vehicle provided by

333 a bus company to a group of persons pursuant to a common
purpose:

334 (a) under a single contract;

335 (b) at a fixed charge in accordance with the bus company's tariff;
and

336 (c) to give the group of persons the exclusive use of the
passenger bus, coach, or other

337 motor vehicle, and a driver to travel together to one or more
specified destinations.

338 (21) "Church" means a building:

339 (a) set apart for worship;

340 (b) in which religious services are held;

341 (c) with which clergy is associated; and

342 (d) that is tax exempt under the laws of this state.

343 (22) "Commission" means the Alcoholic Beverage ~~[Control]~~

Services Commission

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

345 (23) "Commissioner" means a member of the commission.

346 (24) "Community location" means:

347 (a) a public or private school;

348 (b) a church;

349 (c) a public library;

350 (d) a public playground; or

351 (e) a public park.

352 (25) "Community location governing authority" means:

353 (a) the governing body of the community location; or

354 (b) if the commission does not know who is the governing body
of a community

355 location, a person who appears to the commission to have been
given on behalf of the

356 community location the authority to prohibit an activity at the
community location.

357 (26) "Container" means a receptacle that contains an alcoholic
product, including:

358 (a) a bottle;

359 (b) a vessel; or

360 (c) a similar item.

361 (27) "Controlled group of ~~[breweries]~~ manufacturers" means as
the commission

362 defines by rule made in accordance with Title 63G, Chapter 3, Utah
Administrative

363 Rulemaking Act.

364 (28) "Convention center" means a facility that is:

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

- 366 (b) otherwise defined as a "convention center" by the
commission by rule.
- 367 (29) (a) "Counter" means a surface or structure in a dining area
of a licensed premises
368 where seating is provided to a patron for service of food.
- 369 (b) "Counter" does not include a dispensing structure.
- 370 (30) "Crime involving moral turpitude" is as defined by the
commission by rule.
- 371 (31) "Department" means the Department of Alcoholic Beverage
[Control] Services
372 created in Section [32B-2-203](#).
- 373 (32) "Department compliance officer" means an individual who is:
374 (a) an auditor or inspector; and
375 (b) employed by the department.
- 376 (33) "Department sample" means liquor that is placed in the
possession of the
377 department for testing, analysis, and sampling.
- 378 (34) "Dining club license" means a license issued in accordance
with Chapter 5, Retail
379 License Act, and Chapter 6, Part 4, Bar Establishment License, that
is designated by the
380 commission as a dining club license.
- 381 (35) "Director," unless the context requires otherwise, means the
director of the
382 department.
- 383 (36) "Disciplinary proceeding" means an adjudicative proceeding
permitted under this
384 title:
385 (a) against a person subject to administrative action; and
386 (b) that is brought on the basis of a violation of this title.
- 387 (37) (a) Subject to Subsection (37)(b), "dispense" means:
388 (i) drawing an alcoholic product; and
389 (ii) using the alcoholic product at the location from which it was
drawn to mix or
390 prepare an alcoholic product to be furnished to a patron of the retail
licensee.
- 391 (b) The definition of "dispense" in this Subsection (37) applies
only to:
392 (i) a full-service restaurant license;
393 (ii) a limited-service restaurant license;
-
- 394 (iii) a reception center license;
395 (iv) a beer-only restaurant license;
396 (v) a bar license;
397 (vi) an on-premise beer retailer;
398 (vii) an airport lounge license;
399 (viii) an on-premise banquet license; and
400 (ix) a hospitality amenity license.
- 401 (38) "Dispensing structure" means a surface or structure on a
licensed premises:
402 (a) where an alcoholic product is dispensed; or

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

404 (39) "Distillery manufacturing license" means a license issued in accordance with

405 Chapter 11, Part 4, Distillery Manufacturing License.

406 (40) "Distressed merchandise" means an alcoholic product in the possession of the

407 department that is saleable, but for some reason is unappealing to the public.

408 (41) "Equity license" means a license issued in accordance with Chapter 5, Retail

409 License Act, and Chapter 6, Part 4, Bar Establishment License, that is designated by the

410 commission as an equity license.

411 (42) "Event permit" means:

412 (a) a single event permit; or

413 (b) a temporary beer event permit.

414 (43) "Exempt license" means a license exempt under Section [32B-1-201](#) from being

415 considered in determining the total number of retail licenses that the commission may issue at

416 any time.

417 (44) (a) "Flavored malt beverage" means a beverage:

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

419 ~~[(ii) that is treated by processing, filtration, or another method of manufacture that is~~

420 ~~not generally recognized as a traditional process in the production of a beer as described in 27~~

421 ~~C.F.R. Sec. 25.55;]~~

422 ~~[(iii) to which is added a flavor or other ingredient containing alcohol, except for a hop~~

423 ~~extract; and]~~

424 ~~(ii) for which the producer is required to file a formula for approval with the federal~~

425 ~~Alcohol and Tobacco Tax and Trade Bureau under 27 C.F.R. Sec. 25.55 because the beverage~~

426 ~~is treated by processing, filtration, or another method of manufacture that is not generally~~

427 ~~recognized as a traditional process in the production of a beer, ale, porter, stout, lager, or malt~~

428 ~~liquor; and~~

429 ~~(iii) for which the producer is required to file a formula for approval with the federal~~

430 ~~Alcohol and Tobacco Tax and Trade Bureau under 27 C.F.R. Sec. 25.55 because the beverage~~

431 ~~includes an ingredient containing alcohol.~~

432 ~~[(iv) (A) for which the producer is required to file a formula for approval with the~~

433 ~~federal Alcohol and Tobacco Tax and Trade Bureau pursuant to 27 C.F.R. Sec. 25.55; or]~~

434 ~~[(B) that is not exempt under Subdivision (f) of 27 C.F.R. Sec.~~

~~25-55-]~~

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

436 (45) "Fraternal license" means a license issued in accordance
with Chapter 5, Retail

437 License Act, and Chapter 6, Part 4, Bar Establishment License, that
is designated by the

438 commission as a fraternal license.

439 (46) "Full-service restaurant license" means a license issued in
accordance with

440 Chapter 5, Retail License Act, and Chapter 6, Part 2, Full-Service
Restaurant License.

441 (47) (a) "Furnish" means by any means to provide with, supply, or
give an individual

442 an alcoholic product, by sale or otherwise.

443 (b) "Furnish" includes to:

444 (i) serve;

445 (ii) deliver; or

446 (iii) otherwise make available.

447 (48) "Guest" means an individual who meets the requirements of
Subsection

448 [32B-6-407\(9\)](#).

449 (49) "Hard cider" means the same as that term is defined in 26
U.S.C. Sec. 5041.

450 (50) "Health care practitioner" means:

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

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

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

454 (d) a physical therapist licensed under Title 58, Chapter 24b,
Physical Therapy Practice

455 Act;

456 (e) a nurse or advanced practice registered nurse licensed under
Title 58, Chapter 31b,

457 Nurse Practice Act;

458 (f) a recreational therapist licensed under Title 58, Chapter 40,
Recreational Therapy

459 Practice Act;

460 (g) an occupational therapist licensed under Title 58, Chapter
42a, Occupational

461 Therapy Practice Act;

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

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

464 Professional Practice Act;

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

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

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

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

472 (51) (a) "Heavy beer" means a product that:

473 (i) contains more than 5% alcohol by volume; and

474 (ii) is obtained by fermentation, infusion, or decoction of ~~malted~~
~~grain~~];

475 (A) malt; or

476 (B) a malt substitute.

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

478 (52) "Hospitality amenity license" means a license issued in
accordance with Chapter
479 5, Retail License Act, and Chapter 6, Part 10, Hospitality Amenity
License.

480 (53) (a) "Hotel" means a commercial lodging establishment that:

481 (i) offers at least 40 rooms as temporary sleeping
accommodations for compensation;

482 (ii) is capable of hosting conventions, conferences, and food and
beverage functions
483 under a banquet contract; and

484 (iii) (A) has adequate kitchen or culinary facilities on the premises
to provide complete
485 meals;

486 (B) has at least 1,000 square feet of function space consisting of
meeting or dining
487 rooms that can be reserved for ~~private use under~~ a banquet
~~contract~~ and can accommodate at
488 least 75 individuals; or

489 (C) if the establishment is located in a small or unincorporated
locality, has an
490 appropriate amount of function space consisting of meeting or dining
rooms that can be
491 reserved for private use under a banquet contract, as determined by
the commission.

492 (b) "Hotel" includes a commercial lodging establishment that:

493 (i) meets the requirements under Subsection (53)(a); and

494 (ii) has one or more privately owned dwelling units.

495 (54) "Hotel license" means a license issued in accordance with
Chapter 5, Retail
496 License Act, and Chapter 8b, Hotel License Act.

497 (55) "Identification card" means an identification card issued
under Title 53, Chapter 3,
498 Part 8, Identification Card Act.

499 (56) "Industry representative" means an individual who is
compensated by salary,

500 commission, or other means for representing and selling an
alcoholic product of a
501 manufacturer, supplier, or importer of liquor.
502 (57) "Industry representative sample" means liquor that is placed
in the possession of
503 the department for testing, analysis, and sampling by a local
industry representative on the
504 premises of the department to educate the local industry
representative of the quality and
505 characteristics of the product.

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

- 508 (a) law; or
- 509 (b) court order.

510 (59) "International airport" means an airport:

- 511 (a) with a United States Customs and Border Protection office on
the premises of the
512 airport; and
- 513 (b) at which international flights may enter and depart.

514 (60) "Intoxicated" means that a person:

- 515 (a) is significantly impaired as to the person's mental or physical
functions as a result of
516 the use of:

- 517 (i) an alcoholic product;
- 518 (ii) a controlled substance;
- 519 (iii) a substance having the property of releasing toxic vapors; or
- 520 (iv) a combination of Subsections (60)(a)(i) through (iii); and
- 521 (b) exhibits plain and easily observed outward manifestations of
behavior or physical

522 signs produced by the overconsumption of an alcoholic product.

523 (61) "Investigator" means an individual who is:

- 524 (a) a department compliance officer; or
- 525 (b) a nondepartment enforcement officer.

526 (62) "License" means:

- 527 (a) a retail license;
- 528 (b) a sublicense;
- 529 (c) a license issued in accordance with Chapter 7, Part 4, Off-
Premise Beer Retailer

530 State License;

531 ~~(e)~~ (d) a license issued in accordance with Chapter 11,
Manufacturing and Related

532 Licenses Act;

533 ~~(d)~~ (e) a license issued in accordance with Chapter 12, Liquor
Warehousing License

534 Act;

535 ~~(e)~~ (f) a license issued in accordance with Chapter 13, Beer
Wholesaling License Act;

536 or

537 ~~(f)~~ (g) a license issued in accordance with Chapter 17, Liquor

Transport License Act.

538 (63) "Licensee" means a person who holds a license.

539 (64) "Limited-service restaurant license" means a license issued in accordance with

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

541 (65) "Limousine" means a motor vehicle licensed by the state or a local authority, other

542 than a bus or taxicab:

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

544 barrier;

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

546 accordance with the business entity's tariff; and

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

548 to travel to one or more specified destinations.

549 (66) (a) (i) "Liquor" means a liquid that:

550 (A) is:

551 (I) alcohol;

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

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

554 (IV) other drink or drinkable liquid; and

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

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

557 (ii) "Liquor" includes:

558 (A) heavy beer;

559 (B) wine; and

560 (C) a flavored malt beverage.

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

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

563 (68) "Liquor transport license" means a license issued in accordance with Chapter 17,

564 Liquor Transport License Act.

565 (69) "Liquor warehousing license" means a license that is issued:

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

567 (b) to a person, other than a licensed manufacturer, who engages in the importation for

568 storage, sale, or distribution of liquor regardless of amount.

569 (70) "Local authority" means:

570 (a) for premises that are located in an unincorporated area of a county, the governing

571 body of a county;

572 (b) for premises that are located in an incorporated city, town, or metro township, the

573 governing body of the city, town, or metro township; or
 574 (c) for premises that are located in a project area as defined in
 Section [63H-1-102](#) and
 575 in a project area plan adopted by the Military Installation
 Development Authority under Title
 576 63H, Chapter 1, Military Installation Development Authority Act, the
 Military Installation
 577 Development Authority.
 578 (71) "Lounge or bar area" is as defined by rule made by the
 commission.
 579 (72) "Malt substitute" means:
 580 (a) rice;
 581 (b) grain;
 582 (c) bran;
 583 (d) glucose;
 584 (e) sugar; or
 585 (f) molasses.
 586 ~~(72)~~ (73) "Manufacture" means to distill, brew, rectify, mix,
 compound, process,
 587 ferment, or otherwise make an alcoholic product for personal use or
 for sale or distribution to
 588 others.
 589 ~~(73)~~ (74) "Member" means an individual who, after paying
 regular dues, has full

590 privileges in an equity licensee or fraternal licensee.
 591 ~~(74)~~ (75) (a) "Military installation" means a base, air field, camp,
 post, station, yard,
 592 center, or homeport facility for a ship:
 593 (i) (A) under the control of the United States Department of
 Defense; or
 594 (B) of the National Guard;
 595 (ii) that is located within the state; and
 596 (iii) including a leased facility.
 597 (b) "Military installation" does not include a facility used primarily
 for:
 598 (i) civil works;
 599 (ii) a rivers and harbors project; or
 600 (iii) a flood control project.
 601 ~~(75)~~ (76) "Minibar" means an area of a hotel guest room where
 one or more alcoholic
 602 products are kept and offered for self-service sale or consumption.
 603 ~~(76)~~ (77) "Minor" means an individual under ~~[the age of]~~ 21
 years old.
 604 ~~(77)~~ (78) "Nondepartment enforcement agency" means an
 agency that:
 605 (a) (i) is a state agency other than the department; or
 606 (ii) is an agency of a county, city, town, or metro township; and
 607 (b) has a responsibility to enforce one or more provisions of this
 title.
 608 ~~(78)~~ (79) "Nondepartment enforcement officer" means an

individual who is:

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

610 (b) employed by a nondepartment enforcement agency.

611 ~~[(79)]~~ (80) (a) "Off-premise beer retailer" means a beer retailer who is:

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

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

614 premises.

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

616 ~~[(80)]~~ (81) "Off-premise beer retailer state license" means a state license issued in

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

618 ~~[(81)]~~ (82) "On-premise banquet license" means a license issued in accordance with

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

620 ~~[(82)]~~ (83) "On-premise beer retailer" means a beer retailer who is:

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

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

623 Retailer License; and

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

625 premises:

626 (i) regardless of whether the beer retailer sells beer for consumption off the licensed

627 premises; and

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

629 (A) as a tavern; or

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

631 ~~[(83)]~~ (84) "Opaque" means impenetrable to sight.

632 ~~[(84)]~~ (85) "Package agency" means a retail liquor location operated:

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

634 (b) by a person:

635 (i) other than the state; and

636 (ii) who is authorized by the commission in accordance with Chapter 2, Part 6, Package

637 Agency, to sell packaged liquor for consumption off the premises of the package agency.

638 ~~[(85)]~~ (86) "Package agent" means a person who holds a package agency.

639 ~~[(86)]~~ (87) "Patron" means an individual to whom food,

beverages, or services are sold,

640 offered for sale, or furnished, or who consumes an alcoholic product including:

641 (a) a customer;

642 (b) a member;

643 (c) a guest;

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

645 (e) an individual who receives room service;

646 (f) a resident of a resort; or

647 (g) a hospitality guest, as defined in Section [32B-6-1002](#), under a hospitality amenity

648 license.

649 ~~[(87)]~~ (88) (a) "Performing arts facility" means a multi-use performance space that:

650 (i) is primarily used to present various types of performing arts, including dance,

651 music, and theater;

652 (ii) contains over 2,500 seats;

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

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

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

656 events or sporting competitions.

657 ~~[(88)]~~ (89) "Permittee" means a person issued a permit under:

658 (a) Chapter 9, Event Permit Act; or

659 (b) Chapter 10, Special Use Permit Act.

660 ~~[(89)]~~ (90) "Person subject to administrative action" means:

661 (a) a licensee;

662 (b) a permittee;

663 (c) a manufacturer;

664 (d) a supplier;

665 (e) an importer;

666 (f) one of the following holding a certificate of approval:

667 (i) an out-of-state brewer;

668 (ii) an out-of-state importer of beer, heavy beer, or flavored malt beverages; or

669 (iii) an out-of-state supplier of beer, heavy beer, or flavored malt beverages; or

670 (g) staff of:

671 (i) a person listed in Subsections ~~[(89)]~~ (90)(a) through (f); or

672 (ii) a package agent.

673 ~~[(90)]~~ (91) "Premises" means a building, enclosure, or room used in connection with

674 the storage, sale, furnishing, consumption, manufacture, or distribution, of an alcoholic

675 product, unless otherwise defined in this title or rules made by the commission.

676 ~~[(91)]~~ (92) "Prescription" means an order issued by a health care practitioner when:

677 (a) the health care practitioner is licensed under Title 58,
Occupations and Professions,
678 to prescribe a controlled substance, other drug, or device for
medicinal purposes;
679 (b) the order is made in the course of that health care
practitioner's professional
680 practice; and
681 (c) the order is made for obtaining an alcoholic product for
medicinal purposes only.
682 ~~[(92)]~~ (93) (a) "Primary spirituous liquor" means the main distilled
spirit in a beverage.
683 (b) "Primary spirituous liquor" does not include a secondary
flavoring ingredient.
684 ~~[(93)]~~ (94) "Principal license" means:
685 (a) a resort license;
686 (b) a hotel license; or
687 (c) an arena license.
688 ~~[(94)]~~ (95) (a) "Private event" means a specific social, business,
or recreational event:
689 (i) for which an entire room, area, or hall is leased or rented in
advance by an identified
690 group; and
691 (ii) that is limited in attendance to people who are specifically
designated and their
692 guests.
693 (b) "Private event" does not include an event to which the
general public is invited,
694 whether for an admission fee or not.
695 ~~[(95)]~~ (96) "Privately sponsored event" means a specific social,
business, or
696 recreational event:
697 (a) that is held in or on the premises of an on-premise banquet
licensee; and
698 (b) to which entry is restricted by an admission fee.
699 ~~[(96)]~~ (97) (a) "Proof of age" means:
700 (i) an identification card;
701 (ii) an identification that:

702 (A) is substantially similar to an identification card;
703 (B) is issued in accordance with the laws of a state other than
Utah in which the
704 identification is issued;
705 (C) includes date of birth; and
706 (D) has a picture affixed;
707 (iii) a valid driver license certificate that:
708 (A) includes date of birth;
709 (B) has a picture affixed; and
710 (C) is issued:
711 (I) under Title 53, Chapter 3, Uniform Driver License Act; ~~[or]~~
712 (II) in accordance with the laws of the state in which it is issued;
or
713 (III) in accordance with federal law by the United States

Department of State:

- 714 (iv) a military identification card that:
- 715 (A) includes date of birth; and
- 716 (B) has a picture affixed; or
- 717 (v) a valid passport.
- 718 (b) "Proof of age" does not include a driving privilege card issued in accordance with
- 719 Section [53-3-207](#).
- 720 ~~[(97)]~~ (98) "Provisions applicable to a sublicense" means:
- 721 (a) for a full-service restaurant sublicense, the provisions applicable to a full-service
- 722 restaurant license under Chapter 6, Part 2, Full-Service Restaurant License;
- 723 (b) for a limited-service restaurant sublicense, the provisions applicable to a
- 724 limited-service restaurant license under Chapter 6, Part 3, Limited-Service Restaurant License;
- 725 (c) for a bar establishment sublicense, the provisions applicable to a bar establishment
- 726 license under Chapter 6, Part 4, Bar Establishment License;
- 727 (d) for an on-premise banquet sublicense, the provisions applicable to an on-premise
- 728 banquet license under Chapter 6, Part 6, On-Premise Banquet License;
- 729 (e) for an on-premise beer retailer sublicense, the provisions applicable to an
-
- 730 on-premise beer retailer license under Chapter 6, Part 7, On-Premise Beer Retailer License;
- 731 (f) for a beer-only restaurant sublicense, the provisions applicable to a beer-only
- 732 restaurant license under Chapter 6, Part 9, Beer-Only Restaurant License;
- 733 (g) for a hospitality amenity license, the provisions applicable to a hospitality amenity
- 734 license under Chapter 6, Part 10, Hospitality Amenity License; and
- 735 (h) for a ~~[resort]~~ spa sublicense, the provisions applicable to the sublicense under
- 736 Chapter 8d, Part 2, ~~[Resort]~~ Spa Sublicense.
- 737 ~~[(98)]~~ (99) (a) "Public building" means a building or permanent structure that is:
- 738 (i) owned or leased by:
- 739 (A) the state; or
- 740 (B) a local government entity; and
- 741 (ii) used for:
- 742 (A) public education;
- 743 (B) transacting public business; or
- 744 (C) regularly conducting government activities.
- 745 (b) "Public building" does not include a building owned by the state or a local
- 746 government entity when the building is used by a person, in whole

or in part, for a proprietary

747 function.

748 ~~[(99)]~~ (100) "Public conveyance" means a conveyance that the
public or a portion of

749 the public has access to and a right to use for transportation,
including an airline, railroad, bus,

750 boat, or other public conveyance.

751 ~~[(100)]~~ (101) "Reception center" means a business that:

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

753 (b) has as its primary purpose the leasing of the facilities

described in Subsection

754 ~~[(100)]~~ (101)(a) to a third party for the third party's event.

755 ~~[(101)]~~ (102) "Reception center license" means a license issued
in accordance with

756 Chapter 5, Retail License Act, and Chapter 6, Part 8, Reception
Center License.

757 ~~[(102)]~~ (103) (a) "Record" means information that is:

758 (i) inscribed on a tangible medium; or

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

760 (b) "Record" includes:

761 (i) a book;

762 (ii) a book of account;

763 (iii) a paper;

764 (iv) a contract;

765 (v) an agreement;

766 (vi) a document; or

767 (vii) a recording in any medium.

768 ~~[(103)]~~ (104) "Residence" means a person's principal place of
abode within Utah.

769 ~~[(104)]~~ (105) "Resident," in relation to a resort, means the same
as that term is defined

770 in Section 32B-8-102.

771 ~~[(105)]~~ (106) "Resort" means the same as that term is defined in
Section 32B-8-102.

772 ~~[(106)]~~ (107) "Resort facility" is as defined by the commission by
rule.

773 ~~[(107)] "Resort spa sublicense" means a resort license sublicense
issued in accordance~~

774 ~~with Chapter 8d, Part 2, Resort Spa Sublicense.]~~

775 (108) "Resort license" means a license issued in accordance with
Chapter 5, Retail

776 License Act, and Chapter 8, Resort License Act.

777 (109) "Responsible alcohol service plan" means a written set of
policies and

778 procedures that outlines measures to prevent employees from:

779 (a) over-serving alcoholic beverages to customers;

780 (b) serving alcoholic beverages to customers who are actually,
apparently, or obviously

781 intoxicated; and

- 782 (c) serving alcoholic beverages to minors.
- 783 (110) "Restaurant" means a business location:
- 784 (a) at which a variety of foods are prepared;
- 785 (b) at which complete meals are served; and
-
- 786 (c) that is engaged primarily in serving meals.
- 787 (111) "Restaurant license" means one of the following licenses issued under this title:
- 788 (a) a full-service restaurant license;
- 789 (b) a limited-service restaurant license; or
- 790 (c) a beer-only restaurant license.
- 791 (112) "Retail license" means one of the following licenses issued under this title:
- 792 (a) a full-service restaurant license;
- 793 (b) a master full-service restaurant license;
- 794 (c) a limited-service restaurant license;
- 795 (d) a master limited-service restaurant license;
- 796 (e) a bar establishment license;
- 797 (f) an airport lounge license;
- 798 (g) an on-premise banquet license;
- 799 (h) an on-premise beer license;
- 800 (i) a reception center license;
- 801 (j) a beer-only restaurant license;
- 802 (k) a hospitality amenity license;
- 803 (l) a resort license;
- 804 (m) a hotel license; or
- 805 (n) an arena license.
- 806 (113) "Room service" means furnishing an alcoholic product to a person in a guest
- 807 room or privately owned dwelling unit of a:
- 808 (a) hotel; or
- 809 (b) resort facility.
- 810 (114) (a) "School" means a building in which any part is used for more than three
- 811 hours each weekday during a school year as a public or private:
- 812 (i) elementary school;
- 813 (ii) secondary school; or
-
- 814 (iii) kindergarten.
- 815 (b) "School" does not include:
- 816 (i) a nursery school;
- 817 (ii) a day care center;
- 818 (iii) a trade and technical school;
- 819 (iv) a preschool; or
- 820 (v) a home school.
- 821 (115) "Secondary flavoring ingredient" means any spirituous liquor added to a
- 822 beverage for additional flavoring that is different in type, flavor, or brand from the primary
- 823 spirituous liquor in the beverage.
- 824 (116) "Sell" or "offer for sale" means a transaction, exchange, or barter whereby, for

825 consideration, an alcoholic product is either directly or indirectly
transferred, solicited, ordered,
826 delivered for value, or by a means or under a pretext is promised or
obtained, whether done by
827 a person as a principal, proprietor, or as staff, unless otherwise
defined in this title or the rules
828 made by the commission.
829 (117) "Serve" means to place an alcoholic product before an
individual.
830 (118) "Sexually oriented entertainer" means a person who while
in a state of
831 seminudity appears at or performs:
832 (a) for the entertainment of one or more patrons;
833 (b) on the premises of:
834 (i) a bar licensee; or
835 (ii) a tavern;
836 (c) on behalf of or at the request of the licensee described in
Subsection (118)(b);
837 (d) on a contractual or voluntary basis; and
838 (e) whether or not the person is designated as:
839 (i) an employee;
840 (ii) an independent contractor;
841 (iii) an agent of the licensee; or

842 (iv) a different type of classification.
843 (119) "Shared seating area" means the licensed premises of two
or more restaurant
844 licensees that the restaurant licensees share as an area for
alcoholic beverage consumption in
845 accordance with Subsection 32B-5-207(3).
846 (120) "Single event permit" means a permit issued in accordance
with Chapter 9, Part
847 3, Single Event Permit.
848 (121) "Small brewer" means a brewer who manufactures less
than 60,000 barrels of
849 beer, heavy beer, and flavored malt beverage per year, as the
department calculates by:
850 (a) if the brewer is part of a controlled group of ~~[breweries]~~
manufacturers, including
851 the combined volume totals of production for all breweries that
constitute the controlled group
852 of ~~[breweries]~~ manufacturers; and
853 (b) excluding beer, heavy beer, or flavored malt beverage the
brewer:
854 (i) manufactures that is unfit for consumption as, or in, a
beverage, as the commission
855 determines by rule made in accordance with Title 63G, Chapter 3,
Utah Administrative
856 Rulemaking Act; and
857 (ii) does not sell for consumption as, or in, a beverage.
858 (122) "Small or unincorporated locality" means:

- 859 (a) a city of the third, fourth, or fifth class, as classified under
Section [10-2-301](#);
- 860 (b) a town, as classified under Section [10-2-301](#); or
- 861 (c) an unincorporated area in a county of the third, fourth, or fifth
class, as classified
- 862 under Section [17-50-501](#).
- 863 (123) "Spa sublicense" means a sublicense:
- 864 (a) to a resort license or hotel license; and
- 865 (b) that the commission issues in accordance with Chapter 8d,
Part 2, Spa Sublicense.
- 866 ~~[(123)]~~ (124) "Special use permit" means a permit issued in
accordance with Chapter
- 867 10, Special Use Permit Act.
- 868 ~~[(124)]~~ (125) (a) "Spirituous liquor" means liquor that is distilled.
- 869 (b) "Spirituous liquor" includes an alcoholic product defined as a
"distilled spirit" by
-
- 870 27 U.S.C. Sec. 211 and 27 C.F.R. Sec. 5.11 through 5.23.
- 871 ~~[(125)]~~ (126) "Sports center" is as defined by the commission by
rule.
- 872 ~~[(126)]~~ (127) (a) "Staff" means an individual who engages in
activity governed by this
- 873 title:
- 874 (i) on behalf of a business, including a package agent, licensee,
permittee, or certificate
- 875 holder;
- 876 (ii) at the request of the business, including a package agent,
licensee, permittee, or
- 877 certificate holder; or
- 878 (iii) under the authority of the business, including a package
agent, licensee, permittee,
- 879 or certificate holder.
- 880 (b) "Staff" includes:
- 881 (i) an officer;
- 882 (ii) a director;
- 883 (iii) an employee;
- 884 (iv) personnel management;
- 885 (v) an agent of the licensee, including a managing agent;
- 886 (vi) an operator; or
- 887 (vii) a representative.
- 888 ~~[(127)]~~ (128) "State of nudity" means:
- 889 (a) the appearance of:
- 890 (i) the nipple or areola of a female human breast;
- 891 (ii) a human genital;
- 892 (iii) a human pubic area; or
- 893 (iv) a human anus; or
- 894 (b) a state of dress that fails to opaquely cover:
- 895 (i) the nipple or areola of a female human breast;
- 896 (ii) a human genital;
- 897 (iii) a human pubic area; or

898 (iv) a human anus.

899 ~~[(128)]~~ (129) "State of seminudity" means a state of dress in which opaque clothing

900 covers no more than:

901 (a) the nipple and areola of the female human breast in a shape and color other than the

902 natural shape and color of the nipple and areola; and

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

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

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

and

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

and

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

908 ~~[(129)]~~ (130) (a) "State store" means a facility for the sale of packaged liquor:

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

910 (ii) operated by a state employee.

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

912 (i) a package agency;

913 (ii) a licensee; or

914 (iii) a permittee.

915 ~~[(130)]~~ (131) (a) "Storage area" means an area on licensed premises where the licensee

916 stores an alcoholic product.

917 (b) "Store" means to place or maintain in a location an alcoholic product.

918 ~~[(131)]~~ (132) "Sublicense" means:

919 (a) any of the following licenses issued as a subordinate license to, and contingent on

920 the issuance of, a principal license:

921 (i) a full-service restaurant license;

922 (ii) a limited-service restaurant license;

923 (iii) a bar establishment license;

924 (iv) an on-premise banquet license;

925 (v) an on-premise beer retailer license;

926 (vi) a beer-only restaurant license; or

927 (vii) a hospitality amenity license; or

928 (b) a ~~[resort]~~ spa sublicense.

929 ~~[(132)]~~ (133) "Supplier" means a person who sells an alcoholic product to the

930 department.

931 ~~[(133)]~~ (134) "Tavern" means an on-premise beer retailer who is:

932 (a) issued a license by the commission in accordance with Chapter 5, Retail License

933 Act, and Chapter 6, Part 7, On-Premise Beer Retailer License; and

934 (b) designated by the commission as a tavern in accordance with Chapter 6, Part 7,

935 On-Premise Beer Retailer License.

936 ~~[(134)]~~ (135) "Temporary beer event permit" means a permit

issued in accordance with

937 Chapter 9, Part 4, Temporary Beer Event Permit.

938 ~~(135)~~ (136) "Temporary domicile" means the principal place of
abode within Utah of

939 a person who does not have a present intention to continue
residency within Utah permanently

940 or indefinitely.

941 ~~(136)~~ (137) "Translucent" means a substance that allows light to
pass through, but

942 does not allow an object or person to be seen through the
substance.

943 ~~(137)~~ (138) "Unsaleable liquor merchandise" means a container
that:

944 (a) is unsaleable because the container is:

945 (i) unlabeled;

946 (ii) leaky;

947 (iii) damaged;

948 (iv) difficult to open; or

949 (v) partly filled;

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

951 (ii) has contents that are:

952 (A) cloudy;

953 (B) spoiled; or

954 (C) chemically determined to be impure; or

955 (iii) contains:

956 (A) sediment; or

957 (B) a foreign substance; or

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

959 ~~(138)~~ (139) (a) "Wine" means an alcoholic product obtained by
the fermentation of

960 the natural sugar content of fruits, plants, honey, or milk, or other like
substance, whether or

961 not another ingredient is added.

962 (b) "Wine" includes:

963 (i) an alcoholic beverage defined as wine under 27 U.S.C. Sec.
211 and 27 C.F.R. Sec.

964 4.10; and

965 (ii) hard cider.

966 (c) "Wine" is considered liquor for purposes of this title, except as
otherwise provided

967 in this title.

968 ~~(139)~~ (140) "Winery manufacturing license" means a license
issued in accordance

969 with Chapter 11, Part 3, Winery Manufacturing License.

970 Section 2. Section **32B-1-202.1** is amended to read:

971 **32B-1-202.1. Proximity for certain and arena hotel licensees.**

972 (1) As used in this section, "hotel" means the same as that term
is defined in Section

973 **32B-8b-102.**

974 (2) The commission may issue a hotel license for a proposed

location that does not

975 meet the proximity requirements under Section [32B-1-202](#), if:

976 (a) the proposed hotel is:

977 (i) located in a city classified as a city of the first class under
Section [10-2-301](#);

978 (ii) within 600 feet of two community locations, as measured from
the nearest patron

979 entrance of the proposed hotel by following the shortest route of
ordinary pedestrian travel to

980 the property boundary of each community location;

981 (iii) not within 300 feet of a community location, as measured
from the nearest patron

982 entrance of the proposed hotel by following the shortest route of
ordinary pedestrian travel to

983 the property boundary of the community location; and

984 (iv) not within 200 feet of a community location, as measured in a
straight line from

985 the nearest patron entrance of the proposed hotel to the nearest
property boundary of the

986 community location;

987 (b) the proposed sublicensed premises of a bar establishment
sublicense under the hotel

988 license:

989 (i) is on the second or higher floor of a hotel;

990 (ii) is not accessible at street level; and

991 (iii) is only accessible to an individual who passes through
another area of the hotel in

992 which the bar establishment sublicense is located; and

993 (c) the applicant meets all other criteria under this title for the
hotel license.

994 (3) The commission may issue authority to operate as a package
agency to a hotel

995 licensee who meets the requirements described in Subsection (2).

996 (4)(a) The commission may issue an arena license for a
proposed location that does

997 not meet the proximity requirements described in Section [32B-1-](#)
[202](#), if, on the day before the

998 day on which the commission issues the license, each proposed
sublicense of the arena license:

999 (i) operates as an outlet or restaurant; and

1000 (ii) (A) operates on the proposed sublicense premises under a
variance to one or more

1001 proximity requirements in accordance with Section [32B-1-202](#); or

1002 (B) has been in operation on the proposed sublicense premises
for at least 10 years.

1003 (b) After the commission issues an arena license in accordance
with Subsection (4)(a),

1004 the commission may not issue the arena licensee an additional
sublicense.

1005 Section 3. Section **32B-1-603** is amended to read:

1006 **32B-1-603. Power of the commission and department to**
 1007 **classify flavored malt**
 1008 **beverages.**

1008 (1) The commission and department shall regulate a flavored
 malt beverage as liquor.

1009 (2) (a) The department shall make available to the public on the
 Internet a list of the

1010 flavored malt beverages authorized to be sold in this state as
 liquor.

1011 (b) The list described in Subsection (2)(a) shall be updated at
 least quarterly.

1012 (3) (a) A manufacturer shall file, under penalty of perjury, a
 report with the department

1013 listing each flavored malt beverage manufactured by the
 manufacturer that the manufacturer

1014 wants to distribute in this state subject to the manufacturer holding:

1015 (i) a brewery manufacturing license issued in accordance with
 Chapter 11, Part 5,

1016 Brewery Manufacturing License; or

1017 (ii) a certificate of approval.

1018 (b) A manufacturer may not distribute or sell in this state a
 flavored malt beverage if

1019 the manufacturer does not list the flavored malt beverage in a filing
 with the department in

1020 accordance with this Subsection (3) before distributing or selling
 the flavored malt beverage.

1021 (4) The department may require a manufacturer of a flavored
 malt beverage to provide

1022 the department with a copy of the following filed with the federal
 Alcohol and Tobacco Tax

1023 and Trade Bureau, pursuant to 27 C.F.R. Sec. 25.55:

1024 (a) a statement of process; or

1025 (b) a formula.

1026 (5) (a) A manufacturer of an alcoholic product that the
 department is classifying or

1027 proposes to classify as a flavored malt beverage may submit
 evidence to the department that

1028 ~~[(i)]~~ the manufacturer's alcoholic product should not be treated as
 liquor under this section

1029 because ~~[the alcoholic product:]~~ no formula for the alcoholic
product is required to be filed for

1030 a reason described in:

1031 (i) Subsection 32B-1-102(44)(a)(ii), as shown by a

determination issued by the federal

1032 Alcohol and Tobacco Tax and Trade Bureau; or

1033 (ii) Subsection 32B-1-102(44)(a)(iii).

1034 ~~[(i) is obtained by fermentation, infusion, or decoction of a~~
~~malted grain;]~~

1035 ~~[(ii) is produced by processing, filtration, or another method of~~

~~manufacture that is~~
1036 ~~generally recognized as a traditional process in the production of~~
~~beer as described in 27 C.F.R.~~
1037 ~~Sec. 25.55;]~~

1038 ~~[(iii) does not have added to it a flavor or other ingredient~~
~~containing alcohol, except~~
1039 ~~for a hop extract, and]~~
1040 ~~[(iv) (A) is not one for which the producer is required to file a~~
~~formula for approval~~
1041 ~~with the federal Alcohol and Tobacco Tax and Trade Bureau~~
~~pursuant to 27 C.F.R. Sec. 25.55;~~
1042 ~~or]~~
1043 ~~[(B) is exempt under Subdivision (f) of 27 C.F.R. Sec. 25.55.]~~
1044 (b) The department shall review the evidence submitted by the
manufacturer under this
1045 Subsection (5).
1046 (c) The department shall make available to the public on the
Internet a list of the
1047 alcoholic products authorized under this Subsection (5) to be sold
as beer in this state.
1048 (d) A decision of the department under this Subsection (5) may
be appealed to the
1049 commission.

1050 Section 4. Section **32B-1-604** is amended to read:

1051 **32B-1-604. Requirements for labeling and packaging --**

Authority of the

1052 **commission and department.**

1053 (1) A manufacturer may not distribute or sell a malted beverage:

1054 (a) unless the label and packaging of the malted beverage:

1055 (i) complies with the federal label requirements of 27 C.F.R.

Parts 7, 13, and 16; and

1056 (ii) clearly gives notice to the public that the malted beverage is
an alcoholic product;

1057 and

1058 (b) until the day on which the department in accordance with
this title and rules of the

1059 commission approves the label and packaging of the malted
beverage.

1060 (2) The department shall review the label and packaging of a
malted beverage to ensure

1061 that the label and packaging meet the requirements of Subsection
(1)(a).

1062 (3) Except as otherwise required under Section **32B-1-606**, a
manufacturer may comply

1063 with the requirement of Subsection (1)(a)(ii) by including on a label
and packaging for a

1064 malted beverage any of the following terms in obvious and clearly
visible contrast to the

1065 background of the text:

1066 (a) beer;
1067 (b) ale;
1068 (c) porter;
1069 (d) stout;
1070 (e) lager;
1071 (f) lager beer; [æf]
1072 (g) hard seltzer;
1073 (h) spiked seltzer; or
1074 [~~g~~] (i) another class or type designation commonly applied to a
malted beverage that
1075 conveys by a recognized term that the product contains alcohol.
1076 Section 5. Section **32B-1-605** is amended to read:
1077 **32B-1-605. General procedure for approval.**
1078 (1) To obtain approval of the label and packaging of a malted
beverage, the
1079 manufacturer of the malted beverage shall submit an application to
the department for
1080 approval.
1081 (2) The application described in Subsection (1) shall be on a
form approved by the
1082 department and include the following for each brand and label for
which the manufacturer
1083 seeks approval:
1084 (a) (i) a copy of a federal certificate of label approval from the
United States
1085 Department of Treasury, Alcohol and Tobacco Tax and Trade
Bureau; or
1086 (ii) if the United States Department of Treasury, Alcohol and
Tobacco Tax and Trade
1087 Bureau does not require label approval, a copy of formula approval
from the United States
1088 Department of Treasury, Alcohol and Tobacco Tax and Trade
Bureau;
1089 (b) a complete set of original labels for each size of container of
the malted beverage;
1090 (c) a description of the size of the container on which a label will
be placed;
1091 (d) a description of each type of container of the malted
beverage; and
1092 (e) a description of any packaging for the malted beverage.
1093 (3) The department may assess a reasonable fee for reviewing
a label and packaging for

1094 approval.
1095 (4) (a) The department shall notify a manufacturer within 30
days after the day on
1096 which the manufacturer submits [~~an~~] a complete application
whether the label and packaging is
1097 approved or denied.
1098 (b) If the department determines that an unusual circumstance
requires additional time,

1099 the department may extend the time period described in Subsection (4)(a).

1100 (5) A manufacturer shall obtain the approval of the department of a revision of a

1101 previously approved label and packaging before a malted beverage using the revised label and

1102 packaging may be distributed or sold in this state.

1103 (6) (a) The department may revoke a label and packaging previously approved upon a

1104 finding that the label and packaging is not in compliance with this title or rules of the

1105 commission.

1106 (b) The department shall notify the ~~[person who applies for the approval of a]~~

1107 manufacturer who applied for an approved label and packaging at least ~~[five]~~ 30 business days

1108 before the day on which ~~[a]~~ the label and packaging approval is considered revoked.

1109 (c) ~~[After receiving]~~ Within 20 business days after the day on which a manufacturer

1110 receives the notice under Subsection (6)(b), ~~[a]~~ the manufacturer may present written argument

1111 or evidence to the department on why the revocation should not occur.

1112 (7) (a) A manufacturer that applies for approval of a label and packaging may appeal a

1113 denial or revocation of a label and packaging approval to the commission.

1114 (b) During the period in which a manufacturer appeals a denial or revocation of a label

1115 and packaging approval to the commission, as permitted under Subsection (7)(a), the denial or

1116 revocation shall remain in force.

1117 Section 6. Section **32B-1-606** is amended to read:

1118 **32B-1-606. Special procedure for certain malted beverages.**

1119 (1) A manufacturer of a malted beverage may not distribute or sell the malted beverage

1120 in the state until the day on which the manufacturer receives approval of the labeling and

1121 packaging from the department in accordance with :

1122 (a) Sections **32B-1-604** and **32B-1-605**; and

1123 (b) this section, if the malted beverage is labeled or packaged in a manner that is:

1124 (i) similar to a label or packaging used for a nonalcoholic beverage; or

1125 (ii) likely to confuse or mislead a patron to believe the malted beverage is a

1126 nonalcoholic beverage.

1127 (2) The department may not approve the labeling and packaging of a malted beverage

1128 described in Subsection (1) unless in addition to the requirements of Section 32B-1-604 the

1129 labeling and packaging complies with the following:

1130 (a) the front of the label on the malted beverage bears a prominently displayed label or

1131 a firmly affixed sticker that provides the following information in a font that measures at least

1132 three millimeters high and is in obvious and clearly visible contrast to the background of the

1133 text:

1134 (i) the statement:

1135 (A) "alcoholic beverage"; or

1136 (B) "contains alcohol"; and

1137 (ii) the alcohol content of the malted beverage, if the alcohol content is not otherwise

1138 provided:

1139 (A) in a serving facts statement on the container; and

1140 (B) in a format allowed by the Federal Alcohol and Tobacco Tax Trade Bureau;

1141 (b) the packaging of the malted beverage prominently includes, either imprinted on the

1142 packaging or imprinted on a sticker firmly affixed to the packaging in a font that measures at

1143 least three millimeters high and is in obvious and clearly visible contrast to the background of

1144 the text, the statement:

1145 (i) "alcoholic beverage"; or

1146 (ii) "contains alcohol";

1147 (c) a statement required by Subsection (2)(a) or (b) appears in a format required by rule

1148 made by the commission; and

1149 (d) a statement of alcohol content required by Subsection (2)(a) (ii):

1150 (i) states the alcohol content as a percentage of alcohol by volume or by weight; and

1151 (ii) is in a format required by rule made by the commission.

1152 (3) The department may reject a label or packaging that appears designed to obscure

1153 the information required by Subsection (2).

1154 (4) To determine whether a malted beverage is described in Subsection (1) and subject

1155 to this section, the department may consider in addition to other factors one or more of the

1156 following factors:

1157 (a) whether the coloring, carbonation, and packaging of the malted beverage:

1158 (i) is similar to those of a nonalcoholic beverage or product; or

1159 (ii) can be confused with a nonalcoholic beverage;

1160 (b) whether the malted beverage possesses a character and flavor distinctive from a

1161 traditional malted beverage;
1162 (c) whether the malted beverage:
1163 (i) is prepackaged;
1164 (ii) contains high levels of caffeine and other additives; and
1165 (iii) is marketed as a beverage that is specifically designed to
provide energy;
1166 (d) whether the malted beverage contains added sweetener or
sugar substitutes; or
1167 (e) whether the malted beverage contains an added fruit flavor
or other flavor that
1168 masks the taste of a traditional malted beverage.

1169 Section 7. Section **32B-1-701** is amended to read:

1170 **32B-1-701. Definitions.**

1171 As used in this part:

1172 (1) "Off-premise retail manager" means an individual who
manages operations at a
1173 premises that is licensed under Chapter 7, Off-Premise Beer
Retailer Act.

1174 (2) (a) "Off-premise retail staff" means an individual who sells
beer at a premises that
1175 is licensed under Chapter 7, Off-Premise Beer Retailer Act.

1176 (b) "Off-premise retail staff" does not include an off-premise
retail manager.

1177 (3) "Retail manager" means an individual who:

1178 (a) manages operations at a premises that is licensed under
~~[this chapter]~~ Chapter 5,

1179 Retail License Act; or

1180 (b) supervises the furnishing of an alcoholic product at a
premises that is licensed

1181 under ~~[this chapter]~~ Chapter 5, Retail License Act.

1182 (4) (a) "Retail staff" means an individual who serves an alcoholic
product at a premises

1183 licensed under ~~[this chapter]~~ Chapter 5, Retail License Act.

1184 (b) "Retail staff" does not include a retail manager.

1185 Section 8. Section **32B-1-704** is amended to read:

1186 **32B-1-704. Department training programs.**

1187 (1) No later than January 1, 2018, the department shall develop
the following training

1188 programs that are provided either in-person or online:

1189 (a) a training program for retail managers that addresses:

1190 (i) the statutes and rules that govern alcohol sales and
consumption in the state;

1191 (ii) the requirements for operating as a retail licensee;

1192 (iii) using compliance assistance from the department; and

1193 (iv) any other topic the department determines beneficial to a
retail manager; and

1194 (b) a training program for an individual employed by a retail
licensee or an off-premise

1195 beer retailer who violates a provision of this title related to the sale,
service, or furnishing of an

1196 alcoholic beverage to an intoxicated individual or a minor, that
addresses:

1197 (i) the statutes and rules that govern the most common types of
violations under this

1198 title;

1199 (ii) how to avoid common violations; and

1200 (iii) any other topic the department determines beneficial to the
training program.

1201 (2) No later than January 1, 2019, the department shall develop
a training program for

1202 off-premise retail managers that is provided either in-person or
online and addresses:

1203 (a) the statutes and rules that govern sales at an off-premise
beer retailer;

1204 (b) the requirements for operating an off-premise beer retailer;

1205 (c) using compliance assistance from the department; and

1206 (d) any other topic the department determines beneficial to an
off-premise retail

1207 manager.

1208 (3) In accordance with Title 63G, Chapter 3, Utah Administrative
Rulemaking Act, and

1209 the provisions of this section, the department shall make rules to
develop and implement the

1210 training programs described in this section, including rules that
establish:

1211 (a) the requirements for each training program described in this
section;

1212 (b) measures that accurately identify each individual who takes
and completes a

1213 training program;

1214 (c) measures that ensure an individual taking a training program
is focused and actively

1215 engaged in the training material throughout the training program;

1216 (d) a record that certifies that an individual has completed a
training program; and

1217 (e) a fee for participation in a training program to cover the
department's cost of

1218 providing the training program.

1219 (4) (a) [~~Except as provided in Subsection (5), each~~] Each retail
manager shall complete

1220 the training described in Subsection (1)(a) no later than the later of:

1221 (i) 30 days after the day on which the retail manager is hired; or

1222 (ii) [~~30 days after~~] the day on which the retail licensee obtains a
retail license [~~under~~

1223 ~~this chapter~~].

1224 (b) [~~Except as provided in Subsection (5), each~~] Each off-
premise retail manager shall

1225 complete the training described in Subsection (2) no later than the
later of:

1226 (i) 30 days after the day on which the off-premise retail manager
is hired; or

1227 (ii) 30 days after the day on which the off-premise beer retailer
obtains an off-premise

1228 beer retailer state license.

1229 (c) (i) If the commission finds that a retail licensee violated a
provision of this title

1230 related to the sale, service, or furnishing of an alcoholic beverage
to an intoxicated individual

1231 or a minor for a second time within 36 consecutive months after the
day on which the first

1232 violation was adjudicated, the violator, all retail staff, and each retail
manager shall complete

1233 the training program described in Subsection (1)(b).

1234 (ii) If the commission finds that an off-premise beer retailer
violated a provision of this

1235 title related to the sale, service, or furnishing of an alcoholic
beverage to an intoxicated

1236 individual or a minor for a second time within 36 consecutive
months after the day on which

1237 the first violation was adjudicated, the violator and each off-premise
retail manager shall

1238 complete the training program described in Subsection (1)(b).

1239 ~~[(5) (a) For a person who holds a retail license on January 1,
2018, each retail manager~~

1240 ~~shall complete the training program described in Subsection (1)(a)
for the first time as a~~

1241 ~~condition of renewing the licensee's retail license in 2018.]~~

1242 ~~[(b) For a person who holds an off-premise beer retailer state
license on January 1,~~

1243 ~~2019, each off-premise retail manager shall complete the training
program described in~~

1244 ~~Subsection (1)(b) for the first time as a condition of renewing the
licensee's off-premise beer~~

1245 ~~retailer state license in 2019.]~~

1246 ~~[(6)] (5) If an individual fails to complete a required training
program under this~~

1247 section:

1248 (a) the commission may suspend, revoke, or not renew the
retail license or off-premise

1249 beer retailer state license;

1250 (b) a city, town, metro township, or county in which the retail
licensee or off-premise

1251 beer retailer is located may suspend, revoke, or not renew the
retail licensee's or off-premise

1252 beer retailer's business license; or

1253 (c) a local authority may suspend, revoke, or not renew the off-
premise beer retailer's

1254 license.

1255 Section 9. Section **32B-2-101** is amended to read:

1256

**CHAPTER 2. ALCOHOLIC BEVERAGE SERVICES ADMINISTRATION
ACT**

1257 **32B-2-101. Title.**

1258 This chapter is known as the "Alcoholic Beverage [~~Control~~
Services Administration

1259 Act."

1260 Section 10. Section **32B-2-201** is amended to read:

1261 **32B-2-201. Alcoholic Beverage Services Commission**
created.

1262 (1) There is created the "Alcoholic Beverage [~~Control~~] Services
Commission." The

1263 commission is the governing board over the department.

1264 (2) (a) The commission is composed of seven part-time
commissioners appointed by

1265 the governor with the advice and consent of the Senate in
accordance with Title 63G, Chapter

1266 24, Part 2, Vacancies.

1267 (b) No more than four commissioners may be of the same
political party.

1268 (3) (a) Except as required by Subsection (3)(b), as terms of
commissioners expire, the

1269 governor shall appoint each new commissioner or reappointed
commissioner to a four-year

1270 term.

1271 (b) Notwithstanding the requirements of Subsection (3)(a), the
governor shall, at the

1272 time of appointment or reappointment, adjust the length of terms to
ensure that the terms of no

1273 more than three commissioners expire in a fiscal year.

1274 (4) (a) When a vacancy occurs on the commission for any
reason, the governor shall

1275 appoint a replacement for the unexpired term with the advice and
consent of the Senate.

1276 (b) Unless removed in accordance with Subsection (6), a
commissioner shall remain on

1277 the commission after the expiration of a term until a successor is
appointed by the governor,

1278 with the advice and consent of the Senate.

1279 (5) A commissioner shall take the oath of office.

1280 (6) (a) The governor may remove a commissioner from the
commission for cause,

1281 neglect of duty, inefficiency, or malfeasance after a public hearing
conducted by:

1282 (i) the governor; or

1283 (ii) an impartial hearing examiner appointed by the governor to
conduct the hearing.

1284 (b) At least 10 days before the hearing described in Subsection
(6)(a), the governor

1285 shall provide the commissioner notice of:

1286 (i) the date, time, and place of the hearing; and

1287 (ii) the alleged grounds for the removal.

1288 (c) The commissioner shall have an opportunity to:
1289 (i) attend the hearing;

1290 (ii) present witnesses and other evidence; and
1291 (iii) confront and cross examine witnesses.
1292 (d) After a hearing under this Subsection (6):
1293 (i) the person conducting the hearing shall prepare written
findings of fact and
1294 conclusions of law; and
1295 (ii) the governor shall serve a copy of the prepared findings and
conclusions upon the
1296 commissioner.
1297 (e) If a hearing under this Subsection (6) is held before a
hearing examiner, the hearing
1298 examiner shall issue a written recommendation to the governor in
addition to complying with
1299 Subsection (6)(d).
1300 (f) A commissioner has five days from the day on which the
commissioner receives the
1301 findings and conclusions described in Subsection (6)(d) to file
written objections to the
1302 recommendation before the governor issues a final order.
1303 (g) The governor shall:
1304 (i) issue the final order under this Subsection (6) in writing; and
1305 (ii) serve the final order upon the commissioner.
1306 (7) A commissioner may not receive compensation or benefits
for the commissioner's
1307 service, but may receive per diem and travel expenses in
accordance with:
1308 (a) Section [63A-3-106](#);
1309 (b) Section [63A-3-107](#); and
1310 (c) rules made by the Division of Finance pursuant to Sections
[63A-3-106](#) and
1311 [63A-3-107](#).
1312 (8) (a) (i) The governor shall annually appoint the chair of the
commission.
1313 (ii) A commissioner serves as chair to the commission at the
pleasure of the governor.
1314 (iii) If removed as chair, the commissioner continues to serve as
a commissioner unless
1315 removed as a commissioner under Subsection (6).
1316 (b) The commission shall elect:
1317 (i) another commissioner to serve as vice chair; and

1318 (ii) other commission officers as the commission considers
advisable.
1319 (c) A commissioner elected under Subsection (8)(b) shall serve
in the office to which
1320 the commissioner is elected at the pleasure of the commission.
1321 (9) (a) Each commissioner has equal voting rights on a
commission matter when in

1322 attendance at a commission meeting.

1323 (b) Four commissioners is a quorum for conducting commission
business.

1324 (c) A majority vote of the quorum present at a meeting is
required for the commission

1325 to act.

1326 (d) A commissioner shall comply with the conflict of interest
provisions described in

1327 Title 63G, Chapter 24, Part 3, Conflicts of Interest.

1328 (10) (a) The commission shall meet at least monthly, but may
hold other meetings at

1329 times and places as scheduled by:

1330 (i) the commission;

1331 (ii) the chair; or

1332 (iii) three commissioners upon filing a written request for a
meeting with the chair.

1333 (b) (i) Notice of the time and place of a commission meeting
shall be given to each

1334 commissioner, and to the public in compliance with Title 52,
Chapter 4, Open and Public

1335 Meetings Act.

1336 (ii) A commission meeting is open to the public, except for a
commission meeting or

1337 portion of a commission meeting that is closed by the commission
as authorized by Sections

1338 [52-4-204](#) and [52-4-205](#).

1339 Section 11. Section **32B-2-202** is amended to read:

1340 **32B-2-202. Powers and duties of the commission.**

1341 (1) The commission shall:

1342 (a) consistent with the policy established by the Legislature by
statute, act as a general

1343 policymaking body on the subject of alcoholic product control;

1344 (b) adopt and issue policies, rules, and procedures;

1345 (c) set policy by written rules that establish criteria and
procedures for:

1346 (i) issuing, denying, not renewing, suspending, or revoking a
package agency, license,

1347 permit, or certificate of approval; and

1348 (ii) determining the location of a state store, package agency, or
retail licensee;

1349 (d) decide within the limits, and under the conditions imposed
by this title, the number

1350 and location of state stores, package agencies, and retail licensees
in the state;

1351 (e) issue, deny, suspend, revoke, or not renew the following
package agencies, licenses,

1352 sublicenses, permits, or certificates of approval for the purchase,
storage, sale, offer for sale,

1353 furnishing, consumption, manufacture, and distribution of an
alcoholic product:

- 1354 (i) a package agency;
- 1355 (ii) a full-service restaurant license;
- 1356 (iii) a master full-service restaurant license;
- 1357 (iv) a limited-service restaurant license;
- 1358 (v) a master limited-service restaurant license;
- 1359 (vi) a bar establishment license;
- 1360 (vii) an airport lounge license;
- 1361 (viii) an on-premise banquet license;
- 1362 (ix) a resort license, which includes four or more sublicenses;
- 1363 (x) an on-premise beer retailer license;
- 1364 (xi) a reception center license;
- 1365 (xii) a beer-only restaurant license;
- 1366 (xiii) a hotel license, which includes three or more sublicenses;
- 1367 (xiv) an arena license, which includes three or more
sublicenses;
- 1368 (xv) a hospitality amenity license;
- 1369 (xvi) subject to Subsection ~~[(4)]~~ (5), a single event permit;
- 1370 (xvii) subject to Subsection ~~[(4)]~~ (5), a temporary beer event
permit;
- 1371 (xviii) a special use permit;
- 1372 (xix) a manufacturing license;
- 1373 (xx) a liquor warehousing license;
-
- 1374 (xxi) a beer wholesaling license;
- 1375 (xxii) a liquor transport license;
- 1376 (xxiii) an off-premise beer retailer state license;
- 1377 (xxiv) a master off-premise beer retailer state license;
- 1378 (xxv) one of the following that holds a certificate of approval:
- 1379 (A) an out-of-state brewer;
- 1380 (B) an out-of-state importer of beer, heavy beer, or flavored malt
beverages; and
- 1381 (C) an out-of-state supplier of beer, heavy beer, or flavored malt
beverages; and
- 1382 (xxvi) a ~~resort~~ spa sublicense;
- 1383 (f) issue, deny, suspend, or revoke the following conditional
licenses:
- 1384 (i) a conditional retail license as defined in Section [32B-5-205](#);
- and
- 1385 (ii) a conditional off-premise beer retailer state license as
defined in Section
- 1386 [32B-7-406](#);
- 1387 (g) prescribe the duties of the department in assisting the
commission in issuing a
- 1388 package agency, license, permit, or certificate of approval under
this title;
- 1389 (h) to the extent a fee is not specified in this title, establish a fee
allowed under this title
- 1390 in accordance with Section [63J-1-504](#);
- 1391 (i) fix prices at which liquor is sold that are the same at all state
stores, package
- 1392 agencies, and retail licensees;

1393 (j) issue and distribute price lists showing the price to be paid by
a purchaser for each
1394 class, variety, or brand of liquor kept for sale by the department;
1395 (k) (i) require the director to follow sound management
principles; and
1396 (ii) require periodic reporting from the director to ensure that:
1397 (A) sound management principles are being followed; and
1398 (B) policies established by the commission are being observed;
1399 (l) (i) receive, consider, and act in a timely manner upon the
reports, recommendations,
1400 and matters submitted by the director to the commission; and
1401 (ii) do the things necessary to support the department in
properly performing the

1402 department's duties;
1403 (m) obtain temporarily and for special purposes the services of
an expert or person
1404 engaged in the practice of a profession, or a person who
possesses a needed skill if:
1405 (i) considered expedient; and
1406 (ii) approved by the governor;
1407 (n) prescribe by rule the conduct, management, and equipment
of premises upon which
1408 an alcoholic product may be stored, sold, offered for sale,
furnished, or consumed;
1409 (o) make rules governing the credit terms of beer sales within
the state to retail
1410 licensees; and
1411 (p) in accordance with Chapter 3, Disciplinary Actions and
Enforcement Act, take
1412 disciplinary action against a person subject to administrative
action.
1413 (2) Consistent with the policy established by the Legislature by
statute, the power of
1414 the commission to do the following is plenary, except as otherwise
provided by this title, and
1415 not subject to review:
1416 (a) establish a state store;
1417 (b) issue authority to act as a package agent or operate a
package agency; and
1418 (c) issue, deny, or deem forfeit a license, permit, or certificate of
approval.
1419 (3) (a) Subject to Subsection (3)(b), the commission may:
1420 (i) make rules permitting and establishing the parameters of a
late license renewal; and
1421 (ii) establish a fee, in accordance with Section 63J-1-504, for a
late license renewal.
1422 (b) The commission may not allow for the late renewal of a
license after the later of:
1423 (i) the tenth day of the month after the month in which the
license type is required to be

1424 renewed; or
1425 (ii) if the tenth day of the month after the month in which the
license type is required to
1426 be renewed falls on a Saturday, Sunday, or state or federal holiday,
the first business day after
1427 the Saturday, Sunday, or holiday.
1428 ~~[(4)]~~ (4) If the commission is authorized or required to make a
rule under this title, the
1429 commission shall make the rule in accordance with Title 63G,
Chapter 3, Utah Administrative

1430 Rulemaking Act.
1431 ~~[(4)]~~ (5) Notwithstanding Subsections (1)(e)(xvi) and (xvii), the
director or deputy
1432 director may issue an event permit in accordance with Chapter 9,
Event Permit Act.
1433 Section 12. Section **32B-2-203** is amended to read:
1434 **32B-2-203. Department of Alcoholic Beverage Services**
created.
1435 (1) There is created the Department of Alcoholic Beverage
~~[Control]~~ Services. The
1436 department is governed by the commission.
1437 (2) The director of alcoholic beverage ~~[control]~~ services
appointed under Section
1438 **32B-2-205** shall administer the department.
1439 (3) The director shall allocate the duties within the department
into the divisions,
1440 bureaus, sections, offices, and committees as the director
considers necessary for the
1441 administration of this title.
1442 (4) The department shall cooperate with any other recognized
agency in the
1443 administration of this title and in the enforcement of a policy or rule
of the commission or
1444 policy of the director.
1445 Section 13. Section **32B-2-205** is amended to read:
1446 **32B-2-205. Director of alcoholic beverage services.**
1447 (1) (a) In accordance with Subsection (1)(b), the governor, with
the advice and consent
1448 of the Senate, shall appoint a director of alcoholic beverage
~~[control]~~ services to a four-year
1449 term. The director may be appointed to more than one four-year
term. The director is the
1450 administrative head of the department.
1451 (b) (i) The governor shall appoint the director from nominations
made by the
1452 commission.
1453 (ii) The commission shall submit the nomination of three
individuals to the governor
1454 for appointment of the director.
1455 (iii) By no later than 30 calendar days from the day on which the

governor receives the

1456 three nominations submitted by the commission, the governor may:

1457 (A) appoint the director; or

1458 (B) reject the three nominations.

1459 (iv) If the governor rejects the nominations or fails to take action within the 30-day

1460 period, the commission shall nominate three different individuals from which the governor may

1461 appoint the director or reject the nominations until such time as the governor appoints the

1462 director.

1463 (v) The governor may reappoint the director without seeking nominations from the

1464 commission. Reappointment of a director is subject to the advice and consent of the Senate.

1465 (c) (i) If there is a vacancy in the position of director, during the nomination process

1466 described in Subsection (1)(b), the governor may appoint an interim director for a period of up

1467 to 30 calendar days.

1468 (ii) If a director is not appointed within the 30-day period, the interim director may

1469 continue to serve beyond the 30-day period subject to the advice and consent of the Senate at

1470 the next scheduled time for the Senate giving consent to appointments of the governor.

1471 (iii) Except that if the Senate does not act on the consent to the appointment of the

1472 interim director within 60 days of the end of the initial 30-day period, the interim director may

1473 continue as the interim director.

1474 (d) The director may be terminated by:

1475 (i) the commission by a vote of four commissioners; or

1476 (ii) the governor after consultation with the commission.

1477 (e) The director may not be a commissioner.

1478 (f) The director shall:

1479 (i) be qualified in administration;

1480 (ii) be knowledgeable by experience and training in the field of business management;

1481 and

1482 (iii) possess any other qualification prescribed by the commission.

1483 (2) The governor shall establish the director's compensation within the salary range

1484 fixed by the Legislature in Title 67, Chapter 22, State Officer Compensation.

1485 (3) The director shall:

1486 (a) carry out the policies of the commission;

1487 (b) carry out the policies of the department;

1488 (c) fully inform the commission of the operations and

administrative activities of the

1489 department; and

1490 (d) assist the commission in the proper discharge of the
commission's duties.

1491 Section 14. Section **32B-2-210** is amended to read:

1492 **32B-2-210. Alcoholic Beverage Services Advisory Board.**

1493 (1) There is created within the department an advisory board
known as the "Alcoholic

1494 Beverage [~~Control~~] Services Advisory Board."

1495 (2) The advisory board shall consist of eight voting members
and one nonvoting

1496 member as follows:

1497 (a) four voting members appointed by the commission:

1498 (i) one of whom represents the retail alcohol industry;

1499 (ii) one of whom represents the wholesale alcohol industry;

1500 (iii) one of whom represents the alcohol manufacturing industry;
and

1501 (iv) one of whom represents the restaurant industry;

1502 (b) two voting members appointed by the commission, each of
whom represents an

1503 organization that addresses alcohol or drug abuse prevention,
alcohol or drug related

1504 enforcement, or alcohol or drug related education;

1505 (c) the director of the Division of Substance Abuse and Mental
Health or the director's

1506 designee who serves as a voting member;

1507 (d) the chair of the Utah Substance Use and Mental Health
Advisory Council, or the

1508 chair's designee, who serves as a voting member; and

1509 (e) the chair of the commission or the chair's designee from the
members of the

1510 commission, who serves as a nonvoting member.

1511 (3) (a) Except as required by Subsection (3)(b), as terms of
current voting members of

1512 the advisory board expire, the commission shall appoint each new
member or reappointed

1513 member to a four-year term beginning July 1 and ending June 30.

1514 (b) Notwithstanding the requirements of Subsection (3)(a), the
commission shall, at the

1515 time of appointment or reappointment, adjust the length of terms to
ensure that the terms of

1516 voting advisory board members are staggered so that
approximately half of the advisory board

1517 is appointed every two years.

1518 (c) No two members of the board may be employed by the
same company or nonprofit

1519 organization.

1520 (4) (a) When a vacancy occurs in the membership for any
reason, the commission shall

1521 appoint a replacement for the unexpired term.

1522 (b) The commission shall terminate the term of a voting
advisory board member who

1523 ceases to be representative as designated by the member's
original appointment.

1524 (5) The advisory board shall meet as called by the chair for the
purpose of advising the

1525 commission and the department, with discussion limited to
administrative rules made under

1526 this title.

1527 (6) The chair of the commission or the chair's designee shall
serve as the chair of the

1528 advisory board and call the necessary meetings.

1529 (7) (a) Five members of the board constitute a quorum of the
board.

1530 (b) An action of the majority when a quorum is present is the
action of the board.

1531 (8) The department shall provide staff support to the advisory
board.

1532 (9) A member may not receive compensation or benefits for the
member's service, but

1533 may receive per diem and travel expenses in accordance with:

1534 (a) Section [63A-3-106](#);

1535 (b) Section [63A-3-107](#); and

1536 (c) rules made by the Division of Finance pursuant to Sections
[63A-3-106](#) and

1537 [63A-3-107](#).

1538 Section 15. Section **32B-2-301** is amended to read:

1539 **32B-2-301. State property -- Liquor Control Fund -- Money
to be retained by**

1540 **department -- Department building process.**

1541 (1) As used in this section, "base budget" means the same as
that term is defined in

1542 legislative rule.

1543 (2) The following are property of the state:

1544 (a) the money received in the administration of this title, except
as otherwise provided;

1545 and

1546 (b) property acquired, administered, possessed, or received by
the department.

1547 (3) (a) There is created an enterprise fund known as the "Liquor
Control Fund."

1548 (b) Except as provided in ~~[Section]~~ Sections [32B-2-304](#), [32B-2-
305](#), and [32B-2-306](#),

1549 the department shall deposit the following into the Liquor Control
Fund:

1550 (i) money received in the administration of this title; and

1551 (ii) money received from the markup described in Section [32B-
2-304](#)~~;~~ and].

1552 ~~[(iii) money credited under Subsection (4).]~~

1553 (c) The department may draw from the Liquor Control Fund only
to the extent

1554 appropriated by the Legislature or provided by statute.

1555 (d) The net position of the Liquor Control Fund may not fall
below zero.

1556 ~~[(4) (a) The department shall deposit 0.125% of the total gross
revenue from the sale of~~

1557 ~~liquor with the state treasurer to be credited to the Liquor Control
Fund.]~~

1558 ~~[(b) The department shall deposit 0.27% of the total gross
revenue from the sale of~~

1559 ~~liquor with the state treasurer, as determined by the total gross
revenue collected for the fiscal~~

1560 ~~year two years preceding the fiscal year for which the deposit is
made, to be credited to the~~

1561 ~~Liquor Control Fund.]~~

1562 ~~[(5)] (4) (a) Notwithstanding Subsection (3)(c), the department
may draw by warrant~~

1563 from the Liquor Control Fund without an appropriation for an
expenditure that is directly

1564 incurred by the department:

1565 (i) to purchase an alcoholic product;

1566 (ii) to transport an alcoholic product from the supplier to a
warehouse of the

1567 department; or

1568 (iii) for variances related to an alcoholic product, including
breakage or theft.

1569 (b) If the balance of the Liquor Control Fund is not adequate to
cover a warrant that the

1570 department draws against the Liquor Control Fund, to the extent
necessary to cover the

1571 warrant, the cash resources of the General Fund may be used.

1572 ~~[(6)] (5) The department's base budget shall include as an
appropriation from the~~

1573 ~~Liquor Control Fund:~~

1574 (a) credit card related fees paid by the department;

1575 (b) package agency compensation;

1576 (c) the department's costs of shipping and warehousing
alcoholic products; and

1577 (d) the amount needed, as the Division of Human Resource
Management determines,

1578 to make the median department salary in the previous fiscal year
equal the median market

1579 salary in the previous fiscal year for the following positions:

1580 (i) state store manager or equivalent;

1581 (ii) state store assistant manager or equivalent;

1582 (iii) full-time sales clerk at a state store or equivalent;

1583 (iv) part-time sales clerk at a state store or equivalent;

1584 (v) department warehouse manager or equivalent;

1585 (vi) department warehouse assistant manager or equivalent;

1586 (vii) full-time department warehouse worker or equivalent; and
 1587 (viii) part-time department warehouse worker or equivalent.
 1588 ~~[(7)]~~ (6) (a) The Division of Finance shall transfer annually from
 the Liquor Control
 1589 Fund to the General Fund a sum equal to the amount of net profit
 earned from the sale of liquor
 1590 since the preceding transfer of money under this Subsection ~~[(7)]~~
 (6).
 1591 (b) After each fiscal year, the Division of Finance shall calculate
 the amount for the
 1592 transfer on or before September 1 and the Division of Finance shall
 make the transfer on or
 1593 before September 30.
 1594 (c) The Division of Finance may make year-end closing entries
 in the Liquor Control
 1595 Fund to comply with Subsection 51-5-6(2).
 1596 ~~[(8)]~~ (7) (a) By the end of each day, the department shall:
 1597 (i) make a deposit to a qualified depository, as defined in
 Section 51-7-3; and

1598 (ii) report the deposit to the state treasurer.
 1599 (b) A commissioner or department employee is not personally
 liable for a loss caused
 1600 by the default or failure of a qualified depository.
 1601 (c) Money deposited in a qualified depository is entitled to the
 same priority of
 1602 payment as other public funds of the state.
 1603 ~~[(9)]~~ (8) Before the Division of Finance makes the transfer
 described in Subsection
 1604 ~~[(7)]~~ (6), the department may retain each fiscal year from the Liquor
 Control Fund \$1,000,000
 1605 that the department may use for:
 1606 (a) capital equipment purchases;
 1607 (b) salary increases for department employees;
 1608 (c) performance awards for department employees; or
 1609 (d) information technology enhancements because of changes
 or trends in technology.
 1610 Section 16. Section **32B-2-304** is amended to read:
 1611 **32B-2-304. Liquor price -- School lunch program --**
Remittance of markup.
 1612 (1) For purposes of this section:
 1613 (a) (i) "Landed case cost" means:
 1614 (A) the cost of the product; and
 1615 (B) inbound shipping costs incurred by the department.
 1616 (ii) "Landed case cost" does not include the outbound shipping
 cost from a warehouse
 1617 of the department to a state store.
 1618 (b) "Proof gallon" means the same as that term is defined in 26
 U.S.C. Sec. 5002.
 1619 (2) Except as provided in Subsections (3) and (4):
 1620 (a) spirituous liquor sold by the department within the state shall

be marked up in an
1621 amount not less than 88% above the landed case cost to the
department;
1622 (b) wine sold by the department within the state shall be marked
up in an amount not
1623 less than 88% above the landed case cost to the department;
1624 (c) heavy beer sold by the department within the state shall be
marked up in an amount
1625 not less than 66.5% above the landed case cost to the department;
and

1626 (d) a flavored malt beverage sold by the department within the
state shall be marked up
1627 in an amount not less than 88% above the landed case cost to the
department.
1628 (3) (a) Liquor sold by the department to a military installation in
Utah shall be marked
1629 up in an amount not less than 17% above the landed case cost to
the department.
1630 (b) Except for spirituous liquor sold by the department to a
military installation in
1631 Utah, spirituous liquor that is sold by the department within the
state shall be marked up 49%
1632 above the landed case cost to the department if:
1633 (i) the spirituous liquor is manufactured by a manufacturer
producing less than 30,000
1634 proof gallons of spirituous liquor in a calendar year; and
1635 (ii) the manufacturer applies to the department for a reduced
markup.
1636 (c) Except for wine sold by the department to a military
installation in Utah, wine that
1637 is sold by the department within the state shall be marked up 49%
above the landed case cost to
1638 the department if:
1639 (i) (A) except as provided in Subsection (3)(c)(i)(B), the wine is
manufactured by a
1640 manufacturer producing less than 20,000 gallons of wine in a
calendar year; or
1641 (B) for hard cider, the hard cider is manufactured by a
manufacturer producing less
1642 than 620,000 gallons of hard cider in a calendar year; and
1643 (ii) the manufacturer applies to the department for a reduced
markup.
1644 (d) Except for heavy beer sold by the department to a military
installation in Utah,
1645 heavy beer that is sold by the department within the state shall be
marked up 32% above the
1646 landed case cost to the department if:
1647 (i) a small brewer manufactures the heavy beer; and
1648 (ii) the small brewer applies to the department for a reduced
markup.
1649 (e) The department shall;

1650 (i) for purposes of Subsections (3)(b) and (c), calculate the
1651 production amount of a
1652 manufacturer:
1653 (A) by, if the manufacturer is part of a controlled group of
1654 manufacturers, including the
1655 combined volume totals of spirituous liquor, wine, or cider, as
1656 applicable, for all manufacturers

1657 that constitute the controlled group of manufacturers; and
1658 (B) without considering the manufacturer's production of any,
1659 other type of alcoholic
1660 product; and
1661 (ii) verify ~~an~~ that a manufacturer meets a production amount
1662 described in Subsection
1663 (3)(b)[, (c), or (d)] or (c) and the production amount of a small
1664 brewer pursuant to a federal or
1665 other verifiable production report.
1666 [f] For purposes of determining whether an alcoholic product
1667 qualifies for a markup
1668 under this Subsection (3), the department shall evaluate whether
1669 the manufacturer satisfies the
1670 applicable production requirement without considering the
1671 manufacturer's production of any
1672 other type of alcoholic product.]
1673 (f) A manufacturer seeking to obtain a reduced markup under
1674 Subsection (3)(b), (c), or
1675 (d), shall provide to the department any documentation or
1676 information the department
1677 determines necessary to determine if the manufacturer is part of a
1678 controlled group of
1679 manufacturers.
1680 (g) The department may, at any time, revoke a reduced markup
1681 granted to a
1682 manufacturer under Subsection (3)(b), (c), or (d), if the department
1683 determines the
1684 manufacturer no longer qualifies for the reduced markup.
1685 (4) Wine the department purchases on behalf of a subscriber
1686 through the wine
1687 subscription program established in Section [32B-2-702](#) shall be
1688 marked up not less than 88%
1689 above the cost of the subscription for the interval in which the wine
1690 is purchased.
1691 (5) The department shall deposit 10% of the total gross revenue
1692 from sales of liquor
1693 with the state treasurer to be credited to the Uniform School Fund
1694 and used to support the
1695 school meals program administered by the State Board of
1696 Education under Section [53E-3-510](#).
1697 (6) This section does not prohibit the department from selling
1698 discontinued items at a
1699 discount.

1679 Section 17. Section **32B-2-602** is amended to read:

1680 **32B-2-602. Application and renewal requirements for a
package agency.**

1681 (1) Before a person may store, sell, offer for sale, or furnish
liquor in a sealed container

1682 on its premises under a package agency, the person shall first
obtain a package agency issued

1683 by the commission in accordance with this part.

1684 (2) To obtain a package agency, a person seeking to be the
package agent under this

1685 part shall submit to the department:

1686 (a) a written application in a form prescribed by the department;

1687 (b) a nonrefundable application fee of \$125;

1688 (c) written consent of the local authority;

1689 (d) evidence of proximity to any community location, with
proximity requirements

1690 being governed by Section [32B-1-202](#);

1691 (e) a bond as specified by Section [32B-2-604](#);

1692 (f) a floor plan of the premises, including a description and
highlighting of that part of

1693 the premises in which the person proposes that the package
agency be located;

1694 (g) evidence that the package agency is carrying public liability
insurance in an amount

1695 and form satisfactory to the department;

1696 (h) a signed consent form stating that the package agent
permits any authorized

1697 representative of the commission, department, or any law
enforcement officer to have

1698 unrestricted right to enter the premises of the package agency;

1699 (i) if the person applying is an entity, verification that a person
who signs the package

1700 agency application is authorized to sign on behalf of the entity; and

1701 (j) any other information the commission or department may
require.

1702 (3) The commission may not issue a package agency to a
person who is disqualified

1703 under Section [32B-1-304](#).

1704 (4) The commission may not issue a package agency for
premises that do not meet the

1705 proximity requirements of Section [32B-1-202](#).

1706 (5) For the renewal of a package agency agreement, the
package agent shall submit to

1707 the department any information the commission or department may
require.

1708 Section 18. Section **32B-2-605** is amended to read:

1709 **32B-2-605. Operational requirements for package agency.**

1710 (1) (a) A person may not operate a package agency until a
package agency agreement is
1711 entered into by the package agent and the department.
1712 (b) A package agency agreement shall state the conditions of
operation by which the
1713 package agent and the department are bound.
1714 (c) (i) If a package agent or staff of the package agent violates
this title, rules under this
1715 title, or the package agency agreement, the department may take
any action against the package
1716 agent that is allowed by the package agency agreement.
1717 (ii) An action against a package agent is governed solely by its
package agency
1718 agreement and may include suspension or revocation of the
package agency.
1719 (iii) A package agency agreement shall provide procedures to
be followed if a package
1720 agent fails to pay money owed to the department including a
procedure for replacing the
1721 package agent or operator of the package agency.
1722 (iv) A package agency agreement shall provide that the
package agency is subject to
1723 covert investigations for selling an alcoholic product to a minor.
1724 (v) Notwithstanding that this part refers to "package agency" or
"package agent," staff
1725 of the package agency or package agent is subject to the same
requirement or prohibition.
1726 (2) (a) A package agency shall be operated by an individual
who is either:
1727 (i) the package agent; or
1728 (ii) an individual designated by the package agent.
1729 (b) An individual who is a designee under this Subsection (2)
shall be:
1730 (i) an employee of the package agent; and
1731 (ii) responsible for the operation of the package agency.
1732 (c) The conduct of the designee is attributable to the package
agent.
1733 (d) A package agent shall submit the name of the person
operating the package agency
1734 to the department for the department's approval.
1735 (e) A package agent shall state the name and title of a designee
on the application for a
1736 package agency.
1737 (f) A package agent shall:

1738 (i) inform the department of a proposed change in the individual
designated to operate
1739 a package agency; and
1740 (ii) receive prior approval from the department before
implementing the change
1741 described in this Subsection (2)(f).
1742 (g) Failure to comply with the requirements of this Subsection

(2) may result in the
1743 immediate termination of a package agency agreement.
1744 (3) (a) A package agent shall display in a prominent place in the
package agency the
1745 record issued by the commission that designates the package
agency.
1746 (b) A package agent that displays or stores liquor at a location
visible to the public
1747 shall display in a prominent place in the package agency a sign in
large letters that consists of
1748 text in the following order:
1749 (i) a header that reads: "WARNING";
1750 (ii) a warning statement that reads: "Drinking alcoholic
beverages during pregnancy
1751 can cause birth defects and permanent brain damage for the
child.";
1752 (iii) a statement in smaller font that reads: "Call the Utah
Department of Health at
1753 [insert most current toll-free number] with questions or for more
information.";
1754 (iv) a header that reads: "WARNING"; and
1755 (v) a warning statement that reads: "Driving under the influence
of alcohol or drugs is a
1756 serious crime that is prosecuted aggressively in Utah."
1757 (c) (i) The text described in Subsections (3)(b)(i) through (iii)
shall be in a different
1758 font style than the text described in Subsections (3)(b)(iv) and (v).
1759 (ii) The warning statements in the sign described in Subsection
(3)(b) shall be in the
1760 same font size.
1761 (d) The Department of Health shall work with the commission
and department to
1762 facilitate consistency in the format of a sign required under this
section.
1763 (4) A package agency may not display liquor or a price list in a
window or showcase
1764 that is visible to passersby.
1765 (5) (a) A package agency may not purchase liquor from a
person except from the

1766 department.
1767 (b) At the discretion of the department, the department may
provide liquor to a package
1768 agency for sale on consignment.
1769 (6) A package agency may not store, sell, offer for sale, or
furnish liquor in a place
1770 other than as designated in the package agent's application, unless
the package agent first
1771 applies for and receives approval from the department for a
change of location within the
1772 package agency premises.
1773 (7) (a) Except as provided in Subsection (7)(b), a package

agency may not sell, offer for

1774 sale, or furnish liquor except at a price fixed by the commission.

1775 (b) A package agency may provide as room service one alcoholic product free of

1776 charge per guest reservation, per guest room, if:

1777 (i) the package agency is the type of package agency that authorizes the package

1778 agency to sell, offer for sale, or furnish an alcoholic product as part of room service;

1779 (ii) staff of the package agency provides the alcoholic product:

1780 (A) in person; and

1781 (B) only to an adult guest in the guest room;

1782 (iii) staff of the package agency does not leave the alcoholic product outside a guest

1783 room for retrieval by a guest; and

1784 (iv) the alcoholic product:

1785 (A) is not a spirituous liquor; and

1786 (B) is in an unopened container not to exceed 750 milliliters.

1787 (8) A package agency may not sell, offer for sale, or furnish liquor to:

1788 (a) a minor;

1789 (b) a person actually, apparently, or obviously intoxicated;

1790 (c) a known interdicted person; or

1791 (d) a known habitual drunkard.

1792 (9) (a) A package agency may not employ a minor to handle liquor.

1793 (b) (i) Staff of a package agency may not:

1794 (A) consume an alcoholic product on the premises of a package agency; or

1795 (B) allow any person to consume an alcoholic product on the premises of a package

1796 agency.

1797 (ii) Violation of this Subsection (9)(b) is a class B misdemeanor.

1798 (10) (a) A package agency may not close or cease operation for a period longer than 72

1799 hours, unless:

1800 (i) the package agency notifies the department in writing at least seven days before the

1801 day on which the package agency closes or ceases operation; and

1802 (ii) the closure or cessation of operation is first approved by the department.

1803 (b) Notwithstanding Subsection (10)(a), in the case of emergency closure, a package

1804 agency shall immediately notify the department by telephone.

1805 (c) (i) The department may authorize a closure or cessation of operation for a period

1806 not to exceed 60 days.

1807 (ii) The department may extend the initial period described in Subsection (10)(c)(i) an

1808 additional 30 days upon written request of the package agency and upon a showing of good

1809 cause.

1810 (iii) A closure or cessation of operation may not exceed a total
of 90 days without

1811 commission approval.

1812 (d) The notice required by Subsection (10)(a) shall include:

1813 (i) the dates of closure or cessation of operation;

1814 (ii) the reason for the closure or cessation of operation; and

1815 (iii) the date on which the package agency will reopen or
resume operation.

1816 (e) Failure of a package agency to provide notice and to obtain
department

1817 authorization before closure or cessation of operation results in an
automatic termination of the

1818 package agency agreement effective immediately.

1819 (f) Failure of a package agency to reopen or resume operation
by the approved date

1820 results in an automatic termination of the package agency
agreement effective on that date.

1821 (11) A package agency may not transfer the package agency's
operations from one

1822 location to another location without prior written approval of the
commission.

1823 (12) (a) A person, having been issued a package agency, may
not sell, transfer, assign,

1824 exchange, barter, give, or attempt in any way to dispose of the
package agency to another

1825 person, whether for monetary gain or not.

1826 (b) A package agency has no monetary value for any type of
disposition.

1827 (13) (a) Subject to the other provisions of this Subsection (13):

1828 (i) sale or delivery of liquor may not be made on or from the
premises of a package

1829 agency, and a package agency may not be kept open for the sale
of liquor:

1830 (A) on Sunday; or

1831 (B) on a state or federal legal holiday; and

1832 (ii) sale or delivery of liquor may be made on or from the
premises of a package agency,

1833 and a package agency may be open for the sale of liquor, only on a
day and during hours that

1834 the commission directs by rule or order.

1835 (b) A package agency located at a manufacturing facility is not
subject to Subsection

1836 (13)(a) if:

1837 (i) the package agency is located at a manufacturing facility
licensed in accordance

1838 with Chapter 11, Manufacturing and Related Licenses Act; and

1839 ~~[(ii) the manufacturing facility licensed in accordance with
Chapter 11, Manufacturing~~

1840 ~~and Related Licenses Act, holds:]~~

1841 ~~[(A) a full-service restaurant license:]~~

1842 ~~[(B) a limited-service restaurant license;]~~
 1843 ~~[(C) a beer-only restaurant license;]~~
 1844 ~~[(D) a dining club license; or]~~
 1845 ~~[(E) a bar license;]~~
 1846 ~~[(iii) the restaurant, dining club, or bar is located at the
 manufacturing facility;]~~
 1847 ~~[(iv) the restaurant, dining club, or bar sells an alcoholic product
 produced at the
 1848 manufacturing facility;]~~
 1849 ~~[(v) the manufacturing facility;]~~

1850 ~~[(A) owns the restaurant, dining club, or bar; or]~~
 1851 ~~[(B) operates the restaurant, dining club, or bar;]~~
 1852 ~~[(vi)] (ii) the package agency only sells an alcoholic product
 produced at the
 1853 manufacturing facility[- and].~~
 1854 ~~[(vii) the package agency's days and hours of sale are the same
 as the days and hours of
 1855 sale at the restaurant, dining club, or bar.]~~
 1856 (c) (i) Subsection (13)(a) does not apply to a package agency
 held by the following if
 1857 the package agent that holds the package agency to sell liquor at a
 resort or hotel does not sell
 1858 liquor in a manner similar to a state store:
 1859 (A) a resort licensee; or
 1860 (B) a hotel licensee.
 1861 (ii) The commission may by rule define what constitutes a
 package agency that sells
 1862 liquor "in a manner similar to a state store."
 1863 (14) (a) Except to the extent authorized by commission rule, a
 minor may not be
 1864 admitted into, or be on the premises of, a package agency unless
 accompanied by a person who
 1865 is:
 1866 (i) 21 years ~~[of age]~~ old or older; and
 1867 (ii) the minor's parent, legal guardian, or spouse.
 1868 (b) A package agent or staff of a package agency that has
 reason to believe that a
 1869 person who is on the premises of a package agency is under ~~[the
 age of]~~ 21 years old and is not
 1870 accompanied by a person described in Subsection (14)(a) may:
 1871 (i) ask the suspected minor for proof of age;
 1872 (ii) ask the person who accompanies the suspected minor for
 proof of age; and
 1873 (iii) ask the suspected minor or the person who accompanies
 the suspected minor for
 1874 proof of parental, guardianship, or spousal relationship.
 1875 (c) A package agent or staff of a package agency shall refuse to
 sell liquor to the
 1876 suspected minor and to the person who accompanies the
 suspected minor into the package

1877 agency if the minor or person fails to provide any information
specified in Subsection (14)(b).

1878 (d) A package agent or staff of a package agency shall require
the suspected minor and

1879 the person who accompanies the suspected minor into the
package agency to immediately leave

1880 the premises of the package agency if the minor or person fails to
provide information specified

1881 in Subsection (14)(b).

1882 (15) (a) A package agency shall sell, offer for sale, or furnish
liquor in a sealed

1883 container.

1884 (b) A person may not open a sealed container on the premises
of a package agency.

1885 (c) Notwithstanding Subsection (15)(a), a package agency may
sell, offer for sale, or

1886 furnish liquor in other than a sealed container:

1887 (i) if the package agency is the type of package agency that
authorizes the package

1888 agency to sell, offer for sale, or furnish the liquor as part of room
service;

1889 (ii) if the liquor is sold, offered for sale, or furnished as part of
room service; and

1890 (iii) subject to:

1891 (A) staff of the package agency providing the liquor in person
only to an adult guest in

1892 the guest room or privately owned dwelling unit;

1893 (B) staff of the package agency not leaving the liquor outside a
guest room or privately

1894 owned dwelling unit for retrieval by a guest or resident; and

1895 (C) the same limits on the portions in which an alcoholic product
may be sold by a

1896 retail licensee under Section [32B-5-304](#).

1897 (16) A package agency may not sell, offer for sale, or furnish
heavy beer in a sealed

1898 container that exceeds two liters.

1899 (17) The department may pay or otherwise remunerate a
package agent on any basis,

1900 including sales or volume of business done by the package
agency.

1901 (18) The commission may prescribe by policy or rule general
operational requirements

1902 of a package agency that are consistent with this title and relate to:

1903 (a) physical facilities;

1904 (b) conditions of operation;

1905 (c) hours of operation;

1906 (d) inventory levels;

1907 (e) payment schedules;

1908 (f) methods of payment;

1909 (g) premises security; and
1910 (h) any other matter considered appropriate by the commission.
1911 (19) A package agency may not maintain a minibar.
1912 Section 19. Section **32B-3-202** is amended to read:
1913 **32B-3-202. Timing of reporting violations.**
1914 (1) The department or the commission may not take
administrative action against a
1915 person subject to administrative action before:
1916 (a) a nondepartment enforcement agency or enforcement officer
or a department
1917 compliance officer submits to the department a report:
1918 (i) containing facts that could support a finding that the person
subject to
1919 administrative action violated this title or a commission rule; and
1920 (ii) no more than eight business days after the day on which the
nondepartment
1921 enforcement agency or officer or the compliance officer completes
the investigation containing
1922 the facts described in Subsection (1)(a)(i); and
1923 (b) subject to Subsection (5), the department notifies the person
subject to
1924 administrative action, no more than eight business days after the
day on which the department
1925 receives the report described in Subsection (1)(a), that the
commission or department:
1926 (i) received the report described in Subsection (1)(a); and
1927 (ii) may initiate or maintain a disciplinary proceeding on the
basis, in whole or in part,
1928 on the facts contained in the report described in Subsection (1)(a).
1929 (2) (a) The department may provide the notice required under
this section orally, if after
1930 the oral notification the department provides written notification.
1931 (b) The department may provide the written notification
described in Subsection (2)(a)
1932 outside the time periods required under this section.
1933 (3) The department shall maintain a record of a notification
required under this section

1934 that includes:
1935 (a) the name of the person notified;
1936 (b) the date of the notification; and
1937 (c) the type of notification given.
1938 (4) (a) The department may issue an order to show cause if the
department receives a
1939 report described in Subsection (1)(a), containing facts that could
support a finding that the
1940 person subject to administrative action violated:
1941 (i) this title regarding necessary licensing requirements; or
1942 (ii) a commission rule regarding necessary licensing
requirements.
1943 (b) A necessary licensing requirement described in Subsection

(4)(a) includes:

- 1944 (i) maintaining an approved, licensed premise;
- 1945 (ii) maintaining insurance;
- 1946 (iii) maintaining a bond;
- 1947 (iv) following the requirements in Section [32B-1-304](#), regarding qualifications;
- 1948 (v) maintaining required store hours;
- 1949 (vi) failing to utilize the license issued; or
- 1950 (vii) transferring a license in violation of [~~Chapter 8a, Transfer of Alcohol License Act~~]
- 1951 Chapter 18, Change of Alcohol License or Location Act.

1952 (c) The department's issuance of an order to show cause in accordance with this

1953 Subsection (4):

- 1954 (i) does not initiate a disciplinary proceeding; and
- 1955 (ii) is not subject to Title 63G, Chapter 4, Administrative Procedures Act.

1956 (5) The department is not required to provide notice as described in Subsection (1)(b)

1957 if the person subject to administrative action is staff.

1958 Section 20. Section **32B-3-205** is amended to read:

1959 **32B-3-205. Penalties.**

1960 (1) If the commission is satisfied that a person subject to administrative action violates

1961 this title or the commission's rules, in accordance with Title 63G, Chapter 4, Administrative

1962 Procedures Act, the commission may:

1963 (a) suspend or revoke the person's license, permit, or certificate of approval;

1964 (b) subject to Subsection (2), impose a fine against the person, including individual

1965 staff of a licensee, permittee, or certificate holder;

1966 (c) assess the administrative costs of a disciplinary proceeding to the person if the

1967 person is a licensee, permittee, or certificate holder; or

1968 (d) take a combination of actions described in this Subsection (1).

1969 (2) (a) A fine imposed may not exceed \$25,000 in the aggregate for:

1970 (i) a single notice of agency action; or

1971 (ii) a single action against a package agency.

1972 (b) The commission shall by rule establish a schedule setting forth a range of fines for

1973 each violation.

1974 (c) When a presiding officer imposes a fine, the presiding officer shall consider any

1975 aggravating circumstances or mitigating circumstances in deciding where within the applicable

1976 range to set the fine.

1977 (3) The department shall transfer the costs assessed under this

section into the General

1978 Fund in accordance with Section [32B-2-301](#).

1979 (4) (a) If a license or permit is suspended under this section, the licensee or permittee

1980 shall prominently display a sign provided by the department:

1981 (i) during the suspension; and

1982 (ii) at the entrance of the premises of the licensee or permittee.

1983 (b) The sign required by this Subsection (4) shall:

1984 (i) read "The Utah Alcoholic Beverage ~~Control~~ Services

Commission has suspended

1985 the alcoholic product license or permit of this establishment. An alcoholic product may not be

1986 sold, offered for sale, furnished, or consumed on these premises during the period of

1987 suspension."; and

1988 (ii) include the dates of the suspension period.

1989 (c) A licensee or permittee may not remove, alter, obscure, or destroy a sign required to

1990 be displayed under this Subsection (4) during the suspension period.

1991 (5) (a) If a license or permit is revoked, the commission may order the revocation of a

1992 bond posted by the licensee or permittee under this title.

1993 (b) Notwithstanding Subsection (5)(a), the department may make a claim against a

1994 bond posted by a licensee or permittee for money owed the department under this title without

1995 the commission first revoking the license or permit.

1996 (6) A licensee or permittee whose license or permit is revoked may not reapply for a

1997 license or permit under this title for three years from the date on which the license or permit is

1998 revoked.

1999 (7) If a staff member of a licensee, permittee, or certificate holder is found to have

2000 violated this title, in addition to imposing another penalty authorized by this title, the

2001 commission may prohibit the staff member from handling, selling, furnishing, distributing,

2002 manufacturing, wholesaling, or warehousing an alcoholic product in the course of acting as

2003 staff with a licensee, permittee, or certificate holder under this title for a period determined by

2004 the commission.

2005 (8) (a) If the commission makes the finding described in Subsection (8)(b), in addition

2006 to other penalties prescribed by this title, the commission may order:

2007 (i) the removal of an alcoholic product of the manufacturer's, supplier's, or importer's

2008 from the department's sales list; and

2009 (ii) a suspension of the department's purchase of an alcoholic product described in

2010 Subsection (8)(a)(i) for a period determined by the commission.

2011 (b) The commission may take the action described in Subsection (8)(a) if:

2012 (i) a manufacturer, supplier, or importer of liquor or its staff or representative violates

2013 this title; and

2014 (ii) the manufacturer, supplier, or importer:

2015 (A) directly commits the violation; or

2016 (B) solicits, requests, commands, encourages, or intentionally aids another to engage in

2017 the violation.

2018 (9) If the commission makes a finding that the brewer holding a certificate of approval

2019 violates this title or rules of the commission, the commission may take an action against the

2020 brewer holding a certificate of approval that the commission could take against a licensee

2021 including:

2022 (a) suspension or revocation of the certificate of approval; and

2023 (b) imposition of a fine.

2024 (10) Notwithstanding the other provisions of this title, the commission may not order a

2025 disciplinary action or fine in accordance with this section if the disciplinary action or fine is

2026 ordered on the basis of a violation:

2027 (a) of a provision in this title related to intoxication or becoming intoxicated; and

2028 (b) if the violation is first investigated by a law enforcement officer, as defined in

2029 Section [53-13-103](#), who has not received training regarding the requirements of this title

2030 related to responsible alcoholic product sale or service.

2031 (11) The commission shall expunge each record that relates to an individual's violation

2032 of a provision of this title, if the individual does not violate a provision of this title for a period

2033 of 36 consecutive months from the day on which the individual's last violation was adjudicated.

2034 Section 21. Section **32B-4-403** is amended to read:

2035 **32B-4-403. Unlawful sale, offer for sale, or furnishing to minor.**

2036 (1) A person may not sell, offer for sale, or furnish an alcoholic product to a minor.

2037 (2) (a) (i) Except as provided in Subsection (3), a person is guilty of a class B

2038 misdemeanor if the person who violates Subsection (1) negligently or recklessly fails to

2039 determine whether the recipient of the alcoholic product is a minor.

2040 (ii) As used in this Subsection (2)(a), "negligently" means with simple negligence.

2041 (b) Except as provided in Subsection (3), a person is guilty of a class A misdemeanor if

2042 the person who violates Subsection (1) knows the [~~purchaser~~ recipient] of the alcoholic product

2043 is a minor.

2044 (3) This section does not apply to the furnishing of an alcoholic product to a minor in

2045 accordance with this title:

2046 (a) for medicinal purposes by:

2047 (i) the parent or guardian of the minor; or

2048 (ii) the health care practitioner of the minor, if the health care practitioner is authorized

2049 by law to write a prescription; or

2050 (b) as part of a religious organization's religious services.

2051 Section 22. Section **32B-4-415** is amended to read:

2052 **32B-4-415. Unlawful bringing onto premises for consumption.**

2053 (1) Except as provided in Subsection (4) and Section [32B-5-307](#), a person may not

2054 bring an alcoholic product for on-premise consumption onto the premises of:

2055 (a) a retail licensee or person required to be licensed under this title as a retail licensee;

2056 (b) an establishment that conducts a business similar to a retail licensee;

2057 (c) an event where an alcoholic product is sold, offered for sale, or furnished under a

2058 single event permit or temporary beer event permit issued under this title;

2059 (d) an establishment open to the general public; or

2060 (e) the capitol hill complex.

2061 (2) Except as provided in Subsection (4) and Section [32B-5-307](#), the following may

2062 not allow a person to bring onto its premises an alcoholic product for on-premise consumption

2063 or allow consumption of an alcoholic product brought onto its premises in violation of this

2064 section:

2065 (a) a retail licensee or a person required to be licensed under this title as a retail

2066 licensee;

2067 (b) an establishment that conducts a business similar to a retail licensee;

2068 (c) a single event permittee or temporary beer event permittee;

2069 (d) an establishment open to the general public;

2070 (e) the State Capitol Preservation Board created in Section

63C-9-201; or

2071 (f) staff of a person listed in Subsections (2)(a) through (e).
 2072 (3) Except as provided in Subsection (4)(c)(i)(A), a person may not consume an
 2073 alcoholic product in a limousine or chartered bus if the limousine or chartered bus drops off a

2074 passenger at:

2075 (a) a location from which the passenger departs in a private vehicle; or
 2076 (b) the capitol hill complex.
 2077 (4) (a) A person may bring bottled wine onto the premises of the following and

2078 consume the wine pursuant to Section 32B-5-307:

2079 (i) a full-service restaurant licensee;
 2080 (ii) a limited restaurant licensee;
 2081 (iii) a bar establishment licensee; or
 2082 (iv) a person operating under a ~~resort~~ spa sublicense.
 2083 (b) A passenger of a limousine may bring onto, possess, and consume an alcoholic

2084 product in the limousine if:

2085 (i) the travel of the limousine begins and ends at:
 2086 (A) the residence of the passenger;
 2087 (B) the hotel of the passenger, if the passenger is a registered guest of the hotel; or
 2088 (C) the temporary domicile of the passenger;
 2089 (ii) the driver of the limousine is separated from the passengers by partition or other

2090 means approved by the department; and

2091 (iii) the limousine is not located on the capitol hill complex.

2092 (c) A passenger of a chartered bus may bring onto, possess, and consume an alcoholic

2093 product on the chartered bus:

2094 (i) (A) but may consume only during travel to a specified destination of the chartered
 2095 bus and not during travel back to the place where the travel begins;
 or

2096 (B) if the travel of the chartered bus begins and ends at:

2097 (I) the residence of the passenger;
 2098 (II) the hotel of the passenger, if the passenger is a registered guest of the hotel; or

2099 (III) the temporary domicile of the passenger;

2100 (ii) if the chartered bus has a nondrinking designee other than the driver traveling on

2101 the chartered bus to monitor consumption; and

2102 (iii) if the chartered bus is not located on the capitol hill complex.

2103 (5) A person may bring onto any premises, possess, and consume an alcoholic product

2104 at a private event.

2105 (6) Notwithstanding Subsection (5), private and public facilities

may prohibit the

2106 possession or consumption of alcohol on their premises.

2107 (7) The restrictions of Subsections (2) and (3) apply to a resort licensee or hotel

2108 licensee or person operating under a sublicense in relationship to:

2109 (a) the boundary of a resort building, as defined in Section [32B-8-102](#), or the boundary

2110 of a hotel, as defined in Section [32B-8b-102](#), in an area that is open to the public; or

2111 (b) except as provided in Subsection (4), sublicensed premises.

2112 Section 23. Section **32B-5-102** is amended to read:

2113 **32B-5-102. Definitions.**

2114 [~~As used in this chapter:~~]

2115 [~~(1) "Interim alcoholic beverage management agreement" means an agreement:~~]

2116 [~~(a) in connection with:~~]

2117 [~~(i) the transfer of a retail license; and~~]

2118 [~~(ii) (A) an asset sale of a retail licensee; or~~]

2119 [~~(B) a transfer of the management of a retail licensee to a new entity; and~~]

2120 [~~(b) under which the purchaser or the new management entity agrees to perform the~~

2121 operations of the retail licensee during the period that:]

2122 [~~(i) begins when:~~]

2123 [~~(A) the asset sale closes; or~~]

2124 [~~(B) the new management agreement is executed; and~~]

2125 [~~(ii) ends on the day after the day on which the commission approves the transfer of the~~

2126 retail license:]

2127 [(2) "Inventory transfer agreement" means an agreement under which a retail licensee

2128 agrees to sell or otherwise transfer all or part of the retail licensee's inventory of alcoholic

2129 product.]

2130 Reserved.

2131 Section 24. Section **32B-5-201** is amended to read:

2132 **32B-5-201. Application requirements for retail license.**

2133 (1) (a) Before a person may store, sell, offer for sale, furnish, or permit consumption of

2134 an alcoholic product on licensed premises as a retail licensee, the person shall first obtain a

2135 retail license issued by the commission, notwithstanding whether the person holds a local

2136 license or a permit issued by a local authority.

2137 (b) Violation of this Subsection (1) is a class B misdemeanor.

2138 (2) To obtain a retail license under this title, a person shall submit to the department:

2139 (a) a written application in a form prescribed by the department;

2140 (b) a nonrefundable application fee in the amount specified in

the relevant chapter or

2141 part for the type of retail license for which the person is applying;

2142 (c) an initial license fee:

2143 (i) in the amount specified in the relevant chapter or part for the
type of retail license

2144 for which the person is applying; and

2145 (ii) that is refundable if a retail license is not issued;

2146 (d) written consent of the local authority, including, if applicable,
consent for each

2147 proposed sublicense;

2148 (e) a copy of:

2149 (i) every license the local authority requires, including the
person's current business

2150 license; and

2151 (ii) if the person is applying for a principal license, the current
business license for each

2152 proposed sublicense, except if the ~~[relevant political subdivision]~~
local authority determines

2153 that the business license for a proposed sublicense is included in
the person's current business

2154 license;

2155 (f) evidence of the proposed retail licensee's proximity to any
community location, with

2156 proximity requirements being governed by Section [32B-1-202](#);

2157 (g) a bond as specified by Section [32B-5-204](#);

2158 (h) a floor plan, and boundary map where applicable, of the
premises of the retail

2159 license and each, if any, accompanying sublicense, including any:

2160 (i) consumption area; and

2161 (ii) area where the person proposes to store, sell, offer for sale,
or furnish an alcoholic

2162 beverage;

2163 (i) evidence that the retail licensee carries public liability
insurance in an amount and

2164 form satisfactory to the department;

2165 (j) evidence that the retail licensee carries dramshop insurance
coverage of at least:

2166 (i) \$1,000,000 per occurrence and \$2,000,000 in the aggregate;

2167 (ii) if the retail licensee is a hotel licensee or a resort licensee,
\$1,000,000 per

2168 occurrence and \$2,000,000 in the aggregate to cover both the
principal license and all

2169 accompanying sublicenses; or

2170 (iii) if the retail licensee is an arena licensee, \$10,000,000 per
occurrence and

2171 \$20,000,000 in the aggregate to cover both the arena license and
all accompanying sublicenses.

2172 (k) a signed consent form stating that the retail licensee will
permit any authorized

2173 representative of the commission, department, or any law

enforcement officer to have

2174 unrestricted right to enter:

2175 (i) the premises of the retail licensee; and

2176 (ii) if applicable, the premises of each of the retail licensee's
accompanying

2177 sublicenses;

2178 (l) if the person is an entity, proper verification evidencing that a
person who signs the

2179 application is authorized to sign on behalf of the entity;

2180 (m) a responsible alcohol service plan; ~~and~~

2181 (n) evidence that each individual the person has hired to work
as a retail manager, as

2182 defined in Section 32B-1-701, has completed the alcohol training
and education seminar as

2183 required under Chapter 1, Part 7, Alcohol Training and Education
Act; and

2184 ~~[(n)]~~ (o) any other information the commission or department
may require.

2185 (3) The commission may not issue a retail license to a person
who:

2186 (a) is disqualified under Section 32B-1-304; or

2187 (b) is not lawfully present in the United States.

2188 (4) Unless otherwise provided in the relevant chapter or part for
the type of retail

2189 license for which the person is applying, the commission may not
issue a retail license to a

2190 person if the proposed licensed premises does not meet the
proximity requirements of Section

2191 32B-1-202.

2192 Section 25. Section 32B-5-202 is amended to read:

2193 **32B-5-202. Renewal requirements.**

2194 (1) A retail license expires each year on the day specified in the
relevant chapter or part

2195 for that type of retail license.

2196 (2) (a) To renew a person's retail license, a retail licensee shall,
on or before the day

2197 specified in the relevant chapter or part for the type of retail license
that the person seeks to

2198 renew, submit:

2199 (i) a completed renewal application in a form prescribed by the
department;

2200 (ii) a renewal fee in the amount specified in the relevant chapter
or part for the type of

2201 retail license that the person seeks to renew; and

2202 (iii) a responsible alcohol service plan if, since the retail
licensee's most recent

2203 application or renewal, the retail licensee:

2204 (A) made substantial changes to the retail licensee's
responsible alcohol service plan;

2205 or
 2206 (B) violated a provision of this chapter.
 2207 ~~[(b) (i) Except as provided for in Subsection (2)(b)(ii), a retail licensee shall fulfill the~~
 2208 ~~renewal requirements under Subsection (2)(a) on or before the day specified in the relevant~~
 2209 ~~chapter or part for the type of retail license that the person seeks to renew.]~~
 2210 ~~[(ii) The commission may:]~~
 2211 ~~[(A) make rules, in accordance with Title 63G, Chapter 3, Utah Administrative~~
 2212 ~~Rulemaking Act, permitting and establishing the parameters of late retail license renewals; and]~~
 2213 ~~[(B) establish a fee, in accordance with Section ~~63J-1-504~~, for late retail license~~

2214 ~~renewals.]~~
 2215 ~~[(e)]~~ (b) The department may audit a retail licensee's responsible alcohol service plan.
 2216 (3) Failure to meet the renewal requirements results in an automatic forfeiture of the
 2217 retail license effective on the day on which the existing retail license expires.
 2218 Section 26. Section **32B-5-205** is amended to read:
 2219 **32B-5-205. Conditional retail license.**
 2220 (1) As used in this section:
 2221 (a) "Conditional retail license" means a retail license that:
 2222 (i) conditions the holder's ability to ~~[sell, offer for sale, furnish, or allow the~~
 2223 ~~consumption of an alcoholic product on its licensed premises]~~ obtain a valid retail license on
 2224 the person submitting to the department;
 2225 (A) a copy of every license or permit the local authority requires for the valid retail
 2226 license, including the holder's current business license [before obtaining a valid retail license;
 2227 and];
 2228 (B) a bond;
 2229 (C) evidence that the person carries public liability insurance;
 2230 (D) evidence that the person carries dramshop insurance;
 2231 (E) evidence that each individual the conditional retail licensee has hired to work as a
 2232 retail manager, as defined in Section 32B-1-701, has completed the alcohol training and
 2233 education seminar as required under Chapter 1, Part 7, Alcohol Training and Education Act; or
 2234 (F) any other information the department or commission may require for licensure; and
 2235 (ii) provides that the holder will be issued a valid retail license if the holder complies
 2236 with the requirements of Subsection (3).

2237 (b) "Valid retail license" means a retail license issued pursuant
to this part under which
2238 the holder is permitted to sell, offer for sale, furnish, or allow the
consumption of an alcoholic
2239 product on ~~[its]~~ the holder's licensed premises.
2240 (2) Subject to the requirements of this section, the commission
may issue a conditional
2241 retail license to a person if the person:

2242 (a) meets ~~[the requirements]~~ each requirement to obtain the
retail license for which the
2243 person is applying, except ~~[the]~~ a requirement to submit to the
department:
2244 (i) a copy of every license or permit the local authority requires
for the retail license,
2245 including the person's current business license; [and]
2246 (ii) a bond;
2247 (iii) evidence that the person carries public liability insurance;
2248 (iv) evidence that the person carries dramshop insurance
coverage;
2249 (v) evidence that each individual the conditional retail licensee
has hired to work as a
2250 retail manager, as defined in Section 32B-1-701, has completed
the alcohol training and
2251 education seminar as required under Chapter 1, Part 7, Alcohol
Training and Education Act; or
2252 (vi) a menu; and
2253 (b) agrees not to sell, offer for sale, furnish, or allow the
consumption of an alcoholic
2254 product on ~~[its]~~ the conditional retail licensee's licensed premises
before obtaining a valid retail
2255 license.
2256 (3) (a) A conditional retail license becomes a valid retail license
on the day on which
2257 the department notifies the person who holds the conditional retail
license that the department
2258 finds that the person has complied with Subsection (3)(b).
2259 (b) For a conditional retail license to become a valid retail
license, a person who holds
2260 the conditional retail license shall:
2261 (i) submit to the department;
2262 (A) a copy of every license or permit the local authority requires
for the retail license,
2263 including the person's current business license; [and]
2264 (B) a bond as specified by Section 32B-5-204;
2265 (C) evidence that the conditional retail licensee carries public
liability insurance in an
2266 amount and form satisfactory to the department;
2267 (D) evidence that the conditional retail licensee carries
dramshop insurance coverage as
2268 specified in Section 32B-5-201;

2269 (E) evidence that each individual the conditional retail licensee has hired to work as a

2270 retail manager, as defined in Section 32B-1-701, has completed an alcohol training and

2271 education seminar as required under Chapter 1, Part 7, Alcohol Training and Education Act;

2272 and

2273 (F) any other information the department or commission may require; and

2274 (ii) provide to the department evidence satisfactory to the department that:

2275 (A) there has been no change in the information submitted to the commission as part of

2276 the person's application for a retail license; and

2277 (B) the person continues to qualify for the retail license.

2278 (4) (a) A conditional retail license expires 18 months after the day on which the

2279 commission issues the conditional retail license, unless the conditional retail license becomes a

2280 valid retail license before that day.

2281 (b) Notwithstanding Subsection (4)(a), the commission may extend the time period of a

2282 conditional retail license an additional six months if the holder of the conditional license can

2283 show to the satisfaction of the commission that the holder of the conditional license:

2284 (i) has an active building permit related to the licensed premises; and

2285 (ii) is engaged in a good faith effort to pursue completion within the six-month period.

2286 Section 27. Section **32B-5-304** is amended to read:

2287 **32B-5-304. Portions in which alcoholic product may be sold.**

2288 (1) (a) A retail licensee may sell, offer for sale, or furnish spirituous liquor that is a

2289 primary spirituous liquor only in a quantity that does not exceed 1.5 ounces per beverage

2290 dispensed through a calibrated metered dispensing system approved by the department in

2291 accordance with commission rules adopted under this title~~[-except that:].~~

2292 ~~[(a) spirituous liquor need not be dispensed through a calibrated metered dispensing~~

2293 ~~system if used as a secondary flavoring ingredient in a beverage subject to the following~~

2294 ~~requirements:]~~

2295 ~~[(i) the secondary ingredient may be dispensed only in conjunction with the purchase~~

2296 ~~of a primary spirituous liquor;]~~

2297 ~~[(ii) the secondary ingredient may not be the only spirituous
liquor in the beverage;]~~

2298 ~~[(iii) the retail licensee shall designate a location where
flavorings are stored on the~~

2299 ~~floor plan submitted to the department; and]~~

2300 ~~[(iv) a flavoring container shall be plainly and conspicuously
labeled "flavorings";]~~

2301 ~~[(b) spirituous liquor need not be dispensed through a calibrated
metered dispensing~~

2302 ~~system if used;]~~

2303 ~~[(i) as a flavoring on a dessert; and]~~

2304 ~~[(ii) in the preparation of a flaming food dish, drink, or dessert;
and]~~

2305 (b) A retail license is not required to dispense spirituous liquor
through a calibrated

2306 metered dispensing system if the spirituous liquor is:

2307 (i) a secondary flavoring ingredient;

2308 (ii) used as a flavoring on a dessert; or

2309 (iii) used to set aflame a food dish, drink, or dessert.

2310 (c) A retail licensee that dispenses spirituous liquor that is a
secondary flavoring

2311 ingredient shall:

2312 (i) designate a location where the retail licensee stores
secondary flavoring ingredients

2313 on the floor plan the retail licensee submits to the department; and

2314 (ii) clearly and conspicuously label each secondary flavoring
ingredient's container

2315 "flavorings".

2316 ~~[(c)]~~ (d) [a] A patron may have no more than 2.5 ounces of
spirituous liquor at a time.

2317 (2) (a) (i) A retail licensee may sell, offer for sale, or furnish wine
by the glass or in an

2318 individual portion that does not exceed 5 ounces per glass or
individual portion.

2319 (ii) A retail licensee may sell, offer for sale, or furnish an
individual portion of wine to

2320 a patron in more than one glass if the total amount of wine does
not exceed 5 ounces.

2321 (b) (i) A retail licensee may sell, offer for sale, or furnish wine in
a container not

2322 exceeding 1.5 liters at a price fixed by the commission to a table of
four or more persons.

2323 (ii) A retail licensee may sell, offer for sale, or furnish wine in a
container not to

2324 exceed 750 milliliters at a price fixed by the commission to a table
of less than four persons.

2325 (3) A retail licensee may sell, offer for sale, or furnish heavy
beer in an original

2326 container at a price fixed by the commission, except that the
original container may not exceed

- 2327 one liter.
- 2328 (4) A retail licensee may sell, offer for sale, or furnish a flavored malt beverage in an
- 2329 original container at a price fixed by the commission, except that the original container may not
- 2330 exceed one liter.
- 2331 (5) (a) (i). Subject to Subsection ~~[(5)(b)]~~ (5)(a)(ii), a retail licensee may sell, offer for
- 2332 sale, or furnish beer for on-premise consumption:
- 2333 ~~[(#)]~~ (A) in an open original container; and
- 2334 ~~[(#)]~~ (B) in a container on draft.
- 2335 ~~[(#)]~~ (ii) A retail licensee may not sell, offer for sale, or furnish beer under Subsection
- 2336 (5)(a)(i):
- 2337 ~~[(#)]~~ (A) in a size of container that exceeds two liters; or
- 2338 ~~[(#)]~~ (B) to an individual patron in a size of container that exceeds one liter.
- 2339 (b) A retail licensee may sell, offer for sale, or furnish beer for off-premise
- 2340 consumption:
- 2341 (i) in a sealed container; and
- 2342 (ii) in a size of container that does not exceed two liters.
- 2343 (c) A retail licensee may sell, offer for sale, or furnish a flight of beer to an individual
- 2344 patron if the total amount of beer does not exceed 16 ounces.
- 2345 Section 28. Section **32B-5-307** is amended to read:
- 2346 **32B-5-307. Bringing alcoholic product onto or removing alcoholic product from**
- 2347 **premises.**
- 2348 (1) Except as provided in Subsections (3) and (4):
- 2349 (a) a person may not bring onto the licensed premises of a retail licensee an alcoholic
- 2350 product for on-premise consumption;
- 2351 (b) a retail licensee may not allow a person to:
- 2352 (i) bring onto licensed premises an alcoholic product for on-premise consumption; or
- 2353 (ii) consume an alcoholic product brought onto the licensed premises by a person other
-
- 2354 than the retail licensee; and
- 2355 (c) a retail licensee may not sell, offer for sale, or furnish an alcoholic product through
- 2356 a window or door to a location off the licensed premises or to a vehicular traffic area.
- 2357 (2) Except as provided in Subsections (3) and (4) and Subsection **32B-4-415(5)**:
- 2358 (a) a person may not carry from ~~[a]~~ the licensed premises of a retail licensee an open
- 2359 container that:
- 2360 (i) is used primarily for drinking purposes; and
- 2361 (ii) contains an alcoholic product;

2362 (b) a retail licensee may not permit a patron to carry from the
 licensed premises an
 2363 open container described in Subsection (2)(a); and
 2364 (c) (i) a person may not carry from [a] the licensed premises of
 a retail licensee a sealed
 2365 container of liquor that has been purchased from the retail
 licensee; and
 2366 (ii) a retail licensee may not permit a patron to carry from the
 licensed premises of the
 2367 retail licensee a sealed container of liquor that has been purchased
 from the retail licensee.
 2368 (3) (a) A patron may bring a bottled wine onto the premises of a
 retail licensee for
 2369 on-premise consumption if:
 2370 (i) permitted by the retail licensee; and
 2371 (ii) the retail licensee is authorized to sell, offer for sale, or
 furnish wine.
 2372 (b) If a patron carries bottled wine onto the licensed premises of
 a retail licensee, the
 2373 patron shall deliver the bottled wine to a server or other
 representative of the retail licensee
 2374 upon entering the licensed premises.
 2375 (c) A retail licensee authorized to sell, offer for sale, or furnish
 wine, may provide a
 2376 wine service for a bottled wine carried onto the licensed premises
 in accordance with this
 2377 Subsection (3) or a bottled wine purchased at the licensed
 premises.
 2378 (d) A patron may remove from a licensed premises the
 unconsumed contents of a bottle
 2379 of wine purchased at the licensed premises, or brought onto the
 licensed premises in
 2380 accordance with this Subsection (3), only if before removal the
 bottle is recorked or recapped.
 2381 (4) Neither a patron nor a retail licensee violates this section if:

2382 (a) the patron is in shared seating; and
 2383 (b) the patron purchased the patron's alcoholic beverage from a
 restaurant licensee
 2384 whose licensed premises include the shared seating area the
 patron is in.
 2385 (5)(a) A patron may carry from a retail licensee's licensed
premises a sealed container
 2386 of beer that has been purchased from the retail licensee.
 2387 (b) A retail licensee may permit a patron to carry from the retail
licensee's licensed
 2388 premises a sealed container of beer that has been purchased from
the retail licensee.
 2389 Section 29. Section **32B-5-309** is amended to read:
 2390 **32B-5-309. Ceasing operation.**
 2391 (1) Except as provided in Subsection (8), a retail licensee may

not close or cease

2392 operation for a period longer than 240 hours, unless:

2393 (a) the retail licensee notifies the department in writing at least seven days before the

2394 day on which the retail licensee closes or ceases operation; and

2395 (b) the closure or cessation of operation is first approved by the department.

2396 (2) Notwithstanding Subsection (1), in the case of emergency closure, a retail licensee

2397 shall immediately notify the department by telephone.

2398 (3) (a) The department may authorize ~~an~~ an initial closure or cessation of operation of

2399 a retail licensee for a period not to exceed 60 days.

2400 (b) ~~The~~ Upon written request of the retail licensee and a showing of good cause, the

2401 department may extend the initial period ~~[an additional]~~ described in Subsection (3)(a) for a

2402 period not to exceed the greater of:

2403 (i) 30 days ~~upon~~; or

2404 (ii) the number of days until the day on which the commission holds the commission's

2405 next regularly scheduled meeting.

2406 ~~[(i) written request of the retail licensee; and]~~

2407 ~~[(ii) a showing of good cause.]~~

2408 (4) A closure or cessation of operation may not exceed ~~[a total of 90 days]~~ the time

2409 limits described in Subsection (3), without commission approval.

2410 (5) A notice required under this section shall include:

2411 (a) the dates of closure or cessation of operation;

2412 (b) the reason for the closure or cessation of operation; and

2413 (c) the date on which the retail licensee will reopen or resume operation.

2414 (6) Failure of a retail licensee to provide notice and to obtain department approval

2415 before closure or cessation of operation results in an automatic forfeiture of:

2416 (a) the retail license; and

2417 (b) the unused portion of the retail license fee for the remainder of the retail license

2418 year effective immediately.

2419 (7) Failure of a retail licensee to reopen or resume operation by the approved date

2420 results in an automatic forfeiture of:

2421 (a) the retail license; and

2422 (b) the unused portion of the retail license fee for the remainder of the retail license

2423 year.

2424 (8) This section does not apply to:

2425 (a) an on-premise beer retailer who is not a tavern; ~~or~~

2426 (b) an airport lounge licensee; or

2427 (c) a hospitality amenity licensee.

- 2428 (9) For purposes of this section, the department may not base a determination that a
- 2429 retail licensee has ceased operation solely upon the retail licensee's lack of sales.
- 2430 Section 30. Section **32B-6-205** is amended to read:
- 2431 **32B-6-205. Specific operational requirements for a full-service restaurant license**
- 2432 **-- Before July 1, 2018, or July 1, 2022.**
- 2433 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
- 2434 Requirements, a full-service restaurant licensee and staff of the full-service restaurant licensee
- 2435 shall comply with this section.
- 2436 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
- 2437 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
-
- 2438 (i) a full-service restaurant licensee;
- 2439 (ii) individual staff of a full-service restaurant licensee; or
- 2440 (iii) both a full-service restaurant licensee and staff of the full-service restaurant
- 2441 licensee.
- 2442 (2) In addition to complying with Subsection [32B-5-301\(3\)](#), a full-service restaurant
- 2443 licensee shall display in a prominent place in the restaurant a list of the types and brand names
- 2444 of liquor being furnished through the full-service restaurant licensee's calibrated metered
- 2445 dispensing system.
- 2446 (3) In addition to complying with Section [32B-5-303](#), a full-service restaurant licensee
- 2447 shall store an alcoholic product in a storage area described in Subsection (11)(a).
- 2448 (4) (a) An individual who serves an alcoholic product in a full-service restaurant
- 2449 licensee's premises shall make a written beverage tab for each table or group that orders or
- 2450 consumes an alcoholic product on the premises.
- 2451 (b) A beverage tab required by this Subsection (4) shall list the type and amount of an
- 2452 alcoholic product ordered or consumed.
- 2453 (5) A person's willingness to serve an alcoholic product may not be made a condition
- 2454 of employment as a server with a full-service restaurant licensee.
- 2455 (6) (a) A full-service restaurant licensee may sell, offer for sale, or furnish liquor at the
- 2456 licensed premises during the following time periods only:
- 2457 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or
- 2458 (ii) on a weekend or a state or federal legal holiday or for a

private event, during the

2459 period that begins at 10:30 a.m. and ends at 11:59 p.m.

2460 (b) A full-service restaurant licensee may sell, offer for sale, or furnish beer at the

2461 licensed premises during the following time periods only:

2462 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

2463 (ii) on a weekend or a state or federal legal holiday or for a private event, during the

2464 period that begins at 10:30 a.m. and ends at 12:59 a.m.

2465 (7) (a) A full-service restaurant licensee may not sell, offer for sale, or furnish an

2466 alcoholic product for on-premise consumption except after the full-service restaurant licensee

2467 confirms that the patron has the intent to order food prepared, sold, and furnished at the

2468 licensed premises.

2469 (b) Notwithstanding Section 32B-5-307, a full-service restaurant licensee may not sell,

2470 offer for sale, or furnish beer for off-premise consumption except after the patron consumes on

2471 the licensed premises food prepared, sold, and furnished at the licensed premises.

2472 [(b)] (c) A full-service restaurant licensee shall maintain on the licensed premises

2473 adequate culinary facilities for food preparation and dining accommodations.

2474 (8) (a) Subject to the other provisions of this Subsection (8), a patron may not have

2475 more than two alcoholic products of any kind at a time before the patron.

2476 (b) A patron may not have more than one spirituous liquor drink at a time before the

2477 patron.

2478 (c) An individual portion of wine is considered to be one alcoholic product under

2479 Subsection (8)(a).

2480 (9) A patron may consume an alcoholic product on the full-service restaurant licensee's

2481 licensed premises only :

2482 (a) at:

2483 (i) the patron's table;

2484 (ii) a counter; or

2485 (iii) a seating grandfathered bar structure ; and

2486 (b) where food is served.

2487 (10) (a) A full-service restaurant licensee may not sell, offer for sale, or furnish an

2488 alcoholic product to a patron, and a patron may not consume an alcoholic product at a bar

2489 structure that is not a seating grandfathered bar structure.

2490 (b) At a seating grandfathered bar structure a patron who is 21
 years ~~of age~~ old or
 2491 older may:
 2492 (i) sit;
 2493 (ii) be furnished an alcoholic product; and

2494 (iii) consume an alcoholic product.
 2495 (c) Except as provided in Subsection (10)(d), at a seating
 grandfathered bar structure a
 2496 full-service restaurant licensee may not permit a minor to, and a
 minor may not:
 2497 (i) sit; or
 2498 (ii) consume food or beverages.
 2499 (d) (i) A minor may be at a seating grandfathered bar structure if
 the minor is employed
 2500 by a full-service restaurant licensee:
 2501 (A) as provided in Subsection 32B-5-308(2); or
 2502 (B) to perform maintenance and cleaning services during an
 hour when the full-service
 2503 restaurant licensee is not open for business.
 2504 (ii) A minor may momentarily pass by a seating grandfathered
 bar structure without
 2505 remaining or sitting at the bar structure en route to an area of a full-
 service restaurant licensee's
 2506 premises in which the minor is permitted to be.
 2507 (11) Except as provided in Subsection 32B-5-307(3), a full-
 service restaurant licensee
 2508 may dispense an alcoholic product only if:
 2509 (a) the alcoholic product is dispensed from:
 2510 (i) a grandfathered bar structure;
 2511 (ii) an area adjacent to a grandfathered bar structure that is
 visible to a patron sitting at
 2512 the grandfathered bar structure if that area is used to dispense an
 alcoholic product as of May
 2513 12, 2009; or
 2514 (iii) an area that is:
 2515 (A) separated from an area for the consumption of food by a
 patron by a solid,
 2516 translucent, permanent structural barrier such that the facilities for
 the storage or dispensing of
 2517 an alcoholic product are:
 2518 (I) not readily visible to a patron; and
 2519 (II) not accessible by a patron; and
 2520 (B) apart from an area used:
 2521 (I) for dining;

2522 (II) for staging; or
 2523 (III) as a lobby or waiting area;
 2524 (b) the full-service restaurant licensee uses an alcoholic product
 that is:
 2525 (i) stored in an area described in Subsection (11)(a); or

- 2526 (ii) in an area not described in Subsection (11)(a) on the
licensed premises and:
- 2527 (A) immediately before the alcoholic product is dispensed it is in
an unopened
- 2528 container;
- 2529 (B) the unopened container is taken to an area described in
Subsection (11)(a) before it
- 2530 is opened; and
- 2531 (C) once opened, the container is stored in an area described in
Subsection (11)(a); and
- 2532 (c) any instrument or equipment used to dispense alcoholic
product is located in an
- 2533 area described in Subsection (11)(a).
- 2534 (12) A full-service restaurant licensee may state in a food or
alcoholic product menu a
- 2535 charge or fee made in connection with the sale, service, or
consumption of liquor including:
- 2536 (a) a set-up charge;
- 2537 (b) a service charge; or
- 2538 (c) a chilling fee.
- 2539 (13) Beginning on July 1, 2018, a minor may not sit, remain, or
consume food or
- 2540 beverages within 10 feet of a grandfathered bar structure, unless:
- 2541 (a) seating within 10 feet of the grandfathered bar structure is
the only seating available
- 2542 in the licensed premises; and
- 2543 (b) the minor is accompanied by an individual who is 21 years
[of age] old or older.
- 2544 (14) Except as provided in Subsection [32B-6-205.2](#)(16) and
Section [32B-6-205.3](#), the
- 2545 provisions of this section apply before July 1, 2018.
- 2546 Section 31. Section [32B-6-205.2](#) is amended to read:
- 2547 **32B-6-205.2. Specific operational requirements for a full-
service restaurant**
- 2548 **license -- On and after July 1, 2018, or July 1, 2022.**
- 2549 (1) (a) In addition to complying with Chapter 5, Part 3, Retail
Licensee Operational
-
- 2550 Requirements, a full-service restaurant licensee and staff of the
full-service restaurant licensee
- 2551 shall comply with this section.
- 2552 (b) Failure to comply with Subsection (1)(a) may result in
disciplinary action in
- 2553 accordance with Chapter 3, Disciplinary Actions and Enforcement
Act, against:
- 2554 (i) a full-service restaurant licensee;
- 2555 (ii) individual staff of a full-service restaurant licensee; or
- 2556 (iii) both a full-service restaurant licensee and staff of the full-
service restaurant
- 2557 licensee.
- 2558 (2) (a) An individual who serves an alcoholic product in a full-

service restaurant

2559 licensee's premises shall make a beverage tab for each table or group that orders or consumes

2560 an alcoholic product on the premises.

2561 (b) A beverage tab described in this Subsection (2) shall state the type and amount of

2562 each alcoholic product ordered or consumed.

2563 (3) A full-service restaurant licensee may not make an individual's willingness to serve

2564 an alcoholic product a condition of employment with a full-service restaurant licensee.

2565 (4) (a) A full-service restaurant licensee may sell, offer for sale, or furnish liquor at the

2566 licensed premises during the following time periods only:

2567 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or

2568 (ii) on a weekend or a state or federal legal holiday or for a private event, during the

2569 period that begins at 10:30 a.m. and ends at 11:59 p.m.

2570 (b) A full-service restaurant licensee may sell, offer for sale, or furnish beer at the

2571 licensed premises during the following time periods only:

2572 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

2573 (ii) on a weekend or a state or federal legal holiday or for a private event, during the

2574 period that begins at 10:30 a.m. and ends at 12:59 a.m.

2575 (5) (a) A full-service restaurant licensee may not furnish an alcoholic product for

2576 on-premise consumption except after:

2577 (i) the patron to whom the full-service restaurant licensee furnishes the alcoholic

2578 product is seated at:

2579 (A) a table that is located in a dining area or a dispensing area;

2580 (B) a counter that is located in a dining area or a dispensing area; or

2581 (C) a dispensing structure that is located in a dispensing area; and

2582 (ii) the full-service restaurant licensee confirms that the patron intends to:

2583 (A) order food prepared, sold, and furnished at the licensed premises; and

2584 (B) except as provided in Subsection (5)(b), consume the food at the same location

2585 where the patron is seated and furnished the alcoholic product.

2586 (b) (i) While a patron waits for a seat at a table or counter in the dining area of a

2587 full-service restaurant licensee, the full-service restaurant licensee may sell, offer for sale, or

2588 furnish to the patron one drink that contains a single portion of an alcoholic product as

2589 described in Section [32B-5-304](#) if:

2590 (A) the patron is in a dispensing area and seated at a table, counter, or dispensing

2591 structure; and

2592 (B) the full-service restaurant licensee first confirms that after the patron is seated in

2593 the dining area, the patron intends to order food prepared, sold, and furnished at the licensed

2594 premises.

2595 (ii) If the patron does not finish the patron's alcoholic product before moving to a seat

2596 in the dining area, an employee of the full-service restaurant licensee who is qualified to sell

2597 and serve an alcoholic product under Section [32B-5-306](#) shall transport any unfinished portion

2598 of the patron's alcoholic product to the patron's seat in the dining area.

2599 (iii) For purposes of Subsection (5)(b)(i) a single portion of wine is five ounces or less.

2600 (c) Notwithstanding Section [32B-5-307](#), a full-service restaurant licensee may not

2601 furnish beer for off-premise consumption except after the patron consumes on the licensed

2602 premises food prepared, sold, and furnished at the licensed premises.

2603 ~~[(e)]~~ (d) A full-service restaurant licensee shall maintain on the licensed premises

2604 adequate culinary facilities for food preparation and dining accommodations.

2605 (6) A patron may consume an alcoholic product on the full-service restaurant licensee's

2606 licensed premises only if the patron is seated at:

2607 (a) a table that is located in a dining area or dispensing area;

2608 (b) a counter that is located in a dining area or dispensing area;
or

2609 (c) a dispensing structure located in a dispensing area.

2610 (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have

2611 more than two alcoholic products of any kind at a time before the patron.

2612 (b) A patron may not have more than one spirituous liquor drink at a time before the

2613 patron.

2614 (c) An individual portion of wine is considered to be one alcoholic product under

2615 Subsection (7)(a).

2616 (8) In accordance with the provisions of this section, an individual who is at least 21

2617 years ~~[of age]~~ old may consume food and beverages in a dispensing area.

2618 (9) (a) Except as provided in Subsection (9)(b), a minor may not sit, remain, or

2619 consume food or beverages in a dispensing area.

2620 (b) (i) A minor may be in a dispensing area if the minor is:

2621 (A) at least 16 years ~~[of age]~~ old and working as an employee of the full-service

2622 restaurant licensee; or

2623 (B) performing maintenance and cleaning services as an employee of the full-service

2624 restaurant licensee when the full-service restaurant licensee is not open for business.

2625 (ii) If there is no alternative route available, a minor may momentarily pass through a

2626 dispensing area without remaining or sitting in the dispensing area en route to an area of the

2627 full-service restaurant licensee's premises in which the minor is permitted to be.

2628 (10) Except as provided in Subsection [32B-5-307\(3\)](#), a full-service restaurant licensee

2629 may dispense an alcoholic product only if:

2630 (a) the alcoholic product is dispensed from:

2631 (i) a dispensing structure that is located in a dispensing area;

2632 (ii) an area that is:

2633 (A) separated from an area for the consumption of food by a patron by a solid,

2634 translucent, permanent structural barrier such that the facilities for the dispensing of an

2635 alcoholic product are not readily visible to a patron and not accessible by a patron; and

2636 (B) apart from an area used for dining, for staging, or as a waiting area; or

2637 (iii) the premises of a bar licensee that is:

2638 (A) owned by the same person or persons as the full-service restaurant licensee; and

2639 (B) located immediately adjacent to the premises of the full-service restaurant licensee;

2640 and

2641 (b) any instrument or equipment used to dispense alcoholic product is located in an

2642 area described in Subsection (10)(a).

2643 (11) (a) A full-service restaurant licensee may have more than one dispensing area in

2644 the licensed premises.

2645 (b) Each dispensing area in a licensed premises may satisfy the requirements for a

2646 dispensing area under Subsection [32B-6-202\(2\)\(a\)\(i\)](#), (ii), or (iii), regardless of how any other

2647 dispensing area in the licensed premises satisfies the requirements for a dispensing area.

2648 (12) A full-service restaurant licensee may not:

- 2649 (a) transfer, dispense, or serve an alcoholic product on or from a movable cart; or
- 2650 (b) display an alcoholic product or a product intended to appear like an alcoholic
- 2651 product by moving a cart or similar device around the licensed premises.
- 2652 (13) A full-service restaurant licensee may state in a food or alcoholic product menu a
- 2653 charge or fee made in connection with the sale, service, or consumption of liquor, including:
- 2654 (a) a set-up charge;
- 2655 (b) a service charge; or
- 2656 (c) a chilling fee.
- 2657 (14) (a) In addition to the requirements described in Section [32B-5-302](#), a full-service
- 2658 restaurant licensee shall maintain each of the following records for at least three years:
- 2659 (i) a record required by Section [32B-5-302](#); and
- 2660 (ii) a record that the commission requires a full-service restaurant licensee to use or
- 2661 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative
-
- 2662 Rulemaking Act.
- 2663 (b) The department shall audit the records of a full-service restaurant licensee at least
- 2664 once [~~each calendar year~~] annually.
- 2665 (15) A full-service restaurant licensee may lease to a patron of the full-service
- 2666 restaurant licensee a locked storage space:
- 2667 (a) that the commission considers proper for the storage of wine; and
- 2668 (b) for the storage of wine that:
- 2669 (i) the patron purchases from the full-service restaurant licensee; and
- 2670 (ii) only the full-service restaurant licensee or staff of the full-service restaurant
- 2671 licensee may remove from the locker for the patron's use in accordance with this title,
- 2672 including:
- 2673 (A) service and consumption on licensed premises as described in Section [32B-5-306](#);
- 2674 or
- 2675 (B) removal from the full-service retail licensee's licensed premises in accordance with
- 2676 Section [32B-5-307](#).
- 2677 (16) (a) In accordance with Section [32B-6-205.3](#), a full-service restaurant licensee:
- 2678 (i) may comply with the provisions of this section beginning on or after July 1, 2017;

2679 and
2680 (ii) shall comply with the provisions of this section:
2681 (A) for a full-service restaurant licensee that does not have a
grandfathered bar
2682 structure, on and after July 1, 2018; or
2683 (B) for a full-service restaurant licensee that has a
grandfathered bar structure, on and
2684 after July 1, 2022.
2685 (b) A full-service restaurant licensee that elects to comply with
the provisions of this
2686 section before the latest applicable date described in Subsection
(16)(a)(ii):
2687 (i) shall comply with each provision of this section; and
2688 (ii) is not required to comply with the provisions of Section [32B-
6-205](#).
2689 Section 32. Section **32B-6-205.3** is amended to read:

2690 **32B-6-205.3. Transition process for full-service restaurant
licensees.**

2691 (1) For a full-service restaurant license issued on or after July 1,
2017, the full-service
2692 restaurant licensee shall comply with the provisions of Section
[32B-6-205.2](#).

2693 (2) For a full-service restaurant license issued before July 1,
2017, before the
2694 full-service restaurant licensee changes the full-service restaurant
licensee's approved location
2695 for storage, dispensing, or consumption to comply with the
provisions of Section [32B-6-205.2](#),
2696 the full-service restaurant licensee shall submit an application for
approval to the department in
2697 accordance with Subsection [32B-5-303\(3\)](#).

2698 (3) (a) Except as provided in Subsection (4), a person who
holds a full-service
2699 restaurant license issued before July 1, 2017, shall comply with the
provisions of Section
2700 [32B-6-205.2](#) on or before July 1, 2018.

2701 (b) A full-service restaurant licensee described in Subsection (3)
(a) that cannot comply
2702 with the provisions of Section [32B-6-205.2](#) without a change to the
full-service restaurant
2703 licensee's approved location for storage, dispensing, or
consumption:
2704 (i) may submit an application for approval described in
Subsection (2) on or after May
2705 9, 2017; and
2706 (ii) shall submit an application for approval described in
Subsection (2) on or before
2707 May 1, 2018.

2708 (c) If a full-service restaurant licensee described in Subsection
2709 (3)(a) submits an

2709 application for approval described in Subsection (2) on May 9,
2017, the department shall take

2710 action on the application on or before July 1, 2017.

2711 (4) (a) A person who holds a full-service restaurant license
issued before July 1, 2017,

2712 and has a grandfathered bar structure shall comply with the
provisions of Section [32B-6-205.2](#)

2713 on or before the earlier of:

2714 (i) July 1, 2022;

2715 (ii) the date on which the full-service restaurant licensee
remodels, as defined by

2716 commission rule made in accordance with Title 63G, Chapter 3,
Utah Administrative

2717 Rulemaking Act, the full-service restaurant licensee's
grandfathered bar structure or dining

2718 area; or

2719 (iii) the date on which the full-service restaurant licensee
experiences a change of

2720 ownership described in Subsection [~~32B-6-202~~] [32B-18-202](#)(1).

2721 (b) A full-service restaurant licensee described in Subsection (4)
(a) that cannot comply

2722 with the provisions of Section [32B-6-205.2](#) without a change to the
full-service restaurant

2723 licensee's approved location for storage, dispensing, or
consumption:

2724 (i) may submit an application for approval described in
Subsection (2) on or after May

2725 9, 2017; and

2726 (ii) shall submit an application for approval described in
Subsection (2) on or before

2727 May 1, 2022.

2728 Section 33. Section **32B-6-305** is amended to read:

2729 **32B-6-305. Specific operational requirements for a limited-
service restaurant**

2730 **license -- Before July 1, 2018, or July 1, 2022.**

2731 (1) (a) In addition to complying with Chapter 5, Part 3, Retail
Licensee Operational

2732 Requirements, a limited-service restaurant licensee and staff of the
limited-service restaurant

2733 licensee shall comply with this section.

2734 (b) Failure to comply as provided in Subsection (1)(a) may
result in disciplinary action

2735 in accordance with Chapter 3, Disciplinary Actions and
Enforcement Act, against:

2736 (i) a limited-service restaurant licensee;

2737 (ii) individual staff of a limited-service restaurant licensee; or

2738 (iii) both a limited-service restaurant licensee and staff of the

limited-service restaurant

2739 licensee.

2740 (2) (a) A limited-service restaurant licensee on the licensed premises may not sell, offer

2741 for sale, furnish, or allow consumption of:

2742 (i) spirituous liquor; or

2743 (ii) a flavored malt beverage.

2744 (b) A product listed in Subsection (2)(a) may not be on the premises of a

2745 limited-service restaurant licensee except for use:

2746 (i) as a flavoring on a dessert; and

2747 (ii) in the preparation of a flaming food dish, drink, or dessert.

2748 (3) In addition to complying with Section [32B-5-303](#), a limited-service restaurant

2749 licensee shall store an alcoholic product in a storage area described in Subsection (11)(a).

2750 (4) (a) An individual who serves an alcoholic product in a limited-service restaurant

2751 licensee's premises shall make a written beverage tab for each table or group that orders or

2752 consumes an alcoholic product on the premises.

2753 (b) A beverage tab required by this Subsection (4) shall list the type and amount of an

2754 alcoholic product ordered or consumed.

2755 (5) A person's willingness to serve an alcoholic product may not be made a condition

2756 of employment as a server with a limited-service restaurant licensee.

2757 (6) (a) A limited-service restaurant licensee may sell, offer for sale, or furnish wine or

2758 heavy beer at the licensed premises during the following time periods only:

2759 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or

2760 (ii) on a weekend or a state or federal legal holiday or for a private event, during the

2761 period that begins at 10:30 a.m. and ends at 11:59 p.m.

2762 (b) A limited-service restaurant licensee may sell, offer for sale, or furnish beer at the

2763 licensed premises during the following time periods only:

2764 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

2765 (ii) on a weekend or state or federal legal holiday or for a private event, during the

2766 period that begins at 10:30 a.m. and ends at 12:59 a.m.

2767 (7) (a) A limited-service restaurant licensee may not sell, offer for sale, or furnish an

2768 alcoholic product for on-premise consumption except after the limited-service restaurant

2769 licensee confirms that the patron has the intent to order food

prepared, sold, and furnished at

2770 the licensed premises.

2771 (b) Notwithstanding Section 32B-5-307, a limited-service

restaurant licensee may not

2772 sell, offer for sale, or furnish beer for off-premise consumption

except after the patron

2773 consumes on the licensed premises food prepared, sold, and
furnished at the licensed premises.

2774 ~~[(b)]~~ (c) A limited-service restaurant licensee shall maintain on
the licensed premises

2775 adequate culinary facilities for food preparation and dining
accommodations.

2776 (8) (a) Subject to the other provisions of this Subsection (8), a
patron may not have

2777 more than two alcoholic products of any kind at a time before the
patron.

2778 (b) An individual portion of wine is considered to be one
alcoholic product under

2779 Subsection (8)(a).

2780 (9) A patron may consume an alcoholic product on the limited-
service restaurant

2781 licensee's licensed premises only:

2782 (a) at:

2783 (i) the patron's table;

2784 (ii) a counter; or

2785 (iii) a seating grandfathered bar structure; and

2786 (b) where food is served.

2787 (10) (a) A limited-service restaurant licensee may not sell, offer
for sale, or furnish an

2788 alcoholic product to a patron, and a patron may not consume an
alcoholic product at a bar

2789 structure that is not a seating grandfathered bar structure.

2790 (b) At a seating grandfathered bar structure a patron who is 21
years ~~[of age]~~ old or

2791 older may:

2792 (i) sit;

2793 (ii) be furnished an alcoholic product; and

2794 (iii) consume an alcoholic product.

2795 (c) Except as provided in Subsection (10)(d), at a seating
grandfathered bar structure a

2796 limited-service restaurant licensee may not permit a minor to, and
a minor may not:

2797 (i) sit; or

2798 (ii) consume food or beverages.

2799 (d) (i) A minor may be at a seating grandfathered bar structure if
the minor is employed

2800 by a limited-service restaurant licensee:

2801 (A) as provided in Subsection 32B-5-308(2); or

2802 (B) to perform maintenance and cleaning services during an
hour when the
2803 limited-service restaurant licensee is not open for business.
2804 (ii) A minor may momentarily pass by a seating grandfathered
bar structure without
2805 remaining or sitting at the bar structure en route to an area of a
limited-service restaurant
2806 licensee's premises in which the minor is permitted to be.
2807 (11) Except as provided in Subsection 32B-5-307(3), a limited-
service restaurant
2808 licensee may dispense an alcoholic product only if:
2809 (a) the alcoholic product is dispensed from:
2810 (i) a grandfathered bar structure;
2811 (ii) an area adjacent to a grandfathered bar structure that is
visible to a patron sitting at
2812 the grandfathered bar structure if that area is used to dispense an
alcoholic product as of May
2813 12, 2009; or
2814 (iii) an area that is:
2815 (A) separated from an area for the consumption of food by a
patron by a solid,
2816 translucent, permanent structural barrier such that the facilities for
the storage or dispensing of
2817 an alcoholic product are:
2818 (I) not readily visible to a patron; and
2819 (II) not accessible by a patron; and
2820 (B) apart from an area used:
2821 (I) for dining;
2822 (II) for staging; or
2823 (III) as a lobby or waiting area;
2824 (b) the limited-service restaurant licensee uses an alcoholic
product that is:
2825 (i) stored in an area described in Subsection (11)(a); or
2826 (ii) in an area not described in Subsection (11)(a) on the
licensed premises and:
2827 (A) immediately before the alcoholic product is dispensed it is in
an unopened
2828 container;
2829 (B) the unopened container is taken to an area described in
Subsection (11)(a) before it

2830 is opened; and
2831 (C) once opened, the container is stored in an area described in
Subsection (11)(a); and
2832 (c) any instrument or equipment used to dispense alcoholic
product is located in an
2833 area described in Subsection (11)(a).
2834 (12) A limited-service restaurant licensee may state in a food or
alcoholic product
2835 menu a charge or fee made in connection with the sale, service, or
consumption of wine or

2836 heavy beer including:
2837 (a) a set-up charge;
2838 (b) a service charge; or
2839 (c) a chilling fee.
2840 (13) Beginning on July 1, 2018, a minor may not sit, remain, or
consume food or
2841 beverages within 10 feet of a grandfathered bar structure, unless:
2842 (a) seating within 10 feet of the grandfathered bar structure is
the only seating available
2843 in the licensed premises; and
2844 (b) the minor is accompanied by an individual who is 21 years
[of age] old or older.
2845 (14) Except as provided in Subsection [32B-6-305.2](#)(15) and
Section [32B-6-305.3](#), the
2846 provisions of this section apply before July 1, 2018.
2847 Section 34. Section **32B-6-305.2** is amended to read:
2848 **32B-6-305.2. Specific operational requirements for a
limited-service restaurant**
2849 **license -- On and after July 1, 2018, or July 1, 2022.**
2850 (1) (a) In addition to complying with Chapter 5, Part 3, Retail
Licensee Operational
2851 Requirements, a limited-service restaurant licensee and staff of the
limited-service restaurant
2852 licensee shall comply with this section.
2853 (b) Failure to comply with Subsection (1)(a) may result in
disciplinary action in
2854 accordance with Chapter 3, Disciplinary Actions and Enforcement
Act, against:
2855 (i) a limited-service restaurant licensee;
2856 (ii) individual staff of a limited-service restaurant licensee; or
2857 (iii) both a limited-service restaurant licensee and staff of the
limited-service restaurant

2858 licensee.
2859 (2) (a) An individual who serves an alcoholic product in a
limited-service restaurant
2860 licensee's premises shall make a beverage tab for each table or
group that orders or consumes
2861 an alcoholic product on the premises.
2862 (b) A beverage tab described in this Subsection (2) shall state
the type and amount of
2863 each alcoholic product ordered or consumed.
2864 (3) A limited-service restaurant licensee may not make an
individual's willingness to
2865 serve an alcoholic product a condition of employment with a
limited-service restaurant
2866 licensee.
2867 (4) (a) A limited-service restaurant licensee may sell, offer for
sale, or furnish wine or
2868 heavy beer at the licensed premises during the following time
periods only:

- 2869 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 11:59 p.m.; or
- 2870 (ii) on a weekend or a state or federal legal holiday or for a private event, during the
- 2871 period that begins at 10:30 a.m. and ends at 11:59 p.m.
- 2872 (b) A limited-service restaurant licensee may sell, offer for sale, or furnish beer at the
- 2873 licensed premises during the following time periods only:
- 2874 (i) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or
- 2875 (ii) on a weekend or a state or federal legal holiday or for a private event, during the
- 2876 period that begins at 10:30 a.m. and ends at 12:59 a.m.
- 2877 (5) (a) A limited-service restaurant licensee may not furnish an alcoholic product for
- 2878 on-premise consumption except after:
- 2879 (i) the patron to whom the limited-service restaurant licensee furnishes the alcoholic
- 2880 product is seated at:
- 2881 (A) a table that is located in a dining area or a dispensing area;
- 2882 (B) a counter that is located in a dining area or a dispensing area; or
- 2883 (C) a dispensing structure that is located in a dispensing area; and
- 2884 (ii) the limited-service restaurant licensee confirms that the patron intends to:
- 2885 (A) order food prepared, sold, and furnished at the licensed premises; and
-
- 2886 (B) except as provided in Subsection (5)(b), consume the food at the same location
- 2887 where the patron is seated and furnished the alcoholic product.
- 2888 (b) (i) While a patron waits for a seat at a table or counter in the dining area of a
- 2889 limited-service restaurant licensee, the limited-service restaurant licensee may sell, offer for
- 2890 sale, or furnish to the patron one drink that contains a single portion of an alcoholic product as
- 2891 described in Section [32B-5-304](#) if:
- 2892 (A) the patron is in a dispensing area and seated at a table, counter, or dispensing
- 2893 structure; and
- 2894 (B) the limited-service restaurant licensee first confirms that after the patron is seated
- 2895 in the dining area, the patron intends to order food prepared, sold, and furnished at the licensed
- 2896 premises.
- 2897 (ii) If the patron does not finish the patron's alcoholic product before moving to a seat
- 2898 in the dining area, an employee of the limited-service restaurant licensee who is qualified to

2899 sell and serve an alcoholic product under Section [32B-5-306](#) shall transport any unfinished

2900 portion of the patron's alcoholic product to the patron's seat in the dining area.

2901 (iii) For purposes of Subsection (5)(b)(i) a single portion of wine is 5 ounces or less.

2902 (c) Notwithstanding Section [32B-5-307](#), a limited-service restaurant licensee may not

2903 furnish beer for off-premise consumption except after the patron consumes on the licensed

2904 premises food prepared, sold, and furnished at the licensed premises.

2905 ~~[(e)]~~ (d) A limited-service restaurant licensee shall maintain on the licensed premises

2906 adequate culinary facilities for food preparation and dining accommodations.

2907 (6) A patron may consume an alcoholic product on the limited-service restaurant

2908 licensee's licensed premises only if the patron is seated at:

2909 (a) a table that is located in a dining area or a dispensing area;

2910 (b) a counter that is located in a dining area or a dispensing area; or

2911 (c) a dispensing structure located in a dispensing area.

2912 (7) (a) Subject to the other provisions of this Subsection (7), a patron may not have

2913 more than two alcoholic products of any kind at a time before the patron.

2914 (b) An individual portion of wine is considered to be one alcoholic product under

2915 Subsection (7)(a).

2916 (8) In accordance with the provisions of this section, an individual who is at least 21

2917 years ~~[of age]~~ old may consume food and beverages in a dispensing area.

2918 (9) (a) Except as provided in Subsection (9)(b), a minor may not sit, remain, or

2919 consume food or beverages in a dispensing area.

2920 (b) (i) A minor may be in a dispensing area if the minor is:

2921 (A) at least 16 years ~~[of age]~~ old and working as an employee of the limited-service

2922 restaurant licensee; or

2923 (B) performing maintenance and cleaning services as an employee of the

2924 limited-service restaurant licensee when the limited-service restaurant licensee is not open for

2925 business.

2926 (ii) If there is no alternative route available, a minor may momentarily pass through a

2927 dispensing area without remaining or sitting in the dispensing area en route to an area of the

2928 limited-service restaurant licensee's premises in which the minor is permitted to be.

2929 (10) Except as provided in Subsection 32B-5-307(3), a limited-service restaurant

2930 licensee may dispense an alcoholic product only if:

2931 (a) the alcoholic product is dispensed from:

2932 (i) a dispensing structure that is located in a dispensing area;

2933 (ii) an area that is:

2934 (A) separated from an area for the consumption of food by a patron by a solid,

2935 translucent, permanent structural barrier such that the facilities for the dispensing of an

2936 alcoholic product are not readily visible to a patron and not accessible by a patron; and

2937 (B) apart from an area used for dining, for staging, or as a waiting area; or

2938 (iii) the premises of a bar licensee that is:

2939 (A) owned by the same person or persons as the limited-service restaurant licensee; and

2940 (B) located immediately adjacent to the premises of the limited-service restaurant

2941 licensee; and

2942 (b) any instrument or equipment used to dispense alcoholic product is located in an

2943 area described in Subsection (10)(a).

2944 (11) (a) A limited-service restaurant licensee may have more than one dispensing area

2945 in the licensed premises.

2946 (b) Each dispensing area in a licensed premises may satisfy the requirements for a

2947 dispensing area under Subsection 32B-6-202(2)(a)(i), (ii), or (iii), regardless of how any other

2948 dispensing area in the licensed premises satisfies the requirements for a dispensing area.

2949 (12) A limited-service restaurant licensee may not:

2950 (a) transfer, dispense, or serve an alcoholic product on or from a movable cart; or

2951 (b) display an alcoholic product or a product intended to appear like an alcoholic

2952 product by moving a cart or similar device around the licensed premises.

2953 (13) A limited-service restaurant licensee may state in a food or alcoholic product

2954 menu a charge or fee made in connection with the sale, service, or consumption of wine or

2955 heavy beer, including:

2956 (a) a set-up charge;

2957 (b) a service charge; or

2958 (c) a chilling fee.

2959 (14) (a) In addition to the requirements described in Section

[32B-5-302](#), a

2960 limited-service restaurant licensee shall maintain each of the following records for at least three

2961 years:

2962 (i) a record required by Section [32B-5-302](#); and

2963 (ii) a record that the commission requires a limited-service restaurant licensee to use or

2964 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative

2965 Rulemaking Act.

2966 (b) The department shall audit the records of a limited-service restaurant licensee at

2967 least once each calendar year.

2968 (15) (a) In accordance with Section [32B-6-305.3](#), a limited-service restaurant licensee:

2969 (i) may comply with the provisions of this section beginning on or after July 1, 2017;

2970 and

2971 (ii) shall comply with the provisions of this section:

2972 (A) for a limited-service restaurant licensee that does not have a grandfathered bar

2973 structure, on and after July 1, 2018; or

2974 (B) for a limited-service restaurant licensee that has a grandfathered bar structure, on

2975 and after July 1, 2022.

2976 (b) A limited-service restaurant licensee that elects to comply with the provisions of

2977 this section before the latest applicable date described in Subsection (15)(a)(ii):

2978 (i) shall comply with each provision of this section; and

2979 (ii) is not required to comply with the provisions of Section [32B-6-305](#).

2980 Section 35. Section **32B-6-305.3** is amended to read:

2981 **32B-6-305.3. Transition process for limited-service restaurant licensees.**

2982 (1) For a limited-service restaurant license issued on or after July 1, 2017, the

2983 limited-service restaurant licensee shall comply with the provisions of Section [32B-6-305.2](#).

2984 (2) For a limited-service restaurant license issued before July 1, 2017, before the

2985 limited-service restaurant licensee changes the limited-service restaurant licensee's approved

2986 location for storage, dispensing, or consumption to comply with the provisions of Section

2987 [32B-6-305.2](#), the limited-service restaurant licensee shall submit an application for approval to

2988 the department in accordance with Subsection [32B-5-303\(3\)](#).

2989 (3) (a) Except as provided in Subsection (4), a person who
holds a limited-service
2990 restaurant license issued before July 1, 2017, shall comply with the
provisions of Section
2991 [32B-6-305.2](#) on or before July 1, 2018.

2992 (b) A limited-service restaurant licensee described in
Subsection (3)(a) that cannot
2993 comply with the provisions of Section [32B-6-305.2](#) without a
change to the limited-service
2994 restaurant licensee's approved location for storage, dispensing, or
consumption:
2995 (i) may submit an application for approval described in
Subsection (2) on or after May
2996 9, 2017; and
2997 (ii) shall submit an application for approval described in
Subsection (2) on or before

2998 May 1, 2018.

2999 (c) If a limited-service restaurant licensee described in
Subsection (3)(a) submits an
3000 application for approval described in Subsection (2) on May 9,
2017, the department shall take
3001 action on the application on or before July 1, 2017.

3002 (4) (a) A person who holds a limited-service restaurant license
issued before July 1,
3003 2017, and has a grandfathered bar structure shall comply with the
provisions of Section
3004 [32B-6-305.2](#) on or before the earlier of:
3005 (i) July 1, 2022;
3006 (ii) the date on which the limited-service restaurant licensee
remodels, as defined by
3007 commission rule made in accordance with Title 63G, Chapter 3,
Utah Administrative
3008 Rulemaking Act, the limited-service restaurant licensee's
grandfathered bar structure or dining
3009 area; or
3010 (iii) the date on which the limited-service restaurant licensee
experiences a change of
3011 ownership described in Subsection [~~32B-8a-202~~] [32B-18-202](#)(1).

3012 (b) A limited-service restaurant licensee described in
Subsection (4)(a) that cannot
3013 comply with the provisions of Section [32B-6-305.2](#) without a
change to the limited-service
3014 restaurant licensee's approved location for storage, dispensing, or
consumption:
3015 (i) may submit an application for approval described in
Subsection (2) on or after May
3016 9, 2017; and
3017 (ii) shall submit an application for approval described in
Subsection (2) on or before

3018 May 1, 2022.

3019 Section 36. Section **32B-6-404.1** is amended to read:

3020 **32B-6-404.1. Transition from dining club license to full-service restaurant license.**

3021 (1) As used in this section:

3022 (a) "Converted full-service restaurant licensee" means a dining club licensee that

3023 converts to a full-service restaurant licensee on or before July 1, 2018, in accordance with

3024 Subsection [32B-6-404\(7\)](#).

3025 (b) "Grandfathered bar structure" means the same as that term is defined in Section

3026 [32B-6-202](#).

3027 (2) (a) Except as provided in Subsection (2)(c) and subject to the provisions of this

3028 section, a converted full-service restaurant licensee shall operate under the provisions that

3029 govern a full-service restaurant licensee that has a grandfathered bar structure.

3030 (b) For purposes of applying the provisions that govern a full-service restaurant

3031 licensee with a grandfathered bar structure, a converted full-service restaurant licensee's bar

3032 structure is considered a grandfathered bar structure.

3033 (c) The provisions of Section [32B-6-205.3](#) do not apply to a converted full-service

3034 restaurant licensee.

3035 (3) (a) A converted full-service restaurant licensee shall comply with the provisions of

3036 Section [32B-6-205.2](#) on or before the earlier of:

3037 (i) July 1, 2022;

3038 (ii) the date on which the converted full-service restaurant licensee remodels, as

3039 defined by commission rule made in accordance with Title 63G, Chapter 3, Utah

3040 Administrative Rulemaking Act, the converted full-service restaurant licensee's bar structure or

3041 dining area; or

3042 (iii) the date on which the converted full-service restaurant licensee experiences a

3043 change of ownership described in Subsection [~~32B-8a-202~~] [32B-18-202\(1\)](#).

3044 (b) Before a converted full-service restaurant licensee changes the converted

3045 full-service restaurant licensee's approved location for storage, dispensing, or consumption to

3046 comply with the provisions of Section [32B-6-205.2](#), the converted full-service restaurant

3047 licensee shall submit an application for approval to the department in accordance with

3048 Subsection 32B-5-303(3).

3049 (c) A converted full-service restaurant licensee that cannot comply with the provisions

3050 of Section 32B-6-205.2 without a change to the converted full-service restaurant licensee's

3051 approved location for storage, dispensing, or consumption shall submit an application for

3052 approval described in Subsection (3)(b) on or before May 1, 2022.

3053 (4) (a) Notwithstanding any provision to the contrary, a converted full-service

3054 restaurant licensee shall maintain at least the following percentage of the converted full-service

3055 restaurant licensee's total restaurant business from the sale of food:

3056 (i) beginning the day on which the licensee becomes a converted full-service restaurant

3057 licensee, and ending June 30, 2019, 64%;

3058 (ii) beginning July 1, 2019, and ending June 30, 2020, 68%; and

3059 (iii) on and after July 1, 2021, 70%.

3060 (b) For purposes of Subsection (4)(a), a converted full-service restaurant licensee's

3061 restaurant business from the sale of food does not include:

3062 (i) mix for an alcoholic product; or

3063 (ii) a service charge.

3064 Section 37. Section **32B-6-605** is amended to read:

3065 **32B-6-605. Specific operational requirements for on-premise banquet license.**

3066 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational

3067 Requirements, an on-premise banquet licensee and staff of the on-premise banquet licensee

3068 shall comply with this section.

3069 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action

3070 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

3071 (i) an on-premise banquet licensee;

3072 (ii) individual staff of an on-premise banquet licensee; or

3073 (iii) both an on-premise banquet licensee and staff of the on-premise banquet licensee.

3074 (2) An on-premise banquet licensee shall comply with Subsections 32B-5-301(4) and

3075 (5) for the entire premises of the hotel, resort facility, sports center, convention center, [✗]

3076 performing arts facility, or arena that is the basis for the on-premise banquet license.

3077 (3) (a) For the purpose described in Subsection (3)(b), an on-

premise banquet licensee

3078 shall provide the department with advance notice of a scheduled banquet in accordance with

3079 rules made by the commission.

3080 (b) Any of the following may conduct a random inspection of a banquet:

3081 (i) an authorized representative of the commission or the department; or

3082 (ii) a law enforcement officer.

3083 (4) (a) An on-premise banquet licensee is not subject to Section [32B-5-302](#), but shall

3084 make and maintain the records the commission or department requires.

3085 (b) Section [32B-1-205](#) applies to a record required to be made or maintained in

3086 accordance with this Subsection (4).

3087 (5) (a) Except as otherwise provided in this title, an on-premise banquet licensee may

3088 sell, offer for sale, or furnish an alcoholic product at a banquet only for consumption at the

3089 location of the banquet.

3090 (b) Except as provided in Subsection [32B-5-307\(4\)](#), a host of a banquet, a patron, or a

3091 person other than the on-premise banquet licensee or staff of the on-premise banquet licensee,

3092 may not remove an alcoholic product from the premises of the banquet.

3093 (c) Notwithstanding [~~Subsection [32B-5-307\(3\)](#)~~] Subsections [32B-5-307\(3\)](#) and (5) and

3094 except as provided in Subsection [32B-5-307\(4\)](#), a patron at a banquet may not bring an

3095 alcoholic product into or onto, or remove an alcoholic product from, the premises of a banquet.

3096 (6) (a) An on-premise banquet licensee may not leave an unsold alcoholic product at

3097 the banquet following the conclusion of the banquet.

3098 (b) At the conclusion of a banquet, an on-premise banquet licensee shall:

3099 (i) destroy an opened and unused alcoholic product that is not saleable, under

3100 conditions established by the department; and

3101 (ii) return to the on-premise banquet licensee's approved locked storage area any:

3102 (A) opened and unused alcoholic product that is saleable; and

3103 (B) unopened container of an alcoholic product.

3104 (c) Except as provided in Subsection (6)(b) with regard to an open or sealed container

3105 of an alcoholic product not sold or consumed at a banquet, an on-premise banquet licensee:

3106 (i) shall store the alcoholic product in the on-premise banquet licensee's approved
3107 locked storage area; and
3108 (ii) may use the alcoholic product at more than one banquet.
3109 (7) Notwithstanding Section 32B-5-308, an on-premise banquet licensee may not

3110 employ a minor to sell, furnish, or dispense an alcoholic product in connection with the
3111 on-premise banquet licensee's banquet and room service activities.
3112 (8) An on-premise banquet licensee:
3113 (a) may provide room service in portions described in Section 32B-5-304;
3114 (b) may not sell, offer for sale, or furnish an alcoholic product at a banquet or in
3115 connection with room service any day during a period that:
3116 (i) begins at 1 a.m.; and
3117 (ii) ends at 9:59 a.m.; and
3118 (c) notwithstanding Section 32B-5-305, may provide as room service one alcoholic
3119 product free of charge per guest reservation, per guest room, if the alcoholic product:
3120 (i) is not a spirituous liquor; and
3121 (ii) is in an unopened container not to exceed 750 milliliters.
3122 (9) (a) Subject to the other provisions of this Subsection (9), a patron may not have
3123 more than two alcoholic products of any kind at a time before the patron.
3124 (b) A patron may not have more than one spirituous liquor drink at a time before the
3125 patron.
3126 (c) An individual portion of wine is considered to be one alcoholic product under
3127 Subsection (9)(a).
3128 (10) (a) An on-premise banquet licensee shall supervise and direct a person involved in
3129 the sale, offer for sale, or furnishing of an alcoholic product.
3130 (b) A person involved in the sale, offer for sale, or furnishing of an alcoholic product
3131 shall complete an alcohol training and education seminar.
3132 (11) A staff person of an on-premise banquet licensee shall remain at the banquet at all
3133 times when an alcoholic product is sold, offered for sale, furnished, or consumed at the
3134 banquet.
3135 (12) (a) Room service of an alcoholic product to a guest room or privately owned
3136 dwelling unit of a hotel or resort facility shall be provided in person by staff of an on-premise
3137 banquet licensee only to an adult guest in the guest room or privately owned dwelling unit.

- 3138 (b) An alcoholic product may not be left outside a guest room or privately owned
- 3139 dwelling unit for retrieval by a guest or resident.
- 3140 (13) An on-premise banquet licensee may not maintain a minibar.
- 3141 Section 38. Section **32B-6-706** is amended to read:
- 3142 **32B-6-706. Specific operational requirements for on-premise beer retailer license.**
- 3143 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
- 3144 Requirements, an on-premise beer retailer and staff of the on-premise beer retailer shall comply
- 3145 with this section.
- 3146 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
- 3147 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
- 3148 (i) an on-premise beer retailer;
- 3149 (ii) individual staff of an on-premise beer retailer; or
- 3150 (iii) both an on-premise beer retailer and staff of the on-premise beer retailer.
- 3151 (2) (a) An on-premise beer retailer is not subject to Section **32B-5-302**, but shall make
- 3152 and maintain the records the department requires.
- 3153 (b) Section **32B-1-205** applies to a record required to be made or maintained in
- 3154 accordance with this Subsection (2).
- 3155 (3) Notwithstanding Section **32B-5-303**, an on-premise beer retailer may not store or
- 3156 sell liquor on its licensed premises.
- 3157 ~~[(4) Beer sold in a sealed container by an on-premise beer retailer may be removed~~
- 3158 ~~from the on-premise beer retailer premises in the sealed container.]~~
- 3159 ~~[(5)]~~ (4) (a) An on-premise beer retailer may not sell, offer for sale, or furnish beer at
- 3160 ~~[its]~~ the on-premise beer retailer's licensed premises during a period that:
- 3161 (i) begins at 1 a.m.; and
- 3162 (ii) ends at 9:59 a.m.
- 3163 (b) (i) Notwithstanding Subsection ~~[(5)]~~ (4)(a), a tavern shall remain open for one hour
- 3164 after the tavern ceases the sale and furnishing of beer during which time a patron of the tavern
- 3165 may finish consuming a single serving of beer not exceeding 26 ounces.
-
- 3166 (ii) A tavern is not required to remain open:
- 3167 (A) after all patrons have vacated the premises; or
- 3168 (B) during an emergency.

3169 ~~(6)~~ (5) Notwithstanding Section 32B-5-308, a minor may not be
on the premises of a
3170 tavern.
3171 ~~(7)~~ (6) (a) (i) An on-premise beer retailer may not purchase,
acquire, possess for the
3172 purpose of resale, or sell beer except beer that the on-premise
beer retailer lawfully purchases
3173 from:
3174 (A) a beer wholesaler licensee; or
3175 (B) a small brewer that manufactures the beer.
3176 (ii) Violation of Subsection ~~(7)~~ (6)(a)(i) is a class A
misdemeanor.
3177 (b) (i) If an on-premise beer retailer purchases beer under this
Subsection ~~(7)~~ (6) from
3178 a beer wholesaler licensee, the on-premise beer retailer shall
purchase beer only from a beer
3179 wholesaler licensee who is designated by the manufacturer to sell
beer in the geographical area
3180 in which the on-premise beer retailer is located, unless an alternate
wholesaler is authorized by
3181 the department to sell to the on-premise beer retailer as provided
in Section 32B-13-301.
3182 (ii) Violation of Subsection ~~(7)~~ (6)(b)(i) is a class B
misdemeanor.
3183 ~~(8)~~ (7) A tavern shall comply with Section 32B-1-407.
3184 Section 39. Section 32B-6-905 is amended to read:
3185 **32B-6-905. Specific operational requirements for a beer-
only restaurant license --**
3186 **Before July 1, 2018, or July 1, 2022.**
3187 (1) (a) In addition to complying with Chapter 5, Part 3, Retail
Licensee Operational
3188 Requirements, a beer-only restaurant licensee and staff of the
beer-only restaurant licensee
3189 shall comply with this section.
3190 (b) Failure to comply as provided in Subsection (1)(a) may
result in disciplinary action
3191 in accordance with Chapter 3, Disciplinary Actions and
Enforcement Act, against:
3192 (i) a beer-only restaurant licensee;
3193 (ii) individual staff of a beer-only restaurant licensee; or

3194 (iii) both a beer-only restaurant licensee and staff of the beer-
only restaurant licensee.
3195 (2) (a) A beer-only restaurant licensee on the licensed premises
may not sell, offer for
3196 sale, furnish, or allow consumption of liquor.
3197 (b) Liquor may not be on the premises of a beer-only restaurant
licensee except for use:
3198 (i) as a flavoring on a dessert; and
3199 (ii) in the preparation of a flaming food dish, drink, or dessert.

3200 (3) In addition to complying with Section [32B-5-303](#), a beer-only restaurant licensee

3201 shall store beer in a storage area described in Subsection (11)(a).

3202 (4) (a) An individual who serves beer in a beer-only restaurant licensee's premises shall

3203 make a written beverage tab for each table or group that orders or consumes an alcoholic

3204 product on the premises.

3205 (b) A beverage tab required by this Subsection (4) shall list the type and amount of

3206 beer ordered or consumed.

3207 (5) A person's willingness to serve beer may not be made a condition of employment as

3208 a server with a beer-only restaurant licensee.

3209 (6) A beer-only restaurant licensee may sell, offer for sale, or furnish beer at the

3210 licensed premises during the following time periods only:

3211 (a) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or

3212 (b) on a weekend or a state or federal legal holiday or for a private event, during the

3213 period that begins at 10:30 a.m. and ends at 12:59 a.m.

3214 (7) (a) A beer-only restaurant may not sell, offer for sale, or furnish beer for on-premise

3215 consumption except after the beer-only restaurant licensee confirms that the patron has the

3216 intent to order food prepared, sold, and furnished at the licensed premises.

3217 (b) Notwithstanding Section [32B-5-307](#), a beer-only restaurant licensee may not sell,

3218 offer for sale, or furnish beer for off-premise consumption except after the patron consumes on

3219 the licensed premises food prepared, sold, and furnished at the licensed premises.

3220 [~~(b)~~] (c) A beer-only restaurant shall maintain on the licensed premises adequate

3221 culinary facilities for food preparation and dining accommodations.

3222 (8) A patron may not have more than two beers at a time before the patron.

3223 (9) A patron may consume a beer on the beer-only restaurant licensee's licensed

3224 premises only:

3225 (a) at:

3226 (i) the patron's table;

3227 (ii) a grandfathered bar structure; or

3228 (iii) a counter; and

3229 (b) where food is served.

3230 (10) (a) A beer-only restaurant licensee may not sell, offer for sale, or furnish a beer to

3231 a patron, and a patron may not consume an alcoholic product at a

bar structure.

3232 (b) Notwithstanding Subsection (10)(a), at a grandfathered bar structure, a patron who

3233 is 21 years [~~of age~~] old or older may:

3234 (i) sit;

3235 (ii) be furnished a beer; and

3236 (iii) consume a beer.

3237 (c) Except as provided in Subsection (10)(d), at a grandfathered bar structure, a

3238 beer-only restaurant licensee may not permit a minor to, and a minor may not:

3239 (i) sit; or

3240 (ii) consume food or beverages.

3241 (d) (i) A minor may be at a grandfathered bar structure if the minor is employed by a

3242 beer-only restaurant licensee:

3243 (A) as provided in Subsection [32B-5-308\(2\)](#); or

3244 (B) to perform maintenance and cleaning services during an hour when the beer-only

3245 restaurant licensee is not open for business.

3246 (ii) A minor may momentarily pass by a grandfathered bar structure without remaining

3247 or sitting at the bar structure en route to an area of a beer-only restaurant licensee's premises in

3248 which the minor is permitted to be.

3249 (11) A beer-only restaurant licensee may dispense a beer only if:

3250 (a) the beer is dispensed from an area that is:

3251 (i) a grandfathered bar structure; or

3252 (ii) separated from an area for the consumption of food by a patron by a solid,

3253 translucent, permanent structural barrier such that the facilities for the storage or dispensing of

3254 an alcoholic product are not readily visible to a patron, not accessible by a patron, and apart

3255 from an area used for dining, for staging, or as a lobby or waiting area;

3256 (b) the beer-only restaurant licensee uses a beer that is:

3257 (i) stored in an area described in Subsection (11)(a); or

3258 (ii) in an area not described in Subsection (11)(a) on the licensed premises and:

3259 (A) immediately before the beer is dispensed it is in an unopened container;

3260 (B) the unopened container is taken to an area described in Subsection (11)(a) before it

3261 is opened; and

3262 (C) once opened, the container is stored in an area described in Subsection (11)(a) ; and

3263 (c) any instrument or equipment used to dispense the beer is located in an area

- 3264 described in Subsection (11)(a).
- 3265 (12) Beginning on July 1, 2018, a minor may not sit, remain, or consume food or
- 3266 beverages within 10 feet of a grandfathered bar structure, unless:
- 3267 (a) seating within 10 feet of the grandfathered bar structure is the only seating available
- 3268 in the licensed premises; and
- 3269 (b) the minor is accompanied by an individual who is 21 years ~~[of age]~~ old or older.
- 3270 (13) Except as provided in Subsection [32B-6-905.1\(15\)](#) and Section [32B-6-905.2](#), the
- 3271 provisions of this section apply before July 1, 2018.
- 3272 Section 40. Section **32B-6-905.1** is amended to read:
- 3273 **32B-6-905.1. Specific operational requirements for a beer-only restaurant license**
- 3274 -- **On and after July 1, 2018, or July 1, 2022.**
- 3275 (1) (a) In addition to complying with Chapter 5, Part 3, Retail Licensee Operational
- 3276 Requirements, a beer-only restaurant licensee and staff of the beer-only restaurant licensee
- 3277 shall comply with this section.
-
- 3278 (b) Failure to comply with Subsection (1)(a) may result in disciplinary action in
- 3279 accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
- 3280 (i) a beer-only restaurant licensee;
- 3281 (ii) individual staff of a beer-only restaurant licensee; or
- 3282 (iii) both a beer-only restaurant licensee and staff of the beer-only restaurant licensee.
- 3283 (2) (a) A beer-only restaurant licensee on the licensed premises may not sell, offer for
- 3284 sale, furnish, or allow consumption of liquor.
- 3285 (b) Liquor may not be on the premises of a beer-only restaurant licensee except for use:
- 3286 (i) as a flavoring on a dessert; or
- 3287 (ii) in the preparation of a flaming food dish, drink, or dessert.
- 3288 (3) (a) An individual who serves beer in a beer-only restaurant licensee's premises shall
- 3289 make a beverage tab for each table or group that orders or consumes beer on the premises.
- 3290 (b) A beverage tab described in this Subsection (3) shall state the type and amount of
- 3291 each beer ordered or consumed.
- 3292 (4) A beer-only restaurant licensee may not make an individual's willingness to serve
- 3293 beer a condition of employment as a server with a beer-only restaurant licensee.
- 3294 (5) A beer-only restaurant licensee may sell, offer for sale, or furnish beer at the
- 3295 licensed premises during the following time periods only:

- 3296 (a) on a weekday, during the period that begins at 11:30 a.m. and ends at 12:59 a.m.; or
- 3297 (b) on a weekend or a state or federal legal holiday or for a private event, during the
- 3298 period that begins at 10:30 a.m. and ends at 12:59 a.m.
- 3299 (6) (a) A beer-only restaurant licensee may not furnish beer for on-premise
- 3300 consumption except after:
- 3301 (i) the patron to whom the beer-only restaurant licensee furnishes the beer is seated at:
- 3302 (A) a table that is located in a dining area or a dispensing area;
- 3303 (B) a counter that is located in a dining area or a dispensing area; or
- 3304 (C) a dispensing structure that is located in a dispensing area; and
- 3305 (ii) the beer-only restaurant licensee confirms that the patron intends to:
-
- 3306 (A) order food prepared, sold, and furnished at the licensed premises; and
- 3307 (B) except as provided in Subsection (6)(b), consume the food at the same location
- 3308 where the patron is seated and furnished the beer.
- 3309 (b) (i) While a patron waits for a seat at a table or counter in the dining area of a
- 3310 beer-only restaurant licensee, the beer-only restaurant licensee may sell, offer for sale, or
- 3311 furnish to the patron one portion of beer as described in Section [32B-5-304](#) if:
- 3312 (A) the patron is in a dispensing area and seated at a table, counter, or dispensing
- 3313 structure; and
- 3314 (B) the beer-only restaurant licensee first confirms that after the patron is seated in the
- 3315 dining area, the patron intends to order food prepared, sold, and furnished at the licensed
- 3316 premises.
- 3317 (ii) If the patron does not finish the patron's beer before moving to a seat in the dining
- 3318 area, an employee of the beer-only restaurant licensee who is qualified to sell and serve an
- 3319 alcoholic product under Section [32B-5-306](#) shall transport any unfinished portion of the
- 3320 patron's beer to the patron's seat in the dining area.
- 3321 (c) Notwithstanding Section [32B-5-307](#), a beer-only restaurant licensee may not
- 3322 furnish beer for off-premise consumption except after the patron consumes on the licensed
- 3323 premises food prepared, sold, and furnished at the licensed premises.
- 3324 [~~e~~] (d) A beer-only restaurant licensee shall maintain on the

licensed premises

3325 adequate culinary facilities for food preparation and dining accommodations.

3326 (7) A patron may consume a beer on the beer-only licensee's licensed premises only at:

3327 (a) a table that is located in a dining area or a dispensing area;

3328 (b) a counter that is located in a dining area or a dispensing area; or

3329 (c) a dispensing structure located in a dispensing area.

3330 (8) A patron may not have more than two beers at a time before the patron.

3331 (9) In accordance with the provisions of this section, an individual who is at least 21

3332 years ~~[of age]~~ old may consume food and beverages in a dispensing area.

3333 (10) (a) Except as provided in Subsection (10)(b), a minor may not sit, remain, or

3334 consume food or beverages in a dispensing area.

3335 (b) (i) A minor may be in a dispensing area if the minor is:

3336 (A) at least 16 years ~~[of age]~~ old and working as an employee of the beer-only

3337 restaurant licensee; or

3338 (B) performing maintenance and cleaning services as an employee of the beer-only

3339 restaurant licensee when the beer-only restaurant licensee is not open for business.

3340 (ii) If there is no alternative route available, a minor may momentarily pass through a

3341 dispensing area without remaining or sitting in the dispensing area en route to an area of the

3342 beer-only restaurant licensee's premises in which the minor is permitted to be.

3343 (11) A beer-only restaurant licensee may dispense a beer only if:

3344 (a) the beer is dispensed from:

3345 (i) a dispensing structure that is located in a dispensing area;

3346 (ii) an area that is:

3347 (A) separated from an area for the consumption of food by a patron by a solid,

3348 translucent, permanent structural barrier such that the facilities for the dispensing of an

3349 alcoholic product are not readily visible to a patron and not accessible by a patron; and

3350 (B) apart from an area used for dining, for staging, or as a waiting area; or

3351 (iii) the premises of a bar licensee that is:

3352 (A) owned by the same person or persons as the beer-only restaurant licensee; and

3353 (B) located immediately adjacent to the premises of the beer-only restaurant licensee;

3354 and

3355 (b) any instrument or equipment used to dispense the beer is located in an area

3356 described in Subsection (11)(a).

3357 (12) (a) A beer-only restaurant licensee may have more than one dispensing area in the

3358 licensed premises.

3359 (b) Each dispensing area in a licensed premises may satisfy the requirements for a

3360 dispensing area under Subsection [32B-6-902\(1\)\(b\)\(i\)\(A\)](#), (B), or (C), regardless of how any

3361 other dispensing area in the licensed premises satisfies the requirements for a dispensing area.

3362 (13) A beer-only restaurant licensee may not transfer, dispense, or serve beer on or

3363 from a movable cart.

3364 (14) (a) In addition to the requirements described in Section [32B-5-302](#), a beer-only

3365 restaurant licensee shall maintain each of the following records for at least three years:

3366 (i) a record required by Section [32B-5-302](#); and

3367 (ii) a record that the commission requires a beer-only restaurant licensee to use or

3368 maintain under a rule made in accordance with Title 63G, Chapter 3, Utah Administrative

3369 Rulemaking Act.

3370 (b) The department shall audit the records of a beer-only restaurant licensee at least

3371 once ~~[each calendar year]~~ annually.

3372 (15) (a) In accordance with Section [32B-6-905.2](#), a beer-only restaurant licensee:

3373 (i) may comply with the provisions of this section beginning on or after July 1, 2017;

3374 and

3375 (ii) shall comply with the provisions of this section:

3376 (A) for a beer-only restaurant licensee that does not have a grandfathered bar structure,

3377 on and after July 1, 2018; or

3378 (B) for a beer-only restaurant licensee that has a grandfathered bar structure, on and

3379 after July 1, 2022.

3380 (b) A beer-only restaurant licensee that elects to comply with the provisions of this

3381 section before the latest applicable date described in Subsection (15)(a)(ii):

3382 (i) shall comply with each provision of this section; and

3383 (ii) is not required to comply with the provisions of Section [32B-6-905](#).

3384 Section 41. Section [32B-6-905.2](#) is amended to read:

3385 **32B-6-905.2. Transition process for beer-only restaurant**

licensees.

3386 (1) For a beer-only restaurant license issued on or after July 1, 2017, the beer-only

3387 restaurant licensee shall comply with the provisions of Section [32B-6-905.1](#).

3388 (2) For a beer-only restaurant license issued before July 1, 2017, before the beer-only

3389 restaurant licensee changes the beer-only restaurant licensee's approved location for storage,

3390 dispensing, or consumption to comply with the provisions of Section [32B-6-905.1](#), the

3391 beer-only restaurant licensee shall submit an application for approval to the department in

3392 accordance with Subsection [32B-5-303\(3\)](#).

3393 (3) (a) Except as provided in Subsection (4), a person who holds a beer-only restaurant

3394 license issued before July 1, 2017, shall comply with the provisions of Section [32B-6-905.1](#) on

3395 or before July 1, 2018.

3396 (b) A beer-only restaurant licensee described in Subsection (3) (a) that cannot comply

3397 with the provisions of Section [32B-6-905.1](#) without a change to the beer-only restaurant

3398 licensee's approved location for storage, dispensing, or consumption:

3399 (i) may submit an application for approval described in Subsection (2) on or after May

3400 9, 2017; and

3401 (ii) shall submit an application for approval described in Subsection (2) on or before

3402 May 1, 2018.

3403 (c) If a beer-only restaurant licensee described in Subsection (3)(a) submits an

3404 application for approval described in Subsection (2) on May 9, 2017, the department shall take

3405 action on the application on or before July 1, 2017.

3406 (4) (a) A person who holds a beer-only restaurant license issued before July 1, 2017,

3407 and has a grandfathered bar structure shall comply with the provisions of Section [32B-6-905.1](#)

3408 on or before the earlier of:

3409 (i) July 1, 2022;

3410 (ii) the date on which the beer-only restaurant licensee remodels, as defined by

3411 commission rule made in accordance with Title 63G, Chapter 3, Utah Administrative

3412 Rulemaking Act, the beer-only restaurant licensee's grandfathered bar structure or dining area;

3413 or

3414 (iii) the date on which the beer-only restaurant licensee
experiences a change of
3415 ownership described in Subsection [~~32B-8a-202~~] 32B-18-202(1).
3416 (b) A beer-only restaurant licensee described in Subsection (4)
(a) that cannot comply
3417 with the provisions of Section 32B-6-905.1 without a change to the
beer-only restaurant

3418 licensee's approved location for storage, dispensing, or
consumption:

3419 (i) may submit an application for approval described in
Subsection (2) on or after May

3420 9, 2017; and

3421 (ii) shall submit an application for approval described in
Subsection (2) on or before

3422 May 1, 2022.

3423 Section 42. Section **32B-6-1005** is amended to read:

3424 **32B-6-1005. Specific operational requirements for
hospitality amenity license.**

3425 (1) (a) In addition to complying with Chapter 5, Part 3, Retail
Licensee Operational

3426 Requirements, a hospitality amenity licensee and staff of the
hospitality amenity licensee shall

3427 comply with this section.

3428 (b) Failure to comply as provided in Subsection (1)(a) may
result in disciplinary action

3429 in accordance with Chapter 3, Disciplinary Actions and
Enforcement Act, against:

3430 (i) the hospitality amenity licensee;

3431 (ii) individual staff of the hospitality amenity licensee; or

3432 (iii) both the hospitality amenity licensee and staff of the
hospitality amenity licensee.

3433 (2) (a) A hospitality amenity licensee may sell, offer for sale, or
furnish an alcoholic

3434 product:

3435 (i) to a hospitality guest; and

3436 (ii) for consumption in or on the hospitality amenity licensee's
licensed premises.

3437 (b) (i) A hospitality amenity licensee may sell, offer for sale, or
furnish an alcoholic

3438 product that is not spirituous liquor in or on:

3439 (A) licensed premises physically separated from an area to
which a hospitality guest or

3440 the public has access by a permanent or temporary structure or
barrier; or

3441 (B) licensed premises described in Subsection (2)(b)(ii).

3442 (ii) A hospitality amenity licensee may sell, offer for sale, or
furnish spirituous liquor

3443 in or on licensed premises that:

3444 (A) allows access only through the use of a key or code; and

3445 (B) fills the entirety of a physically and permanently enclosed area within the hotel or

3446 resort.

3447 (c) Spirituous liquor may not be in or on the licensed premises described in Subsection

3448 (2)(b)(i)(A) of a hospitality amenity licensee, except for use:

3449 (i) as a flavoring on a dessert; and

3450 (ii) in the preparation of a flaming food dish or dessert.

3451 (d) A hospitality amenity licensee may not allow self-service of an alcoholic product in

3452 or on the hospitality amenity licensee's licensed premises.

3453 (3) (a) Subject to Subsections (3)(b) and (c), a hospitality guest may not have more

3454 than two alcoholic products of any kind at a time before the hospitality guest.

3455 (b) A hospitality guest may not have more than one spirituous liquor drink at a time

3456 before the hospitality guest.

3457 (c) An individual portion of wine is considered to be one alcoholic product under

3458 Subsection (3)(a).

3459 (4) A hospitality amenity licensee shall make food available at all times that the

3460 licensee sells, offers for sale, furnishes, or allows the consumption of an alcoholic product on

3461 the licensed premises.

3462 (5) (a) A hospitality amenity licensee may not sell, offer for sale, or furnish an

3463 alcoholic product any day during a period that:

3464 (i) begins at 1:00 a.m.; and

3465 (ii) ends at 9:59 a.m.

3466 (b) A hospitality amenity licensee shall remain open for one hour after the licensee

3467 ceases to sell and furnish an alcoholic product, during which time a hospitality guest in or on

3468 the hospitality amenity licensed premises may finish consuming:

3469 (i) a single drink containing spirituous liquor;

3470 (ii) a single serving of wine not exceeding five ounces;

3471 (iii) a single serving of heavy beer;

3472 (iv) a single serving of beer not exceeding 26 ounces; or

3473 (v) a single serving of a flavored malt beverage.

3474 (c) A hospitality amenity licensee is not required to remain open:

3475 (i) after all individuals have vacated the licensee's licensed premises; or

3476 (ii) during an emergency.

3477 (6) (a) Notwithstanding Section [32B-5-305](#), a hospitality amenity licensee may provide

3478 a hospitality guest up to two single servings of an alcoholic product

free of charge or at a

3479 reduced rate, if:

3480 (i) the alcoholic product is not a spirituous liquor; and

3481 (ii) the hospitality amenity licensee offers the alcohol product:

3482 (A) to all hospitality guests;

3483 (B) during a specific time; and

3484 (C) on the hospitality amenity licensee's licensed premises.

3485 (b) Before a hospitality amenity licensee provides an alcoholic product free of charge

3486 or at a reduced rate as described in Subsection (6)(a), the licensee shall provide the department

3487 with advance notice of the event, in accordance with commission rules that permit a licensee to

3488 provide a single notice for a reoccurring event or multiple events.

3489 (7) A hospitality amenity licensee may permit a hospitality guest to purchase an

3490 alcoholic product through a charge to the hospitality guest's lodging accommodations.

3491 (8) (a) [A] Notwithstanding Section 32B-5-307, a hospitality guest, or a person other

3492 than the hospitality amenity licensee or staff of the hospitality amenity licensee, may not

3493 remove an alcoholic product from the hospitality amenity licensee's licensed premises.

3494 (b) Notwithstanding Subsection 32B-5-307(3), a hospitality guest may not bring an

3495 alcoholic product within the hospitality amenity licensee's licensed premises.

3496 (9) A hospitality amenity licensee shall display at each entrance to the licensee's

3497 licensed premises a conspicuous sign that:

3498 (a) measures at least 8-1/2 inches long and 11 inches wide; and

3499 (b) clearly states that entry is limited to individuals who are hospitality guests, as

3500 defined in this title.

3501 (10) A hospitality amenity licensee may not permit a minor to enter the licensee's

3502 licensed premises at any time during which an alcoholic product is sold, offered for sale,

3503 furnished, or consumed, unless the minor is accompanied at all times on the licensed premises

3504 by a hospitality guest.

3505 (11) A staff person of a hospitality amenity licensee shall remain on the licensed

3506 premises at all times when an alcoholic product is sold, offered for sale, furnished, or

3507 consumed in or on the licensed premises.

3508 (12) A hospitality amenity licensee may transfer an alcoholic product to or from

3509 another licensee within the boundary of the hotel or within the

boundary of the resort building,

3510 if:

3511 (a) the hospitality amenity licensee and each licensee involved
in the transfer tracks the

3512 transfer of the alcoholic product; and

3513 (b) the alcoholic product is in a sealed, unopened container.

3514 (13) (a) In addition to the requirements described in Section
[32B-5-302](#), a hospitality

3515 amenity licensee shall maintain each of the following records for at
least three years:

3516 (i) a record required under Section [32B-5-302](#); and

3517 (ii) a record that the commission requires a hospitality amenity
licensee to use or

3518 maintain under a rule made in accordance with Title 63G, Chapter
3, Utah Administrative

3519 Rulemaking Act.

3520 (b) The department shall audit the records of a hospitality
amenity licensee at least

3521 once [~~each calendar year~~] annually.

3522 Section 43. Section **32B-7-202** is amended to read:

3523 **32B-7-202. General operational requirements for off-
premise beer retailer.**

3524 (1) (a) An off-premise beer retailer or staff of the off-premise
beer retailer shall comply

3525 with the provisions of this title and any applicable rules made by
the commission.

3526 (b) Failure to comply with this section may result in a
suspension or revocation of a

3527 local license and, on or after July 1, 2018, disciplinary action in
accordance with Chapter 3,

3528 Disciplinary Actions and Enforcement Act.

3529 (2) (a) (i) An off-premise beer retailer may not purchase,
acquire, possess for the

3530 purpose of resale, or sell beer, except beer that the off-premise
beer retailer lawfully purchases

3531 from:

3532 (A) a beer wholesaler licensee; or

3533 (B) a small brewer that manufactures the beer.

3534 (ii) A violation of Subsection (2)(a) is a class A misdemeanor.

3535 (b) (i) If an off-premise beer retailer purchases beer under this
Subsection (2) from a

3536 beer wholesaler licensee, the off-premise beer retailer shall
purchase beer only from a beer

3537 wholesaler licensee who is designated by the manufacturer to sell
beer in the geographical area

3538 in which the off-premise beer retailer is located, unless an alternate
wholesaler is authorized by

3539 the department to sell to the off-premise beer retailer as provided in
Section [32B-13-301](#).

- 3540 (ii) A violation of Subsection (2)(b) is a class B misdemeanor.
- 3541 (3) An off-premise beer retailer may not possess, sell, offer for sale, or furnish beer in a
- 3542 container larger than two liters.
- 3543 (4) (a) Staff of an off-premise beer retailer, while on duty, may not:
- 3544 (i) consume an alcoholic product; or
- 3545 (ii) be intoxicated.
- 3546 (b) A minor may not sell beer on the licensed premises of an off-premise beer retailer
- 3547 unless:
- 3548 (i) the sale is done under the supervision of a person 21 years ~~of age~~ old or older who
- 3549 is on the licensed premises; and
- 3550 (ii) the minor is at least 16 years ~~of age~~ old.
- 3551 (5) An off-premise beer retailer may not sell, offer for sale, or furnish an alcoholic
- 3552 product to:
- 3553 (a) a minor;
- 3554 (b) a person actually, apparently, or obviously intoxicated;
- 3555 (c) a known interdicted person; or
- 3556 (d) a known habitual drunkard.
- 3557 (6) (a) Subject to the other provisions of this Subsection (6), an off-premise beer
-
- 3558 retailer shall:
- 3559 (i) display all beer accessible by and visible to a patron in no more than two locations
- 3560 on the retail sales floor, each of which is:
- 3561 (A) a display cabinet, cooler, aisle, floor display, or room where beer is the only
- 3562 beverage displayed; and
- 3563 (B) not adjacent to a display of nonalcoholic beverages, unless the location is a cooler
- 3564 with a door from which the nonalcoholic beverages are not accessible, or the beer is separated
- 3565 from the display of nonalcoholic beverages by a display of one or more nonbeverage products
- 3566 or another physical divider; and
- 3567 (ii) display a sign in the area described in Subsection (6)(a)(i) that:
- 3568 (A) is prominent;
- 3569 (B) is easily readable by a consumer;
- 3570 (C) meets the requirements for format established by the commission by rule; and
- 3571 (D) reads in print that is no smaller than .5 inches, bold type, "These beverages contain
- 3572 alcohol. Please read the label carefully."
- 3573 (b) Notwithstanding Subsection (6)(a), a nonalcoholic beer may be displayed with beer
- 3574 if the nonalcoholic beer is labeled, packaged, or advertised as a nonalcoholic beer.

3575 (c) The requirements of this Subsection (6) apply to beer
notwithstanding that it is
3576 labeled, packaged, or advertised as:
3577 (i) a malt cooler; or
3578 (ii) a beverage that may provide energy.
3579 (d) A violation of this Subsection (6) is an infraction.
3580 (e) (i) Except as provided in Subsection (6)(e)(ii), the provisions
of Subsection (6)(a)(i)
3581 apply on and after May 9, 2017.
3582 (ii) For a beer retailer that operates two or more off-premise
beer retailers, the
3583 provisions of Subsection (6)(a)(i) apply on and after August 1,
2017.
3584 (7) (a) Staff of an off-premise beer retailer who directly
supervises the sale of beer or
3585 who sells beer to a patron for consumption off the premises of the
off-premise beer retailer

3586 shall wear a unique identification badge:
3587 (i) on the front of the staff's clothing;
3588 (ii) visible above the waist;
3589 (iii) bearing the staff's:
3590 (A) first or last name;
3591 (B) initials; or
3592 (C) unique identification in letters or numbers; and
3593 (iv) with the number or letters on the unique identification badge
being sufficiently
3594 large to be clearly visible and identifiable while engaging in or
directly supervising the retail
3595 sale of beer.
3596 (b) An off-premise beer retailer shall make and maintain a
record of each current staff's
3597 unique identification badge assigned by the off-premise beer
retailer that includes the staff's:
3598 (i) full name;
3599 (ii) address; and
3600 (iii) (A) driver license number; or
3601 (B) similar identification number.
3602 (c) An off-premise beer retailer shall make available a record
required to be made or
3603 maintained under this Subsection (7) for immediate inspection by:
3604 (i) a peace officer;
3605 (ii) a representative of the local authority that issues the off-
premise beer retailer
3606 license; or
3607 (iii) for an off-premise beer retailer state license, a
representative of the commission or
3608 department.
3609 (d) A local authority may impose a fine of up to \$250 against an
off-premise beer
3610 retailer that does not comply or require its staff to comply with this
Subsection (7).

3611 (8) (a) An off-premise beer retailer may sell, offer for sale, or
 furnish beer through a
 3612 drive through window.
 3613 (b) Subsection (8)(a) does not modify the display limitations and
 requirements

3614 described in Subsection (6).

3615 (9) An off-premise beer retailer may not on the licensed
 premises:

3616 (a) engage in or permit any form of:

3617 (i) gambling, as defined in Section 76-10-1101; or

3618 (ii) fringe gambling, as defined in Section 76-10-1101;

3619 (b) have any fringe gaming device, video gaming device, or
 gambling device or record

3620 as defined in Section 76-10-1101; or

3621 (c) engage in or permit a contest, game, gaming scheme, or
 gaming device that requires

3622 the risking of something of value for a return or for an outcome
 when the return or outcome is

3623 based upon an element of chance, excluding the playing of an
 amusement device that confers

3624 only an immediate and unrecorded right of replay not
 exchangeable for value.

3625 (10) An off-premise beer retailer may not knowingly allow a
 person on the licensed

3626 premises to, in violation of Title 58, Chapter 37, Utah Controlled
 Substances Act, or Chapter

3627 37a, Utah Drug Paraphernalia Act:

3628 (a) sell, distribute, possess, or use a controlled substance, as
 defined in Section

3629 58-37-2; or

3630 (b) use, deliver, or possess, with the intent to deliver, drug
 paraphernalia, as defined in

3631 Section 58-37a-3.

3632 Section 44. Section **32B-7-305** is amended to read:

3633 **32B-7-305. Tracking of enforcement actions -- Costs of
 enforcement actions.**

3634 ~~[(1) A local authority that pursuant to this part adjudicates an
 administrative penalty for~~

3635 ~~a violation of a law involving the sale of an alcoholic product to a
 minor, shall:]~~

3636 ~~[(a) maintain a record of an adjudicated violation until the record
 is expunged under~~

3637 ~~Subsection (3);]~~

3638 ~~[(b) include in the record described in Subsection (1)(a):]~~

3639 ~~[(i) the name of the individual who commits the violation;]~~

3640 ~~[(ii) the name of the off-premise beer retailer for whom the
 individual is a staff~~

3641 ~~member at the time of the violation; and]~~

3642 [(iii) the date of the adjudication of the violation; and]
3643 [(c) provide the information described in Subsection (1)(b) to the
Department of Public
3644 Safety within 30 days of the date on which a violation is
adjudicated.]
3645 [(2) (a) The Department of Public Safety shall develop and
operate a system to collect,
3646 analyze, maintain, track, and disseminate the violation history
information received under
3647 Subsection (1).]
3648 [(b) The Department of Public Safety shall make the system
described in Subsection
3649 (2)(a) available to:]
3650 [(i) assist a local authority in assessing administrative penalties
under Section
3651 ~~32B-7-303~~; and]
3652 [(ii) inform an off-premise beer retailer of an individual who has
an administrative
3653 violation history under Section ~~32B-7-303~~.]
3654 [(c) The Department of Public Safety shall maintain a record of
violation history
3655 information received pursuant to Subsection (1) until the record is
expunged under Subsection
3656 (3).]
3657 [(3) (a) A local authority and the Department of Public Safety
shall expunge from the
3658 records maintained an administrative penalty imposed under
Section ~~32B-7-303~~ for purposes of
3659 determining future administrative penalties under Section ~~32B-7-~~
~~303~~ if the individual has not
3660 been found in violation of any law involving the sale of an alcoholic
product to a minor for a
3661 period of 36 consecutive months from the day on which the
individual is last adjudicated as
3662 violating a law involving the sale of an alcoholic product to a minor.]
3663 [(b) A local authority shall expunge from the records maintained
by the local authority
3664 an administrative penalty imposed under Section ~~32B-7-303~~
against an off-premise beer
3665 retailer for purposes of determining future administrative penalties
under Section ~~32B-7-303~~ if
3666 the off-premise beer retailer or any staff of that off-premise beer
retailer has not been found in
3667 violation of any law involving the sale of an alcoholic product to a
minor for a period of 36
3668 consecutive months from the day on which the off-premise beer
retailer or staff of the
3669 off-premise beer retailer is last adjudicated as violating a law
involving the sale of an alcoholic

3670 ~~product to a minor.]~~

3671 ~~[(4)]~~ (1) The Department of Public Safety shall administer a program to reimburse a

3672 municipal or county law enforcement agency:

3673 (a) for the actual costs of an alcohol-related compliance check investigation conducted

3674 pursuant to Section ~~77-39-101~~ on the premises of an off-premise beer retailer;

3675 (b) for administrative costs associated with reporting the compliance check

3676 investigation described in Subsection ~~[(4)]~~ (1)(a);

3677 (c) if the municipal or county law enforcement agency completes and submits to the

3678 Department of Public Safety a report within 90 days ~~[of]~~ after the day on which the compliance

3679 check investigation described in Subsection ~~[(4)]~~ (1)(a) occurs in a format required by the

3680 Department of Public Safety; and

3681 (d) in the order that the municipal or county law enforcement agency submits the report

3682 required by Subsection ~~[(4)]~~ (1)(c) until the amount allocated by the Department of Public

3683 Safety to reimburse a municipal or county law enforcement agency is spent.

3684 ~~[(5) The Department of Public Safety shall report to the Utah Substance Use and~~

3685 ~~Mental Health Advisory Council by no later than October 1 following a fiscal year on the~~

3686 ~~following funded during the prior fiscal year:]~~

3687 ~~[(a) compliance check investigations reimbursed under Subsection (4); and]~~

3688 ~~[(b) the collection, analysis, maintenance, tracking, and dissemination of violation~~

3689 ~~history information described in Subsection (2).]~~

3690 (2) By no later than October 1 of each year, the Department of Public Safety shall

3691 report to the Utah Substance Use and Mental Health Advisory Council on the compliance

3692 check investigations:

3693 (a) funded during the previous fiscal year; and

3694 (b) reimbursed under Subsection (1).

3695 Section 45. Section **32B-8-201** is amended to read:

3696 **32B-8-201. Commission's power to issue a resort license.**

3697 (1) Before a person as a resort under a single license may store, sell, offer for sale,

3698 furnish, or allow the consumption of an alcoholic product on sublicense premises, the person

3699 shall first obtain a resort license from the commission in accordance with this part.

3700 (2) (a) The commission may issue to a person a resort license

to allow the storage, sale,
3701 offer for sale, furnishing, and consumption of an alcoholic product
in connection with a resort
3702 designated in the resort license if the person operates at least four
sublicenses under the resort
3703 license.
3704 (b) A resort license shall:
3705 (i) consist of:
3706 (A) a general resort license; and
3707 (B) four or more sublicenses; and
3708 (ii) designate the boundary of the resort building.
3709 (c) This chapter does not prohibit an alcoholic product in or on
the boundary of the
3710 resort building to the extent otherwise permitted by this title.
3711 (3) The commission may not issue a total number of resort
licenses that at any time
3712 totals more than ~~four~~ eight.
3713 Section 46. Section **32B-8b-301** is amended to read:
3714 **32B-8b-301. Specific operational requirements for hotel
license.**
3715 (1) (a) In addition to complying with Chapter 5, Part 3, Retail
Licensee Operational
3716 Requirements, a hotel licensee, staff of the hotel licensee, and a
sublicensee or person
3717 otherwise operating under a sublicense shall comply with this
section.
3718 (b) Failure to comply as provided in Subsection (1)(a) may
result in disciplinary action
3719 in accordance with Chapter 3, Disciplinary Actions and
Enforcement Act, against:
3720 (i) the hotel licensee;
3721 (ii) individual staff of the hotel licensee;
3722 (iii) a sublicensee or person otherwise operating under a
sublicense of the hotel
3723 licensee;
3724 (iv) individual staff of a sublicensee or person otherwise
operating under a sublicense
3725 of the hotel licensee; or

3726 (v) any combination of the persons listed in this Subsection (1)
(b).
3727 (2) (a) A hotel licensee may not sell, offer for sale, or furnish an
alcoholic product
3728 except:
3729 (i) on sublicensed premises;
3730 (ii) pursuant to a permit issued under this title; or
3731 (iii) under a package agency agreement with the department,
subject to Chapter 2, Part
3732 6, Package Agency.
3733 (b) A hotel licensee who sells, offers for sale, or furnishes an
alcoholic product as

3734 provided in Subsection (2)(a) shall sell, offer for sale, or furnish the alcoholic product:

3735 (i) if on sublicensed premises, in accordance with the operational requirements

3736 described in Section [32B-8d-104](#);

3737 (ii) if under a permit issued under this title, in accordance with the operational

3738 requirements under the provisions applicable to the permit; and

3739 (iii) if as a package agency, in accordance with the contract with the department and

3740 Chapter 2, Part 6, Package Agency.

3741 (c) Notwithstanding the other provisions of this Subsection (2) and except as provided

3742 in Section [32B-8d-104](#), a hotel licensee may not permit a patron to carry an alcoholic product

3743 off the premises of a sublicense in violation of Section [32B-5-307](#)

or off an area designated

3744 under a permit.

3745 (3) A hotel licensee shall supervise and direct a person involved in the sale, offer for

3746 sale, or furnishing of an alcoholic product under a hotel license.

3747 (4) (a) Room service of an alcoholic product to a lodging accommodation of a hotel

3748 licensee shall be provided in person by staff of the hotel licensee only to an adult occupant in

3749 the lodging accommodation.

3750 (b) An alcoholic product may not be left outside a lodging accommodation for retrieval

3751 by an occupant.

3752 (5) A hotel licensee shall operate in a manner so that at least 70% of the annual

3753 aggregate of the gross receipts related to the sale of food or beverages for the hotel license and

3754 each of the hotel license's sublicenses is from the sale of food, not including:

3755 (a) mix for an alcoholic product; and

3756 (b) a charge in connection with the service of an alcoholic product.

3757 Section 47. Section **32B-8c-202** is amended to read:

3758 **32B-8c-202. Specific licensing requirements for arena license.**

3759 (1) To obtain an arena license, in addition to complying with Chapter 5, Part 2, Retail

3760 Licensing Process, a person shall submit with the person's written application:

3761 (a) evidence:

3762 (i) of proximity of the arena to any community location;

3763 (ii) that each proposed sublicense premises is entirely within the arena; and

3764 (iii) that the building designated in the application as the arena qualifies as an arena;

3765 and

3766 (b) a description and map of the arena.

3767 (2) (a) An arena license expires on October 31 of each year.

3768 (b) To renew a person's arena license, the person shall comply with the requirements of

3769 Chapter 5, Part 2, Retail Licensing Process, by no later than September 30.

3770 (3) (a) The nonrefundable application fee for an arena license is \$500.

3771 (b) The initial license fee for an arena license is calculated as follows:

3772 (i) if the person applies for three sublicenses under the arena license, \$5,000; or

3773 (ii) if the person applies for more than three sublicenses under the arena license, the

3774 sum of:

3775 (A) \$5,000; and

3776 (B) \$1,000 for each sublicense in excess of three sublicenses for which the person

3777 applies.

3778 (c) The renewal fee for an arena license is \$1,000 plus \$1,000 for each sublicense

3779 under the arena license.

3780 (4) (a) The bond amount required for an arena license is the penal sum of \$100,000.

3781 (b) An arena licensee is not required to have a separate bond for each sublicense,

3782 except that the aggregate of the bonds posted by the arena licensee shall cover each sublicense

3783 under the arena license.

3784 (5) ~~In accordance with Subsection 32B-8d-103(4)]~~ Except as prohibited in Subsection

3785 [32B-1-202.1\(4\)](#), an arena may request to add a sublicense after the commission issues the arena

3786 licensee's arena license, in accordance with Subsection 32B-8d-103(4).

3787 Section 48. Section **32B-8d-102** is amended to read:

3788 **32B-8d-102. Definitions.**

3789 As used in this chapter:

3790 ~~[(1) "Resident" means the same as that term is defined in Section 32B-8-102.]~~

3791 (1) "Boundary of a hotel" means the same as that term is defined in Section

3792 [32B-8b-102](#).

3793 (2) "Boundary of a resort building" means the same as that term is defined in Section

3794 [32B-8b-102.](#)

3795 (3) "Hotel" means the same as that term is defined in Section [32B-8b-102.](#)

3796 ~~[(2)]~~ (4) "Resort building" means the same as that term is defined in Section

3797 [32B-8-102.](#)

3798 ~~[(3)]~~ (5) [~~"Resort spa"~~] "Spa" means a spa:

3799 (a) as the commission defines by rule made in accordance with Title 63G, Chapter 3,

3800 Utah Administrative Rulemaking Act; and

3801 (b) that is within the:

3802 (i) boundary of a resort building[-]; or

3803 (ii) boundary of a hotel.

3804 Section 49. Section **32B-8d-103** is amended to read:

3805 **32B-8d-103. Commission's power to issue a sublicense.**

3806 (1) Before a person as a sublicensee may store, sell, offer for sale, furnish, or allow the

3807 consumption of an alcoholic product on sublicensed premises, the person shall first obtain a

3808 sublicense from the commission in accordance with:

3809 (a) this chapter;

3810 (b) Chapter 8, Resort License Act;

3811 (c) Chapter 8b, Hotel License Act; and

3812 (d) Chapter 8c, Arena License Act.

3813 (2) (a) The commission may issue to a person a sublicense to allow the storage, sale,

3814 offering for sale, furnishing, or consumption of an alcoholic product on the premises of the

3815 sublicense, if the person is:

3816 (i) a principal licensee; or

3817 (ii) a person seeking a principal license, contingent on the issuance of the principal

3818 license.

3819 (b) The commission may not:

3820 (i) issue a sublicense that is separate from a principal license; or

3821 (ii) issue a single sublicense that covers more than one outlet in or on the boundaries of

3822 the principal licensee.

3823 (3) (a) [~~Subject to Subsections (3)(b) and (c)] Except as provided in Subsection (3)(b),~~

3824 when determining the total number of licenses the commission has issued for each type of retail

3825 license, the commission may not include a sublicense as one of the retail licenses issued under

3826 the provisions applicable to that sublicense.

3827 ~~[(b) If a principal license includes a bar establishment sublicense that before the~~

3828 ~~issuance of the principal license was a bar establishment license,~~

~~the commission shall include~~

3829 ~~the bar establishment sublicense as a bar establishment license in calculating the total number~~

3830 ~~of licenses issued under the provisions applicable to a bar establishment license.]~~

3831 [(e)] (b) If a resort license includes a sublicense that before the issuance of the resort

3832 license was a retail license that was not a bar establishment license, the commission shall

3833 include the sublicense as a license in calculating the total number of licenses issued under the

3834 provisions applicable to the sublicense.

3835 (4) If a principal licensee seeks to add a sublicense after the commission issues the

3836 person's principal license, the principal licensee shall file with the department:

3837 (a) a nonrefundable \$300 application fee;

3838 (b) an initial license fee of \$2,250, which the commission shall refund if the

3839 commission does not issue the proposed sublicense;

3840 (c) written consent of the local authority;

3841 (d) a copy of:

3842 (i) the principal licensee's current business; and

3843 (ii) the proposed sublicensee's current business license, if the relevant political

3844 subdivision determines that the proposed sublicensee's business license is separate from the

3845 principal licensee's business license;

3846 (e) evidence that the proposed sublicensed premises is entirely within the boundary of

3847 the principal license;

3848 (f) a description, floor plan, and boundary map of the proposed sublicensed premises

3849 designating:

3850 (i) each location at which the principal licensee proposes that an alcoholic product be

3851 stored; and

3852 (ii) each location from which the principal licensee proposes that an alcoholic product

3853 be sold, furnished, or consumed;

3854 (g) evidence that the principal licensee carries:

3855 (i) public liability insurance in an amount and form satisfactory to the department; and

3856 (ii) dramshop insurance coverage in the amount required by Section [32B-5-201](#) that

3857 covers the proposed sublicense;

3858 (h) a signed consent form stating that the principal licensee will permit any authorized

3859 representative of the commission or department, or any law enforcement officer, to have an

3860 unrestricted right to enter the proposed sublicensed premises;
3861 (i) if the principal licensee is an entity, proper verification
evidencing that a person
3862 who signs the application is authorized to sign on behalf of the
entity; and
3863 (j) any other information the commission or department may
require.

3864 Section 50. Section **32B-8d-104** is amended to read:

3865 **32B-8d-104. General operational requirements for a
sublicense.**

3866 (1) Except as provided in Subsections (2) through (4), a person
operating under a
3867 sublicense is subject to the operational requirements under the
provisions applicable to the
3868 sublicense.

3869 (2) Notwithstanding a requirement in the provisions applicable
to the sublicense, a
3870 person operating under the sublicense is not subject to a
requirement that a certain percentage
3871 of the gross receipts for the sublicense be from the sale of food,
except to the extent that the
3872 gross receipts for the sublicense are included in calculating the
percentages under Subsections
3873 [32B-8-401\(3\)](#), [32B-8b-301\(5\)](#), and [32B-8c-301\(3\)](#).

3874 (3) Notwithstanding Sections [32B-6-202](#) and [32B-6-302](#), a bar
structure in a
3875 sublicensed premises operated under a full-service restaurant
sublicense or a limited-service
3876 restaurant sublicense is considered a grandfathered bar structure if
the sublicense is a
3877 sublicense to a resort license issued on or before December 31,
2010.

3878 (4) Notwithstanding Section [32B-5-307](#):

3879 (a) a patron may transport beer between the sublicensed
premises of an arena licensee's
3880 accompanying sublicenses, if the patron transports the beer from
and to an area of each
3881 sublicensed premises:

3882 (i) that is adjacent to the other; and
3883 (ii) where the consumption of beer is permitted; and
3884 (b) staff of a sublicensee or person otherwise operating under a
sublicense of a hotel

3885 licensee or a resort licensee may transport an alcoholic beverage
from and to sublicensed

3886 premises of the hotel license or resort license, if:

3887 (i) the sublicensee is:

3888 (A) a full-service restaurant sublicensee;

3889 (B) a limited-service restaurant sublicensee;

3890 (C) a bar establishment sublicensee;

- 3891 (D) a beer-only restaurant sublicensee; or
- 3892 (E) an on-premise beer retailer sublicensee;
- 3893 (ii) the individual staff carries the alcoholic beverage:
-
- 3894 (A) from the sublicensed premises of a sublicensee described in Subsection (4)(b)(i);
- 3895 (B) briefly through an unlicensed area or briefly through sublicensed premises on
- 3896 which the type of alcoholic beverage that the individual staff carries is permitted; and
- 3897 (C) to the sublicensed premises of a sublicensee described in Subsection (4)(b)(i); and
- 3898 (iii) the individual staff at all times stays within:
- 3899 (A) the boundary of the hotel~~[-as defined in Section 32B-8b-402]~~; or
- 3900 (B) the boundary of the resort building~~[-as defined in Section 32B-8-102]~~.
- 3901 (5) Except as provided in Section 32B-8-502, for purposes of interpreting an
- 3902 operational requirement imposed by the provisions applicable to a sublicensee:
- 3903 (a) a requirement imposed on a sublicensee or person operating under a sublicense
- 3904 applies to the principal licensee; and
- 3905 (b) a requirement imposed on staff of a sublicensee or person operating under a
- 3906 sublicense applies to staff of the principal licensee.
- 3907 Section 51. Section **32B-8d-201** is amended to read:
- 3908 **32B-8d-201. Title.**
- 3909 This part is known as "[Resort] Spa Sublicense."
- 3910 Section 52. Section **32B-8d-202** is amended to read:
- 3911 **32B-8d-202. Commission's power to issue a spa sublicense.**
- 3912 (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of
- 3913 an alcoholic product on the person's premises as a [resort] spa sublicensee, a resort licensee, a
- 3914 hotel licensee, or a person applying for a resort license or a hotel license shall first obtain a
- 3915 [resort] spa sublicense from the commission in accordance with this part.
- 3916 (2) The commission may only issue a [resort] spa sublicense to:
- 3917 (a) a resort licensee; ~~or~~
- 3918 (b) a hotel licensee;
- 3919 ~~(c)~~ (c) a person applying for a resort license, contingent on the issuance of the resort
- 3920 license~~[-];~~ or
- 3921 (d) a person applying for a hotel license, contingent on the issuance of the hotel license.
-

3922 (3) ~~The resort~~ A spa sublicense premises shall fall entirely
within the:

3923 (a) boundary of a resort building that is part of the resort to
which the ~~resort~~ spa

3924 sublicense is connected~~[-];~~ or

3925 (b) boundary of a hotel that is part of the hotel to which the spa
sublicense is

3926 connected.

3927 Section 53. Section **32B-8d-203** is amended to read:

3928 **32B-8d-203. Specific licensing requirements for spa
sublicense.**

3929 (1) (a) In accordance with Subsection **32B-8d-103**(2), a person
may not file a written

3930 application with the department to obtain a ~~resort~~ spa sublicense
that is separate from the

3931 person's application [of the] for a resort license or a hotel license,
unless the person seeks the

3932 ~~resort~~ spa sublicense after the commission issues the person a
resort license or a hotel license.

3933 (b) If a resort licensee or a hotel licensee seeks to add a ~~resort~~
spa sublicense after

3934 ~~its~~ the licensee's resort license or hotel license is issued, the
~~resort~~ licensee shall comply

3935 with Subsection **32B-8d-103**(4).

3936 (2) (a) A ~~resort~~ spa sublicense expires on October 31 of each
year.

3937 (b) ~~A resort licensee desiring to renew the resort licensee's
resort~~ To renew a spa

3938 sublicense, the corresponding resort licensee or hotel licensee
shall renew the ~~resort~~ spa

3939 sublicense as part of renewing the licensee's resort license or hotel
license.

3940 (c) (i) Failure of a resort licensee to meet the renewal
requirements for a resort license

3941 results in an automatic forfeiture of the ~~resort~~ spa sublicense
effective ~~on the date~~ the day on

3942 which the resort license expires.

3943 (ii) Failure of a hotel licensee to meet the renewal requirements
for a hotel license

3944 results in an automatic forfeiture of the spa sublicense effective the
day on which the hotel

3945 license expires.

3946 Section 54. Section **32B-8d-204** is amended to read:

3947 **32B-8d-204. Specific qualifications for a spa sublicense.**

3948 (1) A person employed to act in a supervisory or managerial
capacity for the ~~resort~~

3949 spa sublicense is subject to qualification requirements of Section
32B-1-304 for licensees.

3950 (2) If a person no longer possesses the qualifications required
by Section [32B-1-304](#) for

3951 obtaining the [~~resort license or resort~~] spa sublicense or the
corresponding resort license or

3952 hotel license, the commission may suspend or revoke the [~~resort~~]
spa sublicense that is part of

3953 the resort license or hotel license.

3954 Section 55. Section **32B-8d-205** is amended to read:

3955 **32B-8d-205. Specific operational requirements for a spa
sublicense.**

3956 (1) (a) In addition to complying with Chapter 5, Part 3, Retail
Licensee Operational

3957 Requirements, a resort licensee [~~and~~], staff of the resort licensee, a
hotel licensee, and staff of

3958 the hotel licensee, shall comply with this section.

3959 (b) A [~~resort~~] spa sublicensee or a person otherwise operating
under a [~~resort~~] spa

3960 sublicense and staff of a [~~resort~~] spa sublicensee or a person
otherwise operating under a

3961 [~~resort~~] spa sublicense shall comply with:

3962 (i) Chapter 5, Part 3, Retail Licensee Operational Requirements
as if the [~~resort~~] spa

3963 sublicensee is a retail licensee, unless a provision conflicts with
this chapter; and

3964 (ii) this chapter.

3965 (c) Subject to Section [32B-8-502](#), failure to comply as provided
in Subsection (1)(a)

3966 may result in disciplinary action in accordance with Chapter 3,
Disciplinary Actions and

3967 Enforcement Act, against:

3968 (i) a resort licensee;

3969 (ii) staff of [~~the~~] a resort licensee;

3970 (iii) a hotel licensee;

3971 (iv) staff of a hotel licensee;

3972 [~~(iii)~~] (v) a [~~resort~~] spa sublicensee or person otherwise
operating under a [~~resort~~] spa

3973 sublicense;

3974 [~~(iv)~~] (vi) individual staff of a [~~resort~~] spa sublicensee or person
otherwise operating

3975 under a [~~resort~~] spa sublicense; or

3976 [~~(v)~~] (vii) any combination of the persons listed in Subsections
(1)(c)(i) through [~~(iv)~~]

3977 (vi).

3978 (2) (a) For purposes of the [~~resort~~] spa sublicense, the
corresponding resort licensee or

3979 hotel licensee shall ensure that a record is maintained or used for
the [~~resort~~] spa sublicense:

3980 (i) as the department requires; and

3981 (ii) for a minimum period of three years.

3982 (b) A [~~resort~~] spa sublicensee record is subject to inspection by

an authorized

3983 representative of the commission and the department.

3984 (c) A resort licensee or a hotel licensee shall allow the department, through a

3985 compliance officer of the department, to audit the records for a [resort] spa sublicense at the

3986 times the department considers advisable.

3987 (d) The department shall audit the records for a [resort] spa sublicense at least once

3988 annually.

3989 (e) Section [32B-1-205](#) applies to a record required to be made, maintained, or used in

3990 accordance with this Subsection (2).

3991 (3) (a) A [resort] spa sublicensee or person operating under a [resort] spa sublicense

3992 may not sell, offer for sale, or furnish liquor at a [resort] spa during a period that:

3993 (i) begins at 1 a.m.; and

3994 (ii) ends at 9:59 a.m.

3995 (b) A [resort] spa sublicensee or person operating under a [resort] spa sublicense may

3996 sell, offer for sale, or furnish beer during the hours specified in Chapter 6, Part 7, On-Premise

3997 Beer Retailer License, for an on-premise beer retailer.

3998 (c) (i) Notwithstanding Subsections (3)(a) and (b), a [resort] spa shall remain open for

3999 one hour after the [resort] spa ceases the sale and furnishing of an alcoholic product during

4000 which time a person at the [resort] spa may finish consuming:

4001 (A) a single drink containing spirituous liquor;

4002 (B) a single serving of wine not exceeding five ounces;

4003 (C) a single serving of heavy beer;

4004 (D) a single serving of beer not exceeding 26 ounces; or

4005 (E) a single serving of a flavored malt beverage.

4006 (ii) A [resort] spa is not required to remain open:

4007 (A) after all individuals have vacated the [resort] spa sublicensee's sublicensed

4008 premises; or

4009 (B) during an emergency.

4010 (4) (a) A minor may not be admitted into, use, or be on the sublicensed premises of a

4011 [resort] spa sublicense unless accompanied by an individual 21 years ~~of age~~ old or older.

4012 (b) A minor permitted under Subsection (4)(a) to be admitted into, use, or be on the

4013 sublicensed premises of a [resort] spa sublicense:

4014 (i) may only be admitted into or be on a lounge or bar area of the [resort] spa

4015 sublicensee's sublicensed premises momentarily while en route to another area of the [resort]

4016 spa; and
4017 (ii) may not remain or sit in the lounge or bar area of the [resort]
spa sublicensee's
4018 sublicensed premises.
4019 (5) A [resort] spa sublicensee shall have food available at all
times when an alcoholic
4020 product is sold, offered for sale, furnished, or consumed on the
[resort] spa sublicensee's
4021 sublicensed premises.
4022 (6) (a) Subject to the other provisions of this Subsection (6), a
patron may not have
4023 more than two alcoholic products of any kind at a time before the
patron.
4024 (b) A [resort] spa patron may not have two spirituous liquor
drinks before the [resort]
4025 spa patron if one of the spirituous liquor drinks consists only of the
primary spirituous liquor
4026 for the other spirituous liquor drink.
4027 (c) An individual portion of wine is considered to be one
alcoholic product under this
4028 Subsection (6).
4029 (7) (a) An alcoholic product may only be consumed at a table or
counter.
4030 (b) An alcoholic product may not be served to or consumed by a
patron at a dispensing
4031 structure.
4032 (8) (a) A [resort] spa sublicensee or person operating under a
[resort] spa sublicense
4033 shall have available on the [resort] spa sublicense's sublicensed
premises for a patron to review

4034 at the time that the patron requests it, a written alcoholic product
price list or a menu containing
4035 the price of an alcoholic product sold or furnished by the [resort]
spa sublicensee including:
4036 (i) a set-up charge;
4037 (ii) a service charge; or
4038 (iii) a chilling fee.
4039 (b) A charge or fee made in connection with the sale, service, or
consumption of liquor
4040 may be stated in food or alcoholic product menus including:
4041 (i) a set-up charge;
4042 (ii) a service charge; or
4043 (iii) a chilling fee.
4044 (9) (a) A resort licensee or hotel licensee shall own or lease
premises suitable for the
4045 [resort] spa sublicense's activities.
4046 (b) A resort licensee or hotel licensee may not maintain
premises in a manner that
4047 barricades or conceals the [resort] spa sublicense's operation.
4048 (10) Subject to the other provisions of this section, a [resort] spa
sublicensee or person

4049 operating under a [resort] spa sublicense may not sell an alcoholic product to or allow an

4050 individual to be admitted to or use the [resort] spa sublicensee's sublicensed premises other

4051 than:

4052 (a) a resident; or

4053 (b) a customer.

4054 Section 56. Section **32B-9-303** is amended to read:

4055 **32B-9-303. Director's power to issue single event permit.**

4056 (1) Before a person may sell, offer for sale, or furnish liquor at retail for on-premise

4057 consumption at an event, the person shall first obtain a single event permit from the director in

4058 accordance with this part.

4059 (2) (a) Subject to Subsection (5), the director may issue a single event permit to any of

4060 the following that is conducting a convention, civic, or community enterprise, a bona fide:

4061 (i) partnership;

4062 (ii) corporation;

4063 (iii) limited liability company;

4064 (iv) religious organization;

4065 (v) political organization;

4066 (vi) incorporated association;

4067 (vii) recognized subordinate lodge, chapter, or other local unit of an entity described in

4068 this Subsection (2)(a);

4069 (viii) state agency; or

4070 (ix) political subdivision of the state.

4071 (b) The director may not issue a single event permit to an entity that has not been in

4072 existence as a bona fide entity for at least one year before the day on which the entity applies

4073 for a single event permit.

4074 (3) (a) A single event permit may authorize:

4075 (i) the storage, sale, offering for sale, furnishing, and consumption of liquor at an event

4076 at which the storage, sale, offering for sale, furnishing, or consumption of liquor is otherwise

4077 prohibited by this title under either:

4078 (A) a 120 hour single event permit; or

4079 (B) a 72 hour single event permit; and

4080 (ii) the storage, sale, offer for sale, furnishing, and consumption of beer at the same

4081 event for the period that the storage, sale, offer for sale, furnishing, or consumption of liquor is

4082 authorized under Subsection (3)(a)(i) for the single event permit.

4083 (b) The single event permit shall state in writing whether ~~it~~ the single event permit is:

4084 (i) a 120 hour single event permit; or

4085 (ii) a 72 hour single event permit.
4086 (4) The director may not issue more than:
4087 (a) four single event permits in any one calendar year to the same person listed in
4088 Subsection (2) if one or more of the single event permits is a 120 hour single event permit; or
4089 (b) ~~42~~ 24 single event permits in any one calendar year to the same person listed in

4090 Subsection (2) if each of the single event permits issued to that person is a 72 hour single event
4091 permit.
4092 (5) Before the director issues or denies the issuance of a single event permit under this
4093 section, the director shall comply with Section [32B-9-202](#).
4094 Section 57. Section **32B-10-206** is amended to read:
4095 **32B-10-206. General operational requirements for special use permit.**
4096 (1) (a) A special use permittee and staff of the special use permittee shall comply with
4097 this title and rules of the commission, including the relevant part of the chapter that applies to
4098 the type of special use permit held by the special use permittee.
4099 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action
4100 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:
4101 (i) a special use permittee;
4102 (ii) individual staff of a special use permittee; or
4103 (iii) a special use permittee and staff of the special use permittee.
4104 (c) The commission may suspend or revoke a special use permit with or without cause.
4105 (2) (a) If there is a conflict between this part and the relevant part under this chapter for
4106 the specific type of special use permit, the relevant part under this chapter governs.
4107 (b) Notwithstanding that this part may refer to "liquor" or an "alcoholic product," a
4108 special use permittee may only purchase, use, store, sell, offer for sale, allow consumption, or
4109 manufacture an alcoholic product authorized for the special use permit that is held by the
4110 special use permittee.
4111 (c) Notwithstanding that this part or the relevant part under this chapter for the type of
4112 special use permit held by a special use permittee refers to "special use permittee," a person
4113 involved in the purchase, use, storage, sale, offering for sale, allowing consumption, or
4114 manufacture of an alcoholic product for which the special use

permit is issued is subject to the

4115 same requirement or prohibition.

4116 (3) (a) A special use permittee shall make and maintain a record, as required by

4117 commission rule, of any alcoholic product purchased, used, sold, or manufactured.

4118 (b) Section [32B-1-205](#) applies to a record required to be made or maintained in

4119 accordance with this Subsection (3).

4120 (4) (a) Except as otherwise provided in this title, a special use permittee may not

4121 purchase liquor except from a state store or package agency.

4122 (b) A special use permittee may transport liquor purchased by the special use permittee

4123 in accordance with this Subsection (4) from the place of purchase to the special use permittee's

4124 premises.

4125 (c) A special use permittee shall purchase liquor at prices set by the commission.

4126 (d) When authorized by a special use permit, a special use permittee may purchase and

4127 receive an alcoholic product directly from a manufacturer for a purpose that is industrial,

4128 educational, scientific, or manufacturing.

4129 (e) A health care facility may purchase and receive an alcoholic product directly from a

4130 manufacturer for use at the health care facility.

4131 (5) A special use permittee may not use, mix, store, sell, offer for sale, furnish,

4132 manufacture, or allow consumption of an alcoholic product in a location other than as

4133 designated in a special use permittee's:

4134 (a) application; or

4135 (b) change of location request, as described in Section [32B-10-305](#), if:

4136 (i) the special use permittee is a public service permittee; and

4137 (ii) the commission approved the special use permittee's change in location request.

4138 (6) Except as otherwise provided, a special use permittee may not sell, offer for sale, or

4139 furnish an alcoholic product to:

4140 (a) a minor;

4141 (b) a person actually, apparently, or obviously intoxicated;

4142 (c) a known interdicted person; or

4143 (d) a known habitual drunkard.

4144 (7) A special use permittee may not employ a minor to handle an alcoholic product.

4145 (8) (a) The location specified in a special use permit may not be transferred from one

4146 location to another location, except as provided in [~~Chapter 8a, Transfer of Alcohol License Act~~ Chapter 18, Part 3, Alcohol License Change of Location.

4147

4148 (b) A special use permittee may not sell, transfer, assign, exchange, barter, give, or

4149 attempt in any way to dispose of the permit to another person whether for monetary gain or not,

4150 except as provided in [~~Chapter 8a, Transfer of Alcohol License Act~~ Chapter 18, Part 2,

4151 Alcohol License Changes of Ownership.

4152 (9) A special use permittee may not purchase, use, mix, store, sell, offer for sale,

4153 furnish, consume, or manufacture an alcoholic product for a purpose other than that authorized

4154 by the special use permit.

4155 (10) The commission may prescribe by policy or rule consistent with this title, the

4156 general operational requirements of a special use permittee relating to:

4157 (a) physical facilities;

4158 (b) conditions of purchase, use, storage, sale, consumption, or manufacture of an

4159 alcoholic product;

4160 (c) purchase, storage, and sales quantity limitations; and

4161 (d) other matters considered appropriate by the commission.

4162 Section 58. Section **32B-11-208** is amended to read:

4163 **32B-11-208. General operational requirements for manufacturing license.**

4164 (1) (a) A manufacturing licensee and staff of the manufacturing licensee shall comply

4165 with this title and the rules of the commission, including the relevant part of this chapter

4166 applicable to the type of manufacturing license held by the manufacturing licensee.

4167 (b) Failure to comply as provided in Subsection (1)(a) may result in disciplinary action

4168 in accordance with Chapter 3, Disciplinary Actions and Enforcement Act, against:

4169 (i) a manufacturing licensee;

4170 (ii) individual staff of a manufacturing licensee; or

4171 (iii) a manufacturing licensee and staff of the manufacturing licensee.

4172 (2) A manufacturing licensee shall prominently display the manufacturing license on

4173 the licensed premises.

4174 (3) (a) A manufacturing licensee shall make and maintain the records required by the

4175 department.

4176 (b) Section **32B-1-205** applies to a record required to be made or maintained in

- 4177 accordance with this Subsection (3).
- 4178 (4) A manufacturing licensee may not sell liquor within the state except to:
- 4179 (a) the department; or
- 4180 (b) a military installation.
- 4181 (5) A manufacturing license may not be transferred from one location to another location, except as provided in [~~Chapter 8a, Transfer of Alcohol License Act~~] Chapter 18, Part 3, Alcohol License Change of Location.
- 4182 location, except as provided in [~~Chapter 8a, Transfer of Alcohol License Act~~] Chapter 18, Part 3, Alcohol License Change of Location.
- 4183 (6) (a) A manufacturing licensee may not sell, transfer, assign, exchange, barter, give, or attempt in any way to dispose of the license to another person, whether for monetary gain or not, except as provided in [~~Chapter 8a, Transfer of Alcohol License Act~~] Chapter 18, Part 2, Alcohol License Changes of Ownership.
- 4184 (b) A manufacturing license has no monetary value for any type of disposition.
- 4185 (7) A manufacturing licensee may not advertise the manufacturing licensee's product in violation of this title or any other federal or state law, except that nothing in this title prohibits the advertising or solicitation of an order for industrial alcohol from a holder of a special use permit.
- 4186 (8) A manufacturing licensee shall from time to time, on request of the department, furnish for analytical purposes a sample of the alcoholic product that the manufacturing licensee has:
- 4187 (a) for sale; or
- 4188 (b) in the course of manufacture for sale in this state.
- 4189 (9) The commission may prescribe by policy or rule, consistent with this title, the general operational requirements of a manufacturing licensee relating to:
- 4190 (a) physical facilities;
- 4191 (b) conditions of storage, sale, or manufacture of an alcoholic product;
-
- 4202 (c) storage and sales quantity limitations; and
- 4203 (d) other matters considered appropriate by the commission.
- 4204 Section 59. Section **32B-11-303** is amended to read:
- 4205 **32B-11-303. Specific authority and operational requirements for winery manufacturing license.**
- 4206 (1) A winery manufacturing license allows a winery manufacturing licensee to:
- 4207 (a) store, manufacture, transport, import, or export wine;
- 4208 (b) sell wine at wholesale to;

4210 (i) the department; and ~~to~~

4211 (ii) an out-of-state [customers] customer who is at least 21 years old, as the state in

4212 which the customer is located permits;

4213 (c) purchase liquor for fortifying wine, if the department is notified of the purchase and

4214 date of delivery; and

4215 (d) warehouse on the licensed premises liquor that is manufactured or purchased for

4216 manufacturing purposes.

4217 (2) (a) A wine, brandy, wine spirit, or other liquor imported under authority of a winery

4218 manufacturing license shall conform to the standards of identity and quality established in the

4219 regulations issued under Federal Alcohol Administration Act, 27 U.S.C. Sec. 201 et seq.

4220 (b) The federal definitions, standards of identity, and quality and labeling requirements

4221 for wine, in regulations issued under Federal Alcohol Administration Act, 27 U.S.C. Sec. 201

4222 et seq., are adopted to the extent the regulations are not contrary to or inconsistent with the

4223 laws of this state.

4224 (3) If considered necessary, the commission or department may require:

4225 (a) the alteration of the plant, equipment, or licensed premises;

4226 (b) the alteration or removal of unsuitable wine-making equipment or material;

4227 (c) a winery manufacturing licensee to clean, disinfect, ventilate, or otherwise improve

4228 the sanitary and working conditions of the plant, licensed premises, and wine-making

4229 equipment;

4230 (d) that a marc, pomace, or fruit be destroyed, denatured, or removed from the licensed

4231 premises because it is considered:

4232 (i) unfit for wine making; or

4233 (ii) as producing or likely to produce an unsanitary condition;

4234 (e) a winery manufacturing licensee to distill or cause to be distilled or disposed of

4235 under the department's supervision:

4236 (i) any unsound, poor quality finished wine; or

4237 (ii) unfinished wine that will not be satisfactory when finished; or

4238 (f) that a record pertaining to the grapes and other materials and ingredients used in the

4239 manufacture of wine be available to the commission or department upon request.

4240 (4) A winery manufacturing licensee may not permit wine to be consumed on ~~its~~ the

4241 winery manufacturing licensee's premises, except [under the following circumstances] that:

- 4242 (a) [A] a winery manufacturing licensee may allow [its] the winery manufacturing
- 4243 licensee's on-duty staff to taste on the licensed premises the alcoholic product that the winery
- 4244 manufacturing licensee manufactures on [its] the winery manufacturing licensee's premises
- 4245 without charge, but only in connection with the on-duty staff's duties of manufacturing the
- 4246 alcoholic product during the manufacturing process and not otherwise[-];
- 4247 (b) [A] a winery manufacturing licensee may allow a person who can lawfully purchase
- 4248 wine for wholesale or retail distribution to consume a bona fide sample of the winery
- 4249 manufacturing licensee's product on the licensed premises[-]; and
- 4250 (c) [A] a winery manufacturing licensee may conduct [tastings] a tasting as provided in
- 4251 Section 32B-11-210.
- 4252 Section 60. Section **32B-11-403** is amended to read:
- 4253 **32B-11-403. Specific authority and operational requirements for distillery**
- 4254 **manufacturing license.**
- 4255 (1) A distillery manufacturing license allows a distillery manufacturing licensee to:
- 4256 (a) store, manufacture, transport, import, or export liquor;
- 4257 (b) sell liquor to:
-
- 4258 (i) the department;
- 4259 (ii) an out-of-state customer who is at least 21 years old, as the state in which the
- 4260 customer is located permits; and
- 4261 (iii) as provided in Subsection (2);
- 4262 (c) purchase an alcoholic product for mixing and manufacturing purposes if the
- 4263 department is notified of:
- 4264 (i) the purchase; and
- 4265 (ii) the date of delivery;
- 4266 (d) warehouse on the distillery manufacturing licensee's licensed premises an alcoholic
- 4267 product that the distillery manufacturing licensee manufactures or purchases for manufacturing
- 4268 purposes;
- 4269 (e) if the distillery manufacturing licensee holds two or more distillery manufacturing
- 4270 licenses under this chapter, transport an alcoholic product from one of the distillery
- 4271 manufacturing licensee's licensed premises to another, if the transportation occurs for the
- 4272 purpose of:
- 4273 (i) continuing or completing the manufacturing process; or
- 4274 (ii) storing a bulk container or an alcoholic product that is

distilled and packaged in the
4275 state, including the transport of an alcoholic product to a package
agency located at any of the
4276 distillery manufacturing licensee's licensed premises; and
4277 (f) receive samples of an alcoholic product from a person
outside the state for the sole
4278 purpose of performing tests and analysis, if the distillery
manufacturing licensee:
4279 (i) performs the tests and analysis in accordance with 27 C.F.R.
Secs. 19.434(a), (c),
4280 (d), (e), and (f), Secs. 19.435 through 19.437, and Sec. 19.616;
4281 (ii) keeps records of the samples received, including:
4282 (A) all data required under 27 C.F.R. Sec. 19.616;
4283 (B) a description of the sample; and
4284 (C) the date the distillery manufacturing licensee receives the
sample; and
4285 (iii) upon request, provides the records described in Subsection
(1)(f)(ii) to the

4286 department.
4287 (2) (a) Subject to the other provisions of this Subsection (2), a
distillery manufacturing
4288 licensee may directly sell an alcoholic product to a person engaged
within the state in:
4289 (i) a mechanical or industrial business that requires the use of
an alcoholic product; or
4290 (ii) scientific pursuits that require the use of an alcoholic
product.
4291 (b) A person who purchases an alcoholic product under
Subsection (2)(a) shall hold a
4292 valid special use permit issued in accordance with Chapter 10,
Special Use Permit Act,
4293 authorizing the use of the alcoholic product.
4294 (c) A distillery manufacturing licensee may sell to a special use
permittee described in
4295 Subsection (2)(b) an alcoholic product only in the type for which
the special use permit
4296 provides.
4297 (d) The sale of an alcoholic product under this Subsection (2) is
subject to rules
4298 prescribed by the department and the federal government.
4299 (3) The federal definitions, standards of identity and quality, and
labeling requirements
4300 for distilled liquor, in the regulations issued under Federal Alcohol
Administration Act, 27
4301 U.S.C. Sec. 201 et seq., are adopted to the extent the regulations
are not contrary to or
4302 inconsistent with laws of this state.
4303 (4) If considered necessary, the commission or department may
require:
4304 (a) the alteration of the plant, equipment, or licensed premises;
4305 (b) the alteration or removal of unsuitable alcoholic product-

making equipment or

4306 material;

4307 (c) a distillery manufacturing licensee to clean, disinfect, ventilate, or otherwise

4308 improve the sanitary and working conditions of the plant, licensed premises, and equipment; or

4309 (d) that a record pertaining to the materials and ingredients used in the manufacture of

4310 an alcoholic product be made available to the commission or department upon request.

4311 (5) A distillery manufacturing licensee may not permit an alcoholic product to be

4312 consumed on the distillery manufacturing licensee's premises, except that:

4313 (a) a distillery manufacturing licensee may allow the distillery manufacturing licensee's

4314 on-duty staff to taste on the licensed premises an alcoholic product that the distillery

4315 manufacturing licensee manufactures on the distillery manufacturing licensee's licensed

4316 premises without charge, but only in connection with the on-duty staff's duties of

4317 manufacturing the alcoholic product during the manufacturing process and not otherwise;

4318 (b) a distillery manufacturing licensee may allow a person who can lawfully purchase

4319 an alcoholic product for wholesale or retail distribution to consume a bona fide sample of the

4320 distillery manufacturing licensee's product on the licensed premises; and

4321 (c) a distillery manufacturing licensee may conduct ~~[tastings]~~ a tasting as provided in

4322 Section [32B-11-210](#).

4323 Section 61. Section **32B-11-503** is amended to read:

4324 **32B-11-503. Specific authority and operational requirements for brewery**

4325 **manufacturing license.**

4326 (1) A brewery manufacturing license allows a brewery manufacturing licensee to:

4327 (a) store, manufacture, brew, transport, or export beer, heavy beer, and flavored malt

4328 beverages;

4329 (b) sell heavy beer and a flavored malt beverage to:

4330 (i) the department;

4331 (ii) a military installation; or

4332 (iii) an out-of-state customer who is at least 21 years old, as the state in which the

4333 customer is located permits;

4334 (c) sell beer to a beer wholesaler licensee;

4335 (d) in the case of a small brewer, in accordance with Subsection

(5), sell beer

4336 manufactured by the small brewer to:

4337 (i) a retail licensee;

4338 (ii) an off-premise beer retailer; or

4339 (iii) an event permittee;

4340 (e) warehouse on ~~its~~ the brewery manufacturing licensee's

premises an alcoholic

4341 product that the brewery manufacturing licensee manufactures or purchases for manufacturing

4342 purposes; and

4343 (f) if the brewery manufacturing licensee holds two or more brewery manufacturing

4344 licenses, transport beer, heavy beer, or flavored malt beverage from one of the brewery

4345 manufacturing licensee's licensed premises to another, if the transportation occurs for the

4346 purpose of:

4347 (i) continuing or completing the manufacturing process; or

4348 (ii) transferring the beer, heavy beer, or flavored malt beverage for storage at a licensed

4349 premises of the brewery manufacturing licensee that is at a package agency.

4350 (2) A brewery manufacturing licensee may not sell the following to a person within the

4351 state except the department or a military installation:

4352 (a) heavy beer; or

4353 (b) a flavored malt beverage.

4354 (3) If considered necessary, the commission or department may require:

4355 (a) the alteration of the plant, equipment, or licensed premises;

4356 (b) the alteration or removal of any unsuitable alcoholic product-making equipment or

4357 material;

4358 (c) a brewery manufacturing licensee to clean, disinfect, ventilate, or otherwise

4359 improve the sanitary and working conditions of the plant, licensed premises, and equipment; or

4360 (d) that a record pertaining to the materials and ingredients used in the manufacture of

4361 an alcoholic product be available to the commission or department upon request.

4362 (4) A brewery manufacturing licensee may not permit any beer, heavy beer, or flavored

4363 malt beverage to be consumed on the licensed premises, except ~~under the circumstances~~

4364 ~~described in this Subsection (4);~~ that:

4365 (a) ~~A~~ a brewery manufacturing licensee may allow ~~its~~ the brewery manufacturing

4366 licensee's on-duty staff to taste the alcoholic product that the brewery manufacturing licensee

4367 manufactures on ~~its~~ the brewery manufacturing licensee's

premises without charge, but only

4368 in connection with the on-duty staff's duties of manufacturing the alcoholic product during the

4369 manufacturing process and not otherwise[-];

4370 (b) [A] a brewery manufacturing licensee may allow a person who can lawfully

4371 purchase the following for wholesale or retail distribution to consume a bona fide sample of the

4372 brewery manufacturing licensee's product on the licensed premises:

4373 (i) beer;

4374 (ii) heavy beer; or

4375 (iii) a flavored malt beverage[-];

4376 (c) [A] a brewery manufacturing licensee may operate a retail facility that complies

4377 with the requirements of Chapter 7, Part 2, Off-Premise Beer Retailer Local Authority[-]; and

4378 (d) [A] a brewery manufacturing licensee may conduct ~~testings~~ a tasting as provided

4379 in Section [32B-11-210](#).

4380 (5) (a) A small brewer shall own, lease, or maintain and control a warehouse facility

4381 located in this state for the storage of beer to be sold to a person described in Subsection (1)(d)

4382 if the small brewer:

4383 (i) (A) (I) is located in this state; and

4384 (II) holds a brewery manufacturing license; or

4385 (B) (I) is located outside this state; and

4386 (II) holds a certificate of approval to sell beer in this state; and

4387 (ii) sells beer manufactured by the small brewer directly to a person described in

4388 Subsection (1)(d).

4389 (b) A small brewer may not sell beer to a person described in Subsection (1)(d) unless

4390 the beer:

4391 (i) is manufactured by the small brewer; and

4392 (ii) is first placed in the small brewer's warehouse facility in this state.

4393 (c) (i) A small brewer warehouse shall make and maintain complete beer importation,

4394 inventory, tax, distribution, sales records, and other records as the department and State Tax

4395 Commission may require.

4396 (ii) The records described in Subsection (5)(c)(i) are subject to inspection by:

4397 (A) the department; and

4398 (B) the State Tax Commission.

4399 (iii) Section [32B-1-205](#) applies to a record required to be made or maintained in

4400 accordance with this Subsection (5), except that the provision is considered to include an action

4401 described in Section [32B-1-205](#) made for the purpose of deceiving the State Tax Commission,

4402 or an official or employee of the State Tax Commission.

4403 ~~[(6) Subject to Subsection (7):]~~

4404 (6) (a) ~~[A]~~ Subject to Subsection (7), a brewery manufacturing licensee may not sell

4405 beer in this state except under a written agreement with a beer wholesaler licensee in this state.

4406 (b) An agreement described in Subsection (6)(a) shall:

4407 (i) create a restricted exclusive sales territory that is mutually agreed upon by the

4408 persons entering into the agreement;

4409 (ii) designate the one or more brands that may be distributed in the sales territory; and

4410 (iii) set forth the exact geographical area of the sales territory.

4411 (c) A brewery manufacturing licensee may have more than one agreement described in

4412 ~~[this]~~ Subsection (6)(a) if each brand of the brewery manufacturing licensee is covered by one

4413 exclusive sales territory.

4414 (d) A brewery manufacturing licensee may not enter into an agreement described in

4415 Subsection (6)(a) with more than one beer wholesaler licensee to distribute the same brand of

4416 beer in the same sales territory or any portion of the sales territory.

4417 (7) A small brewer is not subject to the requirements of Subsection (6).

4418 Section 62. Section **32B-11-504** is amended to read:

4419 **32B-11-504. Department's authority regarding small-brewer status.**

4420 (1) A brewer seeking to obtain small-brewer status shall provide to the department any

4421 documentation or information the department determines necessary to determine if the brewer

4422 is part of a controlled group of ~~[breweries]~~ manufacturers.

4423 (2) The department may revoke a brewer's small-brewer status at any time, if the

4424 department determines the brewer does not qualify as a small brewer.

4425 Section 63. Section **32B-18-101**, which is renumbered from Section 32B-8a-102 is

4426 renumbered and amended to read:

4427

CHAPTER 18. CHANGE OF ALCOHOL LICENSE OR LOCATION ACT

4428

Part 1. General Provisions

4429 ~~[32B-8a-102].~~ 32B-18-101. Definitions.

4430 As used in this chapter:

4431 (1) (a) "Alcohol license" means:

4432 (i) a retail license;

4433 (ii) an off-premise beer retailer state license;

4434 (iii) a brewery manufacturing license;

4435 (iv) a distillery manufacturing license;

4436 (v) a winery manufacturing license; ~~and~~

4437 ~~(vi) a liquor warehousing license; and~~

4438 ~~[(vi)]~~ (vii) a special use permit that is an industrial or manufacturing use permit.

4439 (b) "Alcohol license" does not include a:

4440 (i) master full-service restaurant license;

4441 (ii) master limited-service restaurant license; or

4442 (iii) master off-premise beer retailer state license.

4443 (2) "Business entity" means a corporation, partnership, limited liability company, sole

4444 proprietorship, or similar entity.

4445 ~~[(3) "Transfer fee" means a fee described in Section 32B-8a-303.]~~

4446 ~~[(4) "Transferee or buyer" means a person who intends to hold an alcohol license after~~

4447 the transfer of the alcohol license if the transfer is approved by the commission under this

4448 chapter.]

4449 ~~[(5) "Transferor or seller" means an alcohol licensee who intends to transfer an alcohol~~

4450 license held by the alcohol licensee if the commission approves the transfer under this chapter.]

4451 (3) "Interim alcoholic beverage management agreement" means a management

4452 agreement:

4453 (a) in connection with:

4454 (i) a change of ownership in the entity holding an alcohol license; or

4455 (ii) a transfer of the management of an alcohol license to another entity; and

4456 (b) under which the new owner or new management agrees to perform the operations

4457 of the alcohol licensee during the period that:

4458 (i) begins when:

4459 (A) the change of ownership closes; or

4460 (B) the new management agreement is executed; and

4461 (ii) ends on the day after the day on which the commission approves the alcohol license

4462 for the new owner.

4463 (4) "Inventory transfer agreement" means an agreement under which an alcohol

4464 licensee agrees to sell or otherwise transfer all or part of the

alcohol licensee's inventory of

4465 alcoholic products.

4466 (5) "Management agreement" means an agreement between
two people regarding the

4467 operation and management of an alcohol license.

4468 Section 64. Section **32B-18-201**, which is renumbered from

Section 32B-8a-201 is

4469 renumbered and amended to read:

4470

Part 2. Alcohol License Changes of Ownership

4471 ~~[32B-8a-201].~~ **32B-18-201. Transferability of an alcohol**
license.

4472 (1) ~~[(a)]~~ An alcohol license ~~[is]~~:

4473 (a) is not ascribed any value in the sale or transfer of a business
entity or the business

4474 entity's assets;

4475 (b) is neither tangible nor intangible property to the holder of the
license; and

4476 (c) is completely separate from other property of an alcohol
licensee.

4477 ~~[(b)]~~ ~~(2) [Notwithstanding Subsection (1)(a), the]~~ The Legislature
may terminate or

4478 modify the existence of any type of alcohol license.

4479 ~~[(c)]~~ ~~(3)~~ Except as provided in this ~~[chapter]~~ part, a person may
not: ~~(i) transfer an~~

4480 ~~alcohol license from one location to another location; or (ii)]~~ sell,
transfer, assign, exchange,

4481 barter, give, or attempt in any way to dispose of the alcohol license
to another person whether

4482 for monetary gain or not.

4483 ~~[(d) If approved by the commission and subject to the~~
~~requirements of this chapter, an~~

4484 ~~alcohol licensee may transfer the alcohol license:]~~

4485 ~~[(i) from the alcohol licensee to another person, regardless of~~
~~whether the alcohol~~

4486 ~~license is for the same premises; and]~~

4487 ~~[(ii) from one premises of the alcohol licensee to another~~
~~premises of the alcohol~~

4488 ~~licensee:]~~

4489 ~~[(2) (a) The commission may not approve the transfer of an~~
~~alcohol license that results~~

4490 ~~in a transferee or buyer holding a different type of alcohol license~~
~~than is held by the transferor~~

4491 ~~or seller:]~~

4492 ~~[(b) Unless the alcohol license is a bar establishment license,~~
~~the commission may not~~

4493 ~~approve the transfer of an alcohol license from one location to~~
~~another location, if the location~~

4494 ~~of the premises to which the alcohol license would be transferred is~~

in a different county than

4495 the location of the licensed premises of the alcohol license being transferred.]

4496 [(3) The commission may not approve the transfer of an alcohol license if the

4497 transferee or buyer is not eligible to hold the same type of alcohol license as the alcohol license

4498 to be transferred at the premises to which the alcohol license would be transferred.]

4499 [(4) The commission may not approve the transfer of an alcohol license unless the

4500 transferee or buyer attests, subject to the penalty for making a false material statement under

4501 Section ~~32B-4-504~~, that the transferee or buyer is in compliance with:]

4502 [(a) federal tax laws;]

4503 [(b) Title 35A, Chapter 4, Employment Security Act; and]

4504 [(c) Title 59, Revenue and Taxation.]

4505 [(5) The commission may not approve the transfer of an alcohol license unless the

4506 transferor or seller attests, subject to the penalty for making a false material statement under

4507 Section ~~32B-4-504~~, that the transferor or seller is not delinquent on any lease obligation related

4508 to the licensed premises for the alcohol license the transferor or seller is transferring.]

4509 Section 65. Section **32B-18-202**, which is renumbered from Section 32B-8a-202 is

4510 renumbered and amended to read:

4511 **[32B-8a-202]. 32B-18-202. Effect of change of ownership of business entity.**

4512 (1) (a) When the ownership of 51% or more of the shares of stock of a corporation is

4513 [~~acquired by or transferred to~~] restructured to include one or more persons who did not hold the

4514 ownership of 51% of those shares of stock on the [~~date~~] day on which an alcohol license is

4515 issued to the corporation, the corporation shall comply with this chapter to [~~transfer the alcohol~~

4516 license to the corporation as if the corporation is newly constituted] reflect the restructuring.

4517 (b) When there is a new general partner or when the ownership of 51% or more of the

4518 capital or profits of a limited partnership is [~~acquired by or transferred to~~] restructured to

4519 include one or more persons as general or limited partners and who did not hold ownership of

4520 51% or more of the capital or profits of the limited partnership on the [~~date~~] day on which an

4521 alcohol license is issued to the limited partnership, the limited

partnership shall comply with

4522 this chapter to ~~[transfer the alcohol license to the limited partnership as if the limited~~

4523 ~~partnership is newly constituted]~~ reflect the restructuring.

4524 (c) When the ownership of 51% or more of the interests in a limited liability company

4525 is ~~[acquired by or transferred to]~~ restructured to include one or more persons as members who

4526 did not hold ownership of 51% or more of the interests in the limited liability company on the

4527 ~~[date] day on which~~ an alcohol license is issued to the limited liability company, the limited

4528 liability company shall comply with this chapter to ~~[transfer the alcohol license to the limited~~

4529 ~~liability company as if the limited liability company is newly constituted]~~ reflect the

4530 restructuring.

4531 (2) A business entity shall comply with this section within 60 days after the day on

4532 which a ~~[sale or transfer described in Subsection (1) occurs]~~ restructuring of the business entity

4533 becomes effective.

4534 Section 66. Section **32B-18-203** is enacted to read:

4535 **32B-18-203. Application -- Approval process.**

4536 (1)(a) A person seeking an alcohol license in accordance with this part that is currently

4537 held by another person shall submit to the department:

4538 (i) a written application for a new license in a form prescribed by the department; and

4539 (ii) a fee in accordance with Section [32B-18-207](#).

4540 (b) If the person seeking an alcohol license as described in Subsection (1) seeks to take

4541 over the daily operations of the alcohol license before the commission grants the transfer, the

4542 person and the alcohol licensee shall enter into an interim alcoholic beverage management

4543 agreement that:

4544 (i) provides for all proceeds from the sale of alcohol, less cost of goods sold, to accrue

4545 to the current alcohol licensee;

4546 (ii) provides for the duration of the agreement, that the current alcohol licensee:

4547 (A) shall comply with the requirements of this title that are applicable to the alcohol

4548 license; and

4549 (B) in accordance with this title, is subject to disciplinary action by the commission for

4550 a violation of this title; and

4551 (iii) the department approves.

4552 (c) If the person seeking an alcohol license as described in

Subsection (1) seeks to buy

4553 the inventory from the existing licensee, the person and the alcohol licensee shall enter into an

4554 inventory transfer agreement that the department approves.

4555 (2) An alcohol licensee seeking to restructure the alcohol licensee's internal ownership

4556 of 51% or more shall submit to the department:

4557 (a) a written application in a form prescribed by the department;
and

4558 (b) a fee in accordance with Section 32B-18-207.

4559 (3) A person or business entity shall comply with this section within 60 days after the

4560 day on which the sale of the business's assets closes or the restructuring of the business entity

4561 becomes effective.

4562 (4) In accordance with this section and Title 63G, Chapter 3, Utah Administrative

4563 Rulemaking Act, the commission may make rules governing the requirements of an interim

4564 alcoholic beverage management agreement.

4565 Section 67. Section **32B-18-204**, which is renumbered from Section 32B-5-310 is

4566 renumbered and amended to read:

4567 **[32B-5-310]. 32B-18-204. Notifying department of change in ownership.**

4568 ~~[(1)]~~The commission may suspend or revoke ~~[a retail]~~ an alcohol license if the ~~[retail]~~

4569 alcohol licensee does not notify the department, within 60 days after the day on which the

4570 change occurs, of a change in:

4571 ~~[(a)]~~ (1) ownership of the ~~[retail]~~ business entity holding the alcohol license;

4572 ~~[(b) the entity that manages the retail licensee or a premises licensed under this~~

4573 ~~chapter;~~

4574 ~~[(c)]~~ (2) for a corporate owner, the:

4575 ~~[(i)]~~ (a) corporate officers or directors of the ~~[retail]~~ alcohol licensee; or

4576 ~~[(ii)]~~ (b) shareholders holding at least 20% of the total issued and outstanding stock of

4577 the corporation; or

4578 ~~[(d)]~~ (3) for a limited liability company:

4579 ~~[(i)]~~ (a) managers of the limited liability company; or

4580 ~~[(ii)]~~ (b) members owning at least 20% of the limited liability company.

4581 ~~[(2) Notwithstanding any other provision of this title, in connection with an event~~

4582 ~~described in Section 32B-8a-202 or an asset sale of a retail licensee, the parties to the~~

4583 ~~transaction may enter into an inventory transfer agreement.]~~

4584 ~~[(3) A retail licensee may enter into an interim alcoholic beverage management~~
 4585 ~~agreement that provides:]~~
 4586 ~~[(a) all proceeds, less cost of goods sold, from the sale of alcohol shall accrue to the~~
 4587 ~~current retail licensee; and]~~
 4588 ~~[(b) for the duration of the agreement, the current retail licensee:]~~
 4589 ~~[(i) shall comply with the requirements of this title that are applicable to the retail~~
 4590 ~~license; and]~~
 4591 ~~[(ii) in accordance with this title, is subject to disciplinary action by the commission for~~
 4592 ~~any violation of this title.]~~
 4593 ~~[(4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,~~

4594 ~~the department may make rules governing the requirements of:]~~
 4595 ~~[(a) an inventory transfer agreement; and]~~
 4596 ~~[(b) an interim alcoholic beverage management agreement.]~~
 4597 Section 68. Section **32B-18-205** is enacted to read:
 4598 **32B-18-205. Management agreements -- Inventory transfers.**
 4599 (1)(a) A management agreement may provide for the sharing of revenue from a
 4600 business utilizing an alcohol license if, regardless of which party holds the alcohol license, all
 4601 parties to the management agreement qualify under Section [32B-1-304](#) to hold the license.
 4602 (b) The parties to a management agreement shall submit to the department:
 4603 (i) a copy of the management agreement; and
 4604 (ii) any other information the department requires.
 4605 (c) If there is a material change to the management agreement submitted to the
 4606 department under Subsection (1)(b), the parties to the management agreement shall submit to
 4607 the department the following within 30 days after the day on which the change occurs:
 4608 (i) a copy of the changed management agreement; and
 4609 (ii) any other information the department requires.
 4610 (2) Notwithstanding any other provision of this title, in connection with a change of
 4611 ownership described in Section [32B-18-202](#) or an asset sale of an alcohol licensee, the parties
 4612 to the transaction may enter into an inventory transfer agreement.
 4613 (3) In accordance with this section and Title 63G, Chapter 3, Utah Administrative
 4614 Rulemaking Act, the commission may make rules governing the requirements of:

4615 (a) a management agreement; or
 4616 (b) an inventory transfer agreement.
 4617 Section 69. Section **32B-18-206**, which is renumbered from
 Section 32B-8a-203 is
 4618 renumbered and amended to read:
 4619 **[32B-8a-203]. 32B-18-206. Operational requirements for**
change of
 4620 **ownership or location.**
 4621 (1) (a) ~~[A transferee or buyer shall begin operations of the~~
~~alcohol license] Except as~~

 4622 provided in Subsections (1)(b) and (c), operations of an alcohol
licensee shall begin within 30
 4623 days after the day on which ~~[a transfer is approved by]~~ the
 commission~~[-except that:]~~ approves
 4624 a change of ownership for the alcohol license.
 4625 ~~[(i) the]~~ (b) The department may grant an extension of [this] the
 time period described
 4626 in Subsection (1)(a) for a period not to exceed the greater of:
 4627 (i) 30 days; ~~and~~ or
 4628 (ii) the number of days until the day on which the commission
holds the commission's
next regularly scheduled commission meeting.
 4630 ~~[(ii) (c) [after the extension is authorized by]]~~ After the
 department ~~[under]~~ authorizes
 4631 an extension described in Subsection [(1)(a)(i)] (1)(b), the
 commission may grant one or more
 4632 additional extensions ~~[not to exceed, in the aggregate, seven~~
~~months from the day on which the~~
 4633 ~~commission approves the transfer, if the transferee or buyer can~~
~~demonstrate] if:~~
 4634 (i) the alcohol licensee demonstrates to the commission that the
~~[transferee or buyer:~~
 4635 ~~(A)]~~ alcohol licensee cannot begin operations because the
~~[transferee or buyer]~~ alcohol
 4636 licensee:
 4637 (A) is improving the licensed premises;
 4638 (B) has obtained a building permit for the improvements
 described in Subsection
 4639 ~~[(1)(a)(ii)(A)] (1)(c)(i)(A), if the respective local [government entity]~~
authority requires a
 4640 building permit for the improvements; and
 4641 (C) is working expeditiously to complete the improvements to
 the licensed premises~~[-];~~
 4642 or
 4643 (ii) the commission determines that circumstances beyond the
control of the alcohol
licensee negate the licensee's ability to begin operations in a timely
manner.
 4645 ~~[(b) (2) [A transferee or buyer]]~~ An alcohol licensee is
 considered to have begun

4646 operations of the alcohol license if the ~~[transferee or buyer]~~ alcohol licensee:

4647 ~~[(i)]~~ (a) has a licensed premises that is open for business;

4648 ~~[(ii)-(A)]~~ (b) (i) sells, offers for sale, or furnishes an alcoholic ~~[products]~~ product to a

4649 patron on the licensed premises described in Subsection ~~[(1)(b)(i)]~~ (2)(a);

4650 ~~[(B)]~~ (ii) manufactures an alcoholic product on the licensed premises described in

4651 Subsection ~~[(1)(b)(i)]~~ (2)(a); ~~[or]~~

4652 ~~[(C)]~~ (iii) engages in an industrial or manufacturing pursuit containing alcohol on the

4653 licensed premises described in Subsection ~~[(1)(b)(i)]~~ (2)(a); ~~[and] or~~

4654 (iv) warehouses liquor on the licensed premises described in Subsection (2)(a); and

4655 ~~[(iii)]~~ (c) has a valid business license.

4656 ~~[(2)]~~ (3) If ~~[a transferee or buyer]~~ an alcohol licensee fails to begin operations of the

4657 alcohol license within the time period required by Subsection (1), the following are

4658 automatically forfeited effective immediately:

4659 (a) the alcohol license; and

4660 (b) the ~~[alcohol license]~~ fee described in Section 32B-18-207.

4661 ~~[(3) A transferee or buyer]~~ (4) (a) Except as provided in Subsection (4)(b), if the

4662 commission approves a change of ownership, the new owner of the alcohol license shall begin

4663 operations of the alcohol license at the location to which the ~~[transfer]~~ alcohol license applies

4664 before the ~~[transferee or buyer]~~ new owner may ~~[seek a transfer of]~~ move the alcohol license to

4665 a different location in accordance with Part 3, Alcohol License Change of Location.

4666 (b) Subsection (4)(a) does not apply to a new owner of an alcohol license if the

4667 commission determines that a bona fide exigent circumstance exists that warrants a change in

4668 location before operations begin.

4669 ~~[(4)]~~ (5) Notwithstanding Subsection (1), the commission may not issue a conditional

4670 license unless the requirements of Section 32B-5-205 are met, except that the time periods

4671 required by this section supersede the time period provided in Section 32B-5-205.

4672 Section 70. Section 32B-18-207, which is renumbered from Section 32B-8a-303 is

4673 renumbered and amended to read:

4674 **[32B-8a-303]. 32B-18-207. Change fees.**

4675 (1) ~~[Except as otherwise provided in this section, the]~~ The

department shall charge the

4676 following ~~[transfer]~~ fees for a change of ownership under this part:

4677 (a) for a ~~[transfer]~~ change of ownership of an alcohol license
from an alcohol licensee

4678 to another person, the ~~[transfer]~~ change fee equals the initial
license fee amount specified in the

4679 relevant chapter or part for the type of alcohol license ~~[that is being
transferred]~~ for which the

4680 change of ownership occurs; and

4681 ~~[(b) for the transfer of an alcohol license from one premises to
another premises of the~~

4682 ~~same alcohol licensee, the transfer fee is \$300;]~~

4683 ~~[(e) (b) [subject to Subsections (1)(d) and (2), for a transfer] for
a change of ownership~~

4684 described in Section ~~[32B-8a-202]~~ 32B-18-202, the ~~[transfer]~~
change fee equals the renewal fee

4685 amount specified in the relevant chapter or part for the type of
alcohol license ~~[that is being~~

4686 ~~transferred;]~~ for which the change of ownership occurs.

4687 ~~[(d) for a transfer of an alcohol license to include the parent or
adult child of an alcohol~~

4688 ~~licensee, when no consideration is given for the transfer, the
transfer fee is one-half of the~~

4689 ~~amount described in Subsection (1)(a); and]~~

4690 ~~[(e) for one of the following transfers, the transfer fee is one-half
of the amount~~

4691 ~~described in Subsection (1)(a):]~~

4692 ~~[(i) an alcohol license of one spouse to the other spouse when
the transfer application is~~

4693 ~~made before the entry of a final decree of divorce;]~~

4694 ~~[(ii) an alcohol license of a deceased alcohol licensee to:]~~

4695 ~~[(A) the one or more surviving partners of the deceased alcohol
licensee;]~~

4696 ~~[(B) the executor, administrator, or conservator of the estate of
the deceased alcohol~~

4697 ~~licensee; or]~~

4698 ~~[(C) the surviving spouse of the deceased alcohol licensee, if
the deceased alcohol~~

4699 ~~licensee leaves no estate to be administered;]~~

4700 ~~[(iii) an alcohol license of an incompetent person or conservatee
by or to the~~

4701 ~~conservator or guardian for the incompetent person or conservatee
who is the alcohol licensee;]~~

4702 ~~[(iv) an alcohol license of a debtor in a bankruptcy case by or to
the trustee of a~~

4703 ~~bankrupt estate of the alcohol licensee;]~~

4704 ~~[(v) an alcohol license of a person for whose estate a receiver is
appointed may be~~

4705 ~~transferred by or to a receiver of the estate of the alcohol licensee;]~~

4706 ~~[(vi) an alcohol license of an assignor for the benefit of creditors by or to an assignee~~
4707 ~~for the benefit of creditors of a licensee with the consent of the assignor;]~~
4708 ~~[(vii) an alcohol license transferred to a revocable living trust if the alcohol licensee is~~
4709 ~~the trustee of the revocable living trust;]~~
4710 ~~[(viii) an alcohol license transferred between partners when no new partner is being~~
4711 ~~licensed;]~~
4712 ~~[(ix) an alcohol license transferred between corporations whose outstanding shares of~~
4713 ~~stock are owned by the same individuals;]~~
4714 ~~[(x) upon compliance with Section ~~32B-8a-202~~, an alcohol license to a corporation~~
4715 ~~whose entire stock is owned by:]~~
4716 ~~[(A) the transferor or seller; or]~~
4717 ~~[(B) the spouse of the transferor or seller;]~~
4718 ~~[(xi) upon compliance with Section ~~32B-8a-202~~, an alcohol license to a limited~~
4719 ~~liability company whose entire membership consists of:]~~
4720 ~~[(A) the transferor or seller; or]~~
4721 ~~[(B) the spouse of the transferor or seller; or]~~
4722 ~~[(xii) an alcohol license transferred from a corporation to a person who owns, or whose~~
4723 ~~spouse owns, the entire stock of the corporation.]~~
4724 ~~[(2) If there are multiple and simultaneous transfers of alcohol licenses under Section~~
4725 ~~~~32B-8a-202~~, a transfer fee described in Subsection (1)(c) is required for only one of the alcohol~~
4726 ~~licenses being transferred.]~~
4727 ~~[(3) (a) Except as provided in Subsection (3)(b), a transfer fee required under~~
4728 ~~Subsection (1) is due for a transfer subsequent to a transfer under Subsection (1)(e)(xii) if the~~
4729 ~~subsequent transfer is of 51% of the stock in a corporation to which an alcohol license is~~
4730 ~~transferred by an alcohol licensee or the spouse of an alcohol licensee.]~~
4731 ~~[(b) If the transfer of stock described in Subsection (3)(a) is from a parent to the~~
4732 ~~parent's adult child or adult grandchild, the transfer fee is one-half of the amount described in~~
4733 ~~Subsection (1)(a).]~~

4734 ~~[(4) Money collected from a transfer fee shall be deposited in the Liquor Control~~
4735 ~~Fund.]~~
4736 (2) The department shall deposit a fee collected under Subsection (1) into the Liquor
4737 Control Fund.

4738 Section 71. Section **32B-18-301** is enacted to read:

4739

Part 3. Alcohol License Change of Location

4740 **32B-18-301. Change of location provisions.**

4741 (1) Except as provided in this part, a person may not move an alcohol license from one

4742 location to another.

4743 (2) Before an alcohol licensee moves the alcohol licensee's license from one location to

4744 another, the alcohol licensee shall submit to the department:

4745 (a) an application for a change of location, in the form the department determines; and

4746 (b) a change of location fee.

4747 (3) Before the commission approves a change of location requested in accordance with

4748 this part, the commission shall:

4749 (a) ensure that the new location meets the physical requirements for the type of license

4750 for which the change of location is requested, including any proximity requirement; and

4751 (b) consider the locality within which the proposed licensed premises is located,

4752 including the relevant factors for the type of license for which the change of location is

4753 requested.

4754 Section 72. Section **32B-18-302** is enacted to read:

4755 **32B-18-302. Operational requirements for change of location.**

4756 (1)(a) Except as permitted under Subsections (1)(b) and (c), operations of an alcohol

4757 licensee shall begin within 30 days after the day on which the commission approves a change

4758 of location for the alcohol license.

4759 (b) The department may grant an extension to the 30 days described in Subsection

4760 (1)(a), not to exceed the greater of:

4761 (i) 30 days; or

4762 (ii) the number of days until the next regularly scheduled commission meeting.

4763 (c) After the department authorizes an extension described in Subsection (1)(b), the

4764 commission may grant one or more additional extensions, if:

4765 (i) the alcohol licensee demonstrates to the commission that the alcohol licensee cannot

4766 begin operations because the alcohol licensee:

4767 (A) is improving the licensed premises;

4768 (B) has obtained a building permit for the improvements described in Subsection

4769 (1)(c)(i)(A), if the respective local authority requires a building

permit for the improvements;

4770 and

4771 (C) is working expeditiously to complete the improvements to the licensed premises;

4772 or

4773 (ii) the commission determines that circumstances beyond the control of the alcohol

4774 licensee negate the licensee's ability to begin operations in a timely manner.

4775 (2) An alcohol licensee is considered to have begun operations of the alcohol license if

4776 the alcohol licensee:

4777 (a) has a licensed premises that is open for business;

4778 (b) (i) sells, offers for sale, or furnishes an alcoholic product to a patron on the licensed

4779 premises described in Subsection (1)(a);

4780 (ii) manufactures an alcoholic product on the licensed premises described in

4781 Subsection (2)(a);

4782 (iii) engages in an industrial or manufacturing pursuit containing alcohol on the

4783 licensed premises described in Subsection (2)(a); or

4784 (iv) warehouses liquor on the licensed premises described in Subsection (2)(a); and

4785 (c) has a valid business license.

4786 (3) If an alcohol licensee fails to begin operations of the alcohol license within the time

4787 period required under Subsection (1), the following are automatically forfeited effective

4788 immediately:

4789 (a) the alcohol license; and

4790 (b) the change of location fee.

4791 Section 73. Section **32B-18-303** is enacted to read:

4792 **32B-18-303. Change of location fees.**

4793 (1) The department shall charge a \$300 fee for a change in location of an alcohol

4794 licensee's licensed premises.

4795 (2) The department shall deposit a fee collected under Subsection (1) in the Liquor

4796 Control Fund.

4797 Section 74. Section **32B-18-401**, which is renumbered from Section 32B-8a-501 is

4798 renumbered and amended to read:

4799

Part 4. Prohibited Activities

4800 [~~32B-8a-501~~]. **32B-18-401. License not to be pledged as security --**

4801 **Prohibited changes, transfers, and moves.**

4802 (1) An alcohol licensee may not enter into any agreement under

which the alcohol

4803 licensee pledges the alcohol license as security for a loan or as security for the fulfillment of

4804 any agreement.

4805 ~~[(2) An alcohol licensee may not transfer an alcohol license if the transfer is to:]~~

4806 ~~[(a) satisfy a loan or to fulfill an agreement entered into more than 90 days before the~~

4807 ~~day on which the transfer application is filed;]~~

4808 ~~[(b) gain or establish a preference to or for any creditor of the transferor or seller;~~

4809 ~~except as provided by Section 32B-8a-202; or]~~

4810 ~~[(c) defraud or injure a creditor of the transferor or seller.]~~

4811 ~~[(3) An alcohol licensee may not transfer a bar establishment license in a manner that~~

4812 ~~circumvents the limitations of Subsection 32B-8d-103(3)(b) or (c);~~

4813 ~~[(4)] (2) An alcohol licensee may not change, transfer, or move an alcohol license~~

4814 ~~except [in accordance with] as expressly permitted under this chapter.~~

4815 Section 75. Section **32B-18-402**, which is renumbered from Section 32B-8a-502 is

4816 renumbered and amended to read:

4817 **~~[32B-8a-502].~~ 32B-18-402. Effect of change, transfer, or move in violation**

4818 **of this chapter.**

4819 (1) If an alcohol license is changed, transferred, or moved in violation of this chapter,

4820 the commission may:

4821 (a) void the change, transfer, or move; and

4822 (b) require the alcohol license to be forfeited.

4823 (2) Subsection (1) is in addition to any other penalty under this title that is applicable to

4824 the person who violates this chapter.

4825 Section 76. Section **34-52-201** is amended to read:

4826 **34-52-201. Public employer requirements.**

4827 (1) A public employer may not exclude an applicant from an initial interview because

4828 of a past criminal conviction.

4829 (2) A public employer excludes an applicant from an initial interview if the public

4830 employer:

4831 (a) requires an applicant to disclose, on an employment application, a criminal

4832 conviction;

4833 (b) requires an applicant to disclose, before an initial interview, a criminal conviction;

4834 or

4835 (c) if no interview is conducted, requires an applicant to

disclose, before making a

4836 conditional offer of employment, a criminal conviction.

4837 (3) (a) A public employer may not make any inquiry related to
an applicant's expunged

4838 criminal history.

4839 (b) An applicant seeking employment from a public employer
may answer a question

4840 related to an expunged criminal record as though the action
underlying the expunged criminal

4841 record never occurred.

4842 (4) Subject to Subsections (1) through (3), nothing in this
section prevents a public

4843 employer from:

4844 (a) asking an applicant for information about an applicant's
criminal conviction history

4845 during an initial interview or after an initial interview; or

4846 (b) considering an applicant's conviction history when making a
hiring decision.

4847 (5) Subsections (1) through (3) do not apply:

4848 (a) if federal, state, or local law, including corresponding
administrative rules, requires

4849 the consideration of an applicant's criminal conviction history;

4850 (b) to a public employer that is a law enforcement agency;

4851 (c) to a public employer that is part of the criminal or juvenile
justice system;

4852 (d) to a public employer seeking a nonemployee volunteer;

4853 (e) to a public employer that works with children or vulnerable
adults;

4854 (f) to the Department of Alcoholic Beverage ~~Control~~ Services
created in Section

4855 [32B-2-203](#);

4856 (g) to the State Tax Commission;

4857 (h) to a public employer whose primary purpose is performing
financial or fiduciary

4858 functions; and

4859 (i) to a public transit district hiring or promoting an individual for
a safety sensitive

4860 position described in Section [17B-2a-825](#).

4861 Section 77. Section **53-2a-802** is amended to read:

4862 **53-2a-802. Definitions.**

4863 (1) (a) "Absent" means:

4864 (i) not physically present or not able to be communicated with
for 48 hours; or

4865 (ii) for local government officers, as defined by local ordinances.

4866 (b) "Absent" does not include a person who can be
communicated with via telephone,

4867 radio, or telecommunications.

4868 (2) "Department" means the Department of Government
Operations, the Department of

4869 Agriculture and Food, the Alcoholic Beverage ~~Control~~ Services

Commission, the Department
4870 of Commerce, the Department of Cultural and Community
Engagement, the Department of
4871 Corrections, the Department of Environmental Quality, the
Department of Financial
4872 Institutions, the Department of Health, the Department of
Workforce Services, the Labor
4873 Commission, the National Guard, the Department of Insurance, the
Department of Natural

4874 Resources, the Department of Public Safety, the Public Service
Commission, the Department
4875 of Human Services, the State Tax Commission, the Department of
Transportation, any other
4876 major administrative subdivisions of state government, the State
Board of Education, the Utah
4877 Board of Higher Education, the Utah Housing Corporation, the
State Retirement Board, and
4878 each institution of higher education within the system of higher
education.

4879 (3) "Division" means the Division of Emergency Management
established in Title 53,

4880 Chapter 2a, Part 1, Emergency Management Act.

4881 (4) "Emergency interim successor" means a person designated
by this part to exercise

4882 the powers and discharge the duties of an office when the person
legally exercising the powers

4883 and duties of the office is unavailable.

4884 (5) "Executive director" means the person with ultimate
responsibility for managing

4885 and overseeing the operations of each department, however
denominated.

4886 (6) (a) "Office" includes all state and local offices, the powers
and duties of which are

4887 defined by constitution, statutes, charters, optional plans,
ordinances, articles, or by-laws.

4888 (b) "Office" does not include the office of governor or the
legislative or judicial offices.

4889 (7) "Place of governance" means the physical location where
the powers of an office

4890 are being exercised.

4891 (8) "Political subdivision" includes counties, cities, towns, metro
townships, districts,

4892 authorities, and other public corporations and entities whether
organized and existing under

4893 charter or general law.

4894 (9) "Political subdivision officer" means a person holding an
office in a political

4895 subdivision.

4896 (10) "State officer" means the attorney general, the state
treasurer, the state auditor, and

4897 the executive director of each department.

4898 (11) "Unavailable" means:

4899 (a) absent from the place of governance during a disaster that seriously disrupts normal
 4900 governmental operations, whether or not that absence or inability would give rise to a vacancy
 4901 under existing constitutional or statutory provisions; or

4902 (b) as otherwise defined by local ordinance.

4903 Section 78. Section **53-8-105** is amended to read:

4904 **53-8-105. Duties of Highway Patrol.**

4905 In addition to the duties in this chapter, the Highway Patrol shall:

4906 (1) enforce the state laws and rules governing use of the state highways;

4907 (2) regulate traffic on all highways and roads of the state;

4908 (3) assist the governor in an emergency or at other times at his discretion;

4909 (4) in cooperation with federal, state, and local agencies, enforce and assist in the

4910 enforcement of all state and federal laws related to the operation of a motor carrier on a

4911 highway, including all state and federal rules and regulations;

4912 (5) inspect certain vehicles to determine road worthiness and safe condition as

4913 provided in Section [41-6a-1630](#);

4914 (6) upon request, assist with any condition of unrest existing or developing on a

4915 campus or related facility of an institution of higher education;

4916 (7) assist the Alcoholic Beverage ~~Control~~ Services Commission in an emergency to

4917 enforce the state liquor laws;

4918 (8) provide security and protection for both houses of the Legislature while in session

4919 as the speaker of the House of Representatives and the president of the Senate find necessary;

4920 (9) enforce the state laws and rules governing use of the capitol hill complex as defined

4921 in Section [63C-9-102](#); and

4922 (10) carry out the following for the Supreme Court and the Court of Appeals:

4923 (a) provide security and protection to those courts when in session in the capital city of

4924 the state;

4925 (b) execute orders issued by the courts; and

4926 (c) carry out duties as directed by the courts.

4927 Section 79. Section **53-10-102** is amended to read:

4928 **53-10-102. Definitions.**

4929 As used in this chapter:

4930 (1) "Administration of criminal justice" means performance of any of the following:

4931 detection, apprehension, detention, pretrial release, posttrial

release, prosecution, adjudication,
4932 correctional supervision, or rehabilitation of accused persons or
criminal offenders.

4933 (2) "Alcoholic beverage" is as defined in Section 32B-1-102.

4934 (3) "Alcoholic product" is as defined in Section 32B-1-102.

4935 (4) "Commission" means the Alcoholic Beverage ~~Control~~
Services Commission.

4936 (5) "Communications services" means the technology of
reception, relay, and
4937 transmission of information required by public safety agencies in
the performance of their duty.

4938 (6) "Conviction record" means criminal history information
indicating a record of a
4939 criminal charge which has led to a declaration of guilt of an offense.

4940 (7) "Criminal history record information" means information on
individuals consisting
4941 of identifiable descriptions and notations of:
4942 (a) arrests, detentions, indictments, informations, or other
formal criminal charges, and
4943 any disposition arising from any of them; and
4944 (b) sentencing, correctional supervision, and release.

4945 (8) "Criminal justice agency" means courts or a government
agency or subdivision of a
4946 government agency that administers criminal justice under a
statute, executive order, or local
4947 ordinance and that allocates greater than 50% of its annual budget
to the administration of
4948 criminal justice.

4949 (9) "Criminalist" means the scientific discipline directed to the
recognition,
4950 identification, individualization, and evaluation of physical evidence
by application of the
4951 natural sciences in law-science matters.

4952 (10) "Department" means the Department of Public Safety.

4953 (11) "Director" means the division director appointed under
Section 53-10-103.

4954 (12) "Division" means the Criminal Investigations and Technical
Services Division
4955 created in Section 53-10-103.

4956 (13) "Executive order" means an order of the president of the
United States or the chief
4957 executive of a state that has the force of law and that is published
in a manner permitting

4958 regular public access to it.

4959 (14) "Forensic" means dealing with the application of scientific
knowledge relating to
4960 criminal evidence.

4961 (15) "Mental defective" means an individual who, by a district
court, as a result of

4962 marked subnormal intelligence, or mental illness, incompetency,
condition, or disease, is
4963 found:
4964 (a) to be a danger to himself or herself or others;
4965 (b) to lack the mental capacity to contract or manage the
individual's own affairs;
4966 (c) to be incompetent by a court in a criminal case; or
4967 (d) to be incompetent to stand trial or found not guilty by reason
or lack of mental
4968 responsibility.
4969 (16) "Missing child" means any person under the age of 18
years who is missing from
4970 the person's home environment or a temporary placement facility
for any reason and whose
4971 location cannot be determined by the person responsible for the
child's care.
4972 (17) "Missing person" is as defined in Section 26-2-27.
4973 (18) "Pathogens" means disease-causing agents.
4974 (19) "Physical evidence" means something submitted to the
bureau to determine the
4975 truth of a matter using scientific methods of analysis.
4976 (20) "Qualifying entity" means a business, organization, or a
governmental entity that
4977 employs persons or utilizes volunteers who deal with:
4978 (a) national security interests;
4979 (b) care, custody, or control of children;
4980 (c) fiduciary trust over money;
4981 (d) health care to children or vulnerable adults; or
4982 (e) the provision of any of the following to a vulnerable adult:
4983 (i) care;
4984 (ii) protection;
4985 (iii) food, shelter, or clothing;

4986 (iv) assistance with the activities of daily living; or
4987 (v) assistance with financial resource management.

4988 Section 80. Section **53-10-305** is amended to read:

4989 **53-10-305. Duties of bureau chief.**

4990 The bureau chief, with the consent of the commissioner, shall
do the following:

4991 (1) conduct in conjunction with the state boards of education
and higher education in
4992 state schools, colleges, and universities, an educational program
concerning alcoholic
4993 beverages and alcoholic products, and work in conjunction with
civic organizations, churches,
4994 local units of government, and other organizations in the
prevention of alcoholic beverage,
4995 alcoholic product, and drug violations;
4996 (2) coordinate law enforcement programs throughout the state
and accumulate and
4997 disseminate information related to the prevention, detection, and

control of violations of this
4998 chapter and Title 32B, Alcoholic Beverage Control Act, as it relates
to storage or consumption
4999 of an alcoholic beverage or alcoholic product on premises
maintained by a bar establishment
5000 licensee, or a person required to obtain a bar establishment
license, as defined in Section
5001 [32B-1-102](#);

5002 (3) make inspections and investigations as required by the
commission and the
5003 Department of Alcoholic Beverage ~~[Control]~~ Services;

5004 (4) perform other acts as may be necessary or appropriate
concerning control of the use
5005 of an alcoholic beverage or alcoholic product and drugs; and
5006 (5) make reports and recommendations to the Legislature, the
governor, the
5007 commissioner, the commission, and the Department of Alcoholic
Beverage ~~[Control]~~ Services
5008 as may be required or requested.

5009 Section 81. Section **53F-9-304** is amended to read:

5010 **53F-9-304. Underage Drinking and Substance Abuse
Prevention Program**

5011 **Restricted Account.**

5012 (1) As used in this section, "account" means the Underage
Drinking and Substance
5013 Abuse Prevention Program Restricted Account created in this
section.

5014 (2) There is created within the Education Fund a restricted
account known as the
5015 "Underage Drinking and Substance Abuse Prevention Program
Restricted Account."

5016 (3) (a) Before the Department of Alcoholic Beverage ~~[Control]~~
Services deposits any
5017 portion of the markup collected under Section [32B-2-304](#) into the
Liquor Control Fund in
5018 accordance with Section [32B-2-301](#), the Department of Alcoholic
Beverage ~~[Control]~~ Services
5019 shall deposit into the account:

5020 (i) for the fiscal year that begins July 1, 2017, \$1,750,000; or
5021 (ii) for each fiscal year that begins on or after July 1, 2018, an
amount equal to the
5022 amount that the Department of Alcoholic Beverage ~~[Control]~~
Services deposited into the
5023 account during the preceding fiscal year increased or decreased by
a percentage equal to the
5024 percentage difference between the Consumer Price Index for the
second preceding calendar
5025 year and the Consumer Price Index for the preceding calendar
year.

- 5026 (b) For purposes of this Subsection (3), the Department of Alcoholic Beverage
- 5027 ~~[Control]~~ Services shall calculate the Consumer Price Index in accordance with 26 U.S.C.
- 5028 Secs. 1(f)(4) and 1(f)(5).
- 5029 (4) The account shall be funded:
- 5030 (a) in accordance with Subsection (3);
- 5031 (b) by appropriations made to the account by the Legislature;
- and
- 5032 (c) by interest earned on money in the account.
- 5033 (5) The state board shall use money in the account for the Underage Drinking and
- 5034 Substance Abuse Prevention Program described in Section [53G-10-406](#).
- 5035 Section 82. Section **53G-10-406** is amended to read:
- 5036 **53G-10-406. Underage Drinking and Substance Abuse Prevention Program --**
- 5037 **State board rules.**
- 5038 (1) As used in this section:
- 5039 (a) "Advisory council" means the Underage Drinking and Substance Abuse Prevention
- 5040 Program Advisory Council created in this section.
- 5041 (b) "Program" means the Underage Drinking and Substance Abuse Prevention Program
-
- 5042 created in this section.
- 5043 (c) "School-based prevention program" means an evidence-based program that:
- 5044 (i) is aimed at preventing underage consumption of alcohol and underage use of
- 5045 electronic cigarette products;
- 5046 (ii) is delivered by methods that engage students in storytelling and visualization;
- 5047 (iii) addresses the behavioral risk factors associated with underage drinking and use of
- 5048 electronic cigarette products; and
- 5049 (iv) provides practical tools to address the dangers of underage drinking and use of
- 5050 electronic cigarette products.
- 5051 (2) There is created the Underage Drinking and Substance Abuse Prevention Program
- 5052 that consists of:
- 5053 (a) a school-based prevention program for students in grade 4 or 5;
- 5054 (b) a school-based prevention program for students in grade 7 or 8; and
- 5055 (c) a school-based prevention program for students in grade 9 or 10 that increases
- 5056 awareness of the dangers of driving under the influence of alcohol.
- 5057 (3) (a) Beginning with the 2018-19 school year, an LEA shall offer the program each

5058 school year to each student in grade 7 or 8 and grade 9 or 10.

5059 (b) In addition to Subsection (3)(a), beginning with the 2020-21 school year, an LEA

5060 shall offer the program each school year to each student in grade 4 or 5.

5061 (c) An LEA shall select from the providers qualified by the state board under

5062 Subsection (6) to offer the program.

5063 (4) The state board shall administer the program with input from the advisory council.

5064 (5) There is created the Underage Drinking and Substance Abuse Prevention Program

5065 Advisory Council comprised of the following members:

5066 (a) the executive director of the Department of Alcoholic Beverage ~~Control~~ Services

5067 or the executive director's designee;

5068 (b) the executive director of the Department of Health or the executive director's

5069 designee;

5070 (c) the director of the Division of Substance Abuse and Mental Health or the director's

5071 designee;

5072 (d) the director of the Division of Child and Family Services or the director's designee;

5073 (e) the director of the Division of Juvenile Justice Services or the director's designee;

5074 (f) the state superintendent or the state superintendent's designee; and

5075 (g) two members of the state board, appointed by the chair of the state board.

5076 (6) (a) In accordance with Title 63G, Chapter 6a, Utah Procurement Code, the state

5077 board shall qualify one or more providers to provide the program to an LEA.

5078 (b) In selecting a provider described in Subsection (6)(a), the state board shall consider:

5079 (i) whether the provider's program complies with the requirements described in this

5080 section;

5081 (ii) the extent to which the provider's prevention program aligns with core standards for

5082 Utah public schools; and

5083 (iii) the provider's experience in providing a program that is effective.

5084 (7) (a) The state board shall use money from the Underage Drinking and Substance

5085 Abuse Prevention Program Restricted Account described in Section [53F-9-304](#) for the

5086 program.

5087 (b) The state board may use money from the Underage

Drinking Prevention Program

5088 Restricted Account to fund up to .5 of a full-time equivalent position to administer the

5089 program.

5090 (8) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

5091 state board shall make rules that:

5092 (a) beginning with the 2018-19 school year, require an LEA to offer the Underage

5093 Drinking and Substance Abuse Prevention Program each school year to each student in grade 7

5094 or 8 and grade 9 or 10;

5095 (b) beginning with the 2020-21 school year, require an LEA to offer the Underage

5096 Drinking and Substance Abuse Prevention Program each school year to each student in grade 4

5097 or 5; and

5098 (c) establish criteria for the state board to use in selecting a provider described in

5099 Subsection (6).

5100 Section 83. Section **59-1-403** is amended to read:

5101 **59-1-403. Confidentiality -- Exceptions -- Penalty --**

Application to property tax.

5102 (1) As used in this section:

5103 (a) "Distributed tax, fee, or charge" means a tax, fee, or charge:

5104 (i) the commission administers under:

5105 (A) this title, other than a tax under Chapter 12, Part 2, Local Sales and Use Tax Act;

5106 (B) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

5107 (C) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;

5108 (D) Section [19-6-805](#);

5109 (E) Section [63H-1-205](#); or

5110 (F) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service Charges;

5111 and

5112 (ii) with respect to which the commission distributes the revenue collected from the

5113 tax, fee, or charge to a qualifying jurisdiction.

5114 (b) "Qualifying jurisdiction" means:

5115 (i) a county, city, town, or metro township; or

5116 (ii) the military installation development authority created in Section [63H-1-201](#).

5117 (2) (a) Any of the following may not divulge or make known in any manner any

5118 information gained by that person from any return filed with the commission:

5119 (i) a tax commissioner;

- 5120 (ii) an agent, clerk, or other officer or employee of the commission; or
- 5121 (iii) a representative, agent, clerk, or other officer or employee of any county, city, or
- 5122 town.
- 5123 (b) An official charged with the custody of a return filed with the commission is not
- 5124 required to produce the return or evidence of anything contained in the return in any action or
- 5125 proceeding in any court, except:
-
- 5126 (i) in accordance with judicial order;
- 5127 (ii) on behalf of the commission in any action or proceeding under:
- 5128 (A) this title; or
- 5129 (B) other law under which persons are required to file returns with the commission;
- 5130 (iii) on behalf of the commission in any action or proceeding to which the commission
- 5131 is a party; or
- 5132 (iv) on behalf of any party to any action or proceeding under this title if the report or
- 5133 facts shown by the return are directly involved in the action or proceeding.
- 5134 (c) Notwithstanding Subsection (2)(b), a court may require the production of, and may
- 5135 admit in evidence, any portion of a return or of the facts shown by the return, as are specifically
- 5136 pertinent to the action or proceeding.
- 5137 (3) This section does not prohibit:
- 5138 (a) a person or that person's duly authorized representative from receiving a copy of
- 5139 any return or report filed in connection with that person's own tax;
- 5140 (b) the publication of statistics as long as the statistics are classified to prevent the
- 5141 identification of particular reports or returns; and
- 5142 (c) the inspection by the attorney general or other legal representative of the state of the
- 5143 report or return of any taxpayer:
- 5144 (i) who brings action to set aside or review a tax based on the report or return;
- 5145 (ii) against whom an action or proceeding is contemplated or has been instituted under
- 5146 this title; or
- 5147 (iii) against whom the state has an unsatisfied money judgment.
- 5148 (4) (a) Notwithstanding Subsection (2) and for purposes of administration, the
- 5149 commission may by rule, made in accordance with Title 63G, Chapter 3, Utah Administrative
- 5150 Rulemaking Act, provide for a reciprocal exchange of information with:
- 5151 (i) the United States Internal Revenue Service; or

5152 (ii) the revenue service of any other state.

5153 (b) Notwithstanding Subsection (2) and for all taxes except individual income tax and

5154 corporate franchise tax, the commission may by rule, made in accordance with Title 63G,

5155 Chapter 3, Utah Administrative Rulemaking Act, share information gathered from returns and

5156 other written statements with the federal government, any other state, any of the political

5157 subdivisions of another state, or any political subdivision of this state, except as limited by

5158 Sections [59-12-209](#) and [59-12-210](#), if the political subdivision, other state, or the federal

5159 government grant substantially similar privileges to this state.

5160 (c) Notwithstanding Subsection (2) and for all taxes except individual income tax and

5161 corporate franchise tax, the commission may by rule, in accordance with Title 63G, Chapter 3,

5162 Utah Administrative Rulemaking Act, provide for the issuance of information concerning the

5163 identity and other information of taxpayers who have failed to file tax returns or to pay any tax

5164 due.

5165 (d) Notwithstanding Subsection (2), the commission shall provide to the director of the

5166 Division of Environmental Response and Remediation, as defined in Section [19-6-402](#), as

5167 requested by the director of the Division of Environmental Response and Remediation, any

5168 records, returns, or other information filed with the commission under Chapter 13, Motor and

5169 Special Fuel Tax Act, or Section [19-6-410.5](#) regarding the environmental assurance program

5170 participation fee.

5171 (e) Notwithstanding Subsection (2), at the request of any person the commission shall

5172 provide that person sales and purchase volume data reported to the commission on a report,

5173 return, or other information filed with the commission under:

5174 (i) Chapter 13, Part 2, Motor Fuel; or

5175 (ii) Chapter 13, Part 4, Aviation Fuel.

5176 (f) Notwithstanding Subsection (2), upon request from a tobacco product manufacturer,

5177 as defined in Section [59-22-202](#), the commission shall report to the manufacturer:

5178 (i) the quantity of cigarettes, as defined in Section [59-22-202](#), produced by the

5179 manufacturer and reported to the commission for the previous calendar year under Section

5180 59-14-407; and

5181 (ii) the quantity of cigarettes, as defined in Section 59-22-202,
produced by the

5182 manufacturer for which a tax refund was granted during the
previous calendar year under

5183 Section 59-14-401 and reported to the commission under
Subsection 59-14-401(1)(a)(v).

5184 (g) Notwithstanding Subsection (2), the commission shall notify
manufacturers,

5185 distributors, wholesalers, and retail dealers of a tobacco product
manufacturer that is prohibited

5186 from selling cigarettes to consumers within the state under
Subsection 59-14-210(2).

5187 (h) Notwithstanding Subsection (2), the commission may:

5188 (i) provide to the Division of Consumer Protection within the
Department of

5189 Commerce and the attorney general data:

5190 (A) reported to the commission under Section 59-14-212; or

5191 (B) related to a violation under Section 59-14-211; and

5192 (ii) upon request, provide to any person data reported to the
commission under

5193 Subsections 59-14-212(1)(a) through (c) and Subsection 59-14-
212(1)(g).

5194 (i) Notwithstanding Subsection (2), the commission shall, at the
request of a committee

5195 of the Legislature, the Office of the Legislative Fiscal Analyst, or
the Governor's Office of

5196 Planning and Budget, provide to the committee or office the total
amount of revenues collected

5197 by the commission under Chapter 24, Radioactive Waste Facility
Tax Act, for the time period

5198 specified by the committee or office.

5199 (j) Notwithstanding Subsection (2), the commission shall make
the directory required

5200 by Section 59-14-603 available for public inspection.

5201 (k) Notwithstanding Subsection (2), the commission may share
information with

5202 federal, state, or local agencies as provided in Subsection 59-14-
606(3).

5203 (l) (i) Notwithstanding Subsection (2), the commission shall
provide the Office of

5204 Recovery Services within the Department of Human Services any
relevant information

5205 obtained from a return filed under Chapter 10, Individual Income
Tax Act, regarding a taxpayer

5206 who has become obligated to the Office of Recovery Services.

5207 (ii) The information described in Subsection (4)(l)(i) may be

provided by the Office of
5208 Recovery Services to any other state's child support collection
agency involved in enforcing
5209 that support obligation.

5210 (m) (i) Notwithstanding Subsection (2), upon request from the
state court
5211 administrator, the commission shall provide to the state court
administrator, the name, address,
5212 telephone number, county of residence, and social security number
on resident returns filed
5213 under Chapter 10, Individual Income Tax Act.
5214 (ii) The state court administrator may use the information
described in Subsection
5215 (4)(m)(i) only as a source list for the master jury list described in
Section [78B-1-106](#).
5216 (n) (i) As used in this Subsection (4)(n):
5217 (A) "GO Utah office" means the Governor's Office of Economic
Opportunity created in
5218 Section [63N-1a-301](#).
5219 (B) "Income tax information" means information gained by the
commission that is
5220 required to be attached to or included in a return filed with the
commission under Chapter 7,
5221 Corporate Franchise and Income Taxes, or Chapter 10, Individual
Income Tax Act.
5222 (C) "Other tax information" means information gained by the
commission that is
5223 required to be attached to or included in a return filed with the
commission except for a return
5224 filed under Chapter 7, Corporate Franchise and Income Taxes, or
Chapter 10, Individual
5225 Income Tax Act.
5226 (D) "Tax information" means income tax information or other tax
information.
5227 (ii) (A) Notwithstanding Subsection (2) and except as provided
in Subsection
5228 (4)(n)(ii)(B) or (C), the commission shall at the request of the GO
Utah office provide to the
5229 GO Utah office all income tax information.
5230 (B) For purposes of a request for income tax information made
under Subsection
5231 (4)(n)(ii)(A), the GO Utah office may not request and the
commission may not provide to the
5232 GO Utah office a person's address, name, social security number,
or taxpayer identification
5233 number.
5234 (C) In providing income tax information to the GO Utah office,
the commission shall
5235 in all instances protect the privacy of a person as required by
Subsection (4)(n)(ii)(B).

5236 (iii) (A) Notwithstanding Subsection (2) and except as provided
in Subsection

5237 (4)(n)(iii)(B), the commission shall at the request of the GO Utah
office provide to the GO

5238 Utah office other tax information.

5239 (B) Before providing other tax information to the GO Utah office,
the commission

5240 shall redact or remove any name, address, social security number,
or taxpayer identification

5241 number.

5242 (iv) The GO Utah office may provide tax information received
from the commission in

5243 accordance with this Subsection (4)(n) only:

5244 (A) as a fiscal estimate, fiscal note information, or statistical
information; and

5245 (B) if the tax information is classified to prevent the identification
of a particular

5246 return.

5247 (v) (A) A person may not request tax information from the GO
Utah office under Title

5248 63G, Chapter 2, Government Records Access and Management
Act, or this section, if the GO

5249 Utah office received the tax information from the commission in
accordance with this

5250 Subsection (4)(n).

5251 (B) The GO Utah office may not provide to a person that
requests tax information in

5252 accordance with Subsection (4)(n)(v)(A) any tax information other
than the tax information the

5253 GO Utah office provides in accordance with Subsection (4)(n)(iv).

5254 (o) Notwithstanding Subsection (2), the commission may
provide to the governing

5255 board of the agreement or a taxing official of another state, the
District of Columbia, the United

5256 States, or a territory of the United States:

5257 (i) the following relating to an agreement sales and use tax:

5258 (A) information contained in a return filed with the commission;

5259 (B) information contained in a report filed with the commission;

5260 (C) a schedule related to Subsection (4)(o)(i)(A) or (B); or

5261 (D) a document filed with the commission; or

5262 (ii) a report of an audit or investigation made with respect to an
agreement sales and

5263 use tax.

5264 (p) Notwithstanding Subsection (2), the commission may
provide information

5265 concerning a taxpayer's state income tax return or state income tax
withholding information to

5266 the Driver License Division if the Driver License Division:

5267 (i) requests the information; and

5268 (ii) provides the commission with a signed release form from the

taxpayer allowing the

5269 Driver License Division access to the information.

5270 (q) Notwithstanding Subsection (2), the commission shall provide to the Utah

5271 Communications Authority, or a division of the Utah Communications Authority, the

5272 information requested by the authority under Sections [63H-7a-302](#), [63H-7a-402](#), and

5273 [63H-7a-502](#).

5274 (r) Notwithstanding Subsection (2), the commission shall provide to the Utah

5275 Educational Savings Plan information related to a resident or nonresident individual's

5276 contribution to a Utah Educational Savings Plan account as designated on the resident or

5277 nonresident's individual income tax return as provided under Section [59-10-1313](#).

5278 (s) Notwithstanding Subsection (2), for the purpose of verifying eligibility under

5279 Sections [26-18-2.5](#) and [26-40-105](#), the commission shall provide an eligibility worker with the

5280 Department of Health or its designee with the adjusted gross income of an individual if:

5281 (i) an eligibility worker with the Department of Health or its designee requests the

5282 information from the commission; and

5283 (ii) the eligibility worker has complied with the identity verification and consent

5284 provisions of Sections [26-18-2.5](#) and [26-40-105](#).

5285 (t) Notwithstanding Subsection (2), the commission may provide to a county, as

5286 determined by the commission, information declared on an individual income tax return in

5287 accordance with Section [59-10-103.1](#) that relates to eligibility to claim a residential exemption

5288 authorized under Section [59-2-103](#).

5289 (u) Notwithstanding Subsection (2), the commission shall provide a report regarding

5290 any access line provider that is over 90 days delinquent in payment to the commission of

5291 amounts the access line provider owes under Title 69, Chapter 2, Part 4, Prepaid Wireless

5292 Telecommunications Service Charges, to the board of the Utah Communications Authority

5293 created in Section [63H-7a-201](#).

5294 (v) Notwithstanding Subsection (2), the commission shall provide the Department of

5295 Environmental Quality a report on the amount of tax paid by a

radioactive waste facility for the

5296 previous calendar year under Section [59-24-103.5](#).

5297 (w) Notwithstanding Subsection (2), the commission may, upon request, provide to the

5298 Department of Workforce Services any information received under Chapter 10, Part 4,

5299 Withholding of Tax, that is relevant to the duties of the Department of Workforce Services.

5300 (x) Notwithstanding Subsection (2), the commission may provide the Public Service

5301 Commission or the Division of Public Utilities information related to a seller that collects and

5302 remits to the commission a charge described in Subsection [69-2-405\(2\)](#), including the seller's

5303 identity and the number of charges described in Subsection [69-2-405\(2\)](#) that the seller collects.

5304 (y) (i) Notwithstanding Subsection (2), the commission shall provide to each qualifying

5305 jurisdiction the collection data necessary to verify the revenue collected by the commission for

5306 a distributed tax, fee, or charge collected within the qualifying jurisdiction.

5307 (ii) In addition to the information provided under Subsection (4) (y)(i), the commission

5308 shall provide a qualifying jurisdiction with copies of returns and other information relating to a

5309 distributed tax, fee, or charge collected within the qualifying jurisdiction.

5310 (iii) (A) To obtain the information described in Subsection (4)(y) (ii), the chief

5311 executive officer or the chief executive officer's designee of the qualifying jurisdiction shall

5312 submit a written request to the commission that states the specific information sought and how

5313 the qualifying jurisdiction intends to use the information.

5314 (B) The information described in Subsection (4)(y)(ii) is available only in official

5315 matters of the qualifying jurisdiction.

5316 (iv) Information that a qualifying jurisdiction receives in response to a request under

5317 this subsection is:

5318 (A) classified as a private record under Title 63G, Chapter 2, Government Records

5319 Access and Management Act; and

5320 (B) subject to the confidentiality requirements of this section.

5321 (z) Notwithstanding Subsection (2), the commission shall provide the Alcoholic

5322 Beverage ~~[Control]~~ Services Commission, upon request, with taxpayer status information

5323 related to state tax obligations necessary to comply with the requirements described in Section

5324 [32B-1-203](#).

5325 (5) (a) Each report and return shall be preserved for at least three years.

5326 (b) After the three-year period provided in Subsection (5)(a) the commission may

5327 destroy a report or return.

5328 (6) (a) Any individual who violates this section is guilty of a class A misdemeanor.

5329 (b) If the individual described in Subsection (6)(a) is an officer or employee of the

5330 state, the individual shall be dismissed from office and be disqualified from holding public

5331 office in this state for a period of five years thereafter.

5332 (c) Notwithstanding Subsection (6)(a) or (b), the GO Utah office, when requesting

5333 information in accordance with Subsection (4)(n)(iii), or an individual who requests

5334 information in accordance with Subsection (4)(n)(v):

5335 (i) is not guilty of a class A misdemeanor; and

5336 (ii) is not subject to:

5337 (A) dismissal from office in accordance with Subsection (6)(b); or

5338 (B) disqualification from holding public office in accordance with Subsection (6)(b).

5339 (7) Except as provided in Section [59-1-404](#), this part does not apply to the property tax.

5340 Section 84. Section **59-15-108** is amended to read:

5341 **59-15-108. Construction and equipment of establishments.**

5342 No brewery or other establishment may be constructed or equipped in a manner which

5343 facilitates any breach of this chapter or the rules of the Alcoholic Beverage ~~Control~~ Services

5344 Commission or State Tax Commission. Any structure or equipment in violation of this section

5345 shall be removed by order of the Alcoholic Beverage Control Commission or the State Tax

5346 Commission.

5347 Section 85. Section **62A-1-121** is amended to read:

5348 **62A-1-121. Tracking effects of abuse of alcoholic products.**

5349 (1) There is created a committee within the department known as the "Alcohol Abuse

5350 Tracking Committee" that consists of:

5351 (a) the executive director or the executive director's designee;

5352 (b) the executive director of the Department of Health or that executive director's

5353 designee;

5354 (c) the commissioner of the Department of Public Safety or the

commissioner's
5355 designee;
5356 (d) the director of the Department of Alcoholic Beverage
[Control] Services or that
5357 director's designee;
5358 (e) the executive director of the Department of Workforce
Services or that executive
5359 director's designee;
5360 (f) the chair of the Utah Substance Use and Mental Health
Advisory Council or the
5361 chair's designee;
5362 (g) the state court administrator or the state court
administrator's designee; and
5363 (h) the director of the Division of Technology Services or that
director's designee.
5364 (2) The executive director or the executive director's designee
shall chair the
5365 committee.
5366 (3) (a) Four members of the committee constitute a quorum.
5367 (b) A vote of the majority of the committee members present
when a quorum is present
5368 is an action of the committee.
5369 (4) The committee shall meet at the call of the chair, except that
the chair shall call a
5370 meeting at least twice a year:
5371 (a) with one meeting held each year to develop the report
required under Subsection
5372 (7); and
5373 (b) with one meeting held to review and finalize the report
before the report is issued.
5374 (5) The committee may adopt additional procedures or
requirements for:
5375 (a) voting, when there is a tie of the committee members;
5376 (b) how meetings are to be called; and
5377 (c) the frequency of meetings.

5378 (6) The committee shall establish a process to collect for each
calendar year the
5379 following information:
5380 (a) the number of individuals statewide who are convicted of,
plead guilty to, plead no
5381 contest to, plead guilty in a similar manner to, or resolve by
diversion or its equivalent to a
5382 violation related to underage drinking of alcohol;
5383 (b) the number of individuals statewide who are convicted of,
plead guilty to, plead no
5384 contest to, plead guilty in a similar manner to, or resolve by
diversion or its equivalent to a
5385 violation related to driving under the influence of alcohol;
5386 (c) the number of violations statewide of Title 32B, Alcoholic
Beverage Control Act,
5387 related to over-serving or over-consumption of an alcoholic

product;

5388 (d) the cost of social services provided by the state related to
abuse of alcohol,

5389 including services provided by the Division of Child and Family
Services;

5390 (e) the location where the alcoholic products that result in the
violations or costs

5391 described in Subsections (6)(a) through (d) are obtained; and

5392 (f) any information the committee determines can be collected
and relates to the abuse

5393 of alcoholic products.

5394 (7) The committee shall report the information collected under
Subsection (6) annually

5395 to the governor and the Legislature by no later than the July 1
immediately following the

5396 calendar year for which the information is collected.

5397 Section 86. Section **62A-15-401** is amended to read:

5398 **62A-15-401. Alcohol training and education seminar.**

5399 (1) As used in this part:

5400 (a) "Instructor" means a person that directly provides the
instruction during an alcohol

5401 training and education seminar for a seminar provider.

5402 (b) "Licensee" means a person who is:

5403 (i) (A) a new or renewing licensee under Title 32B, Alcoholic
Beverage Control Act;

5404 and

5405 (B) engaged in the retail sale of an alcoholic product for
consumption on the premises

5406 of the licensee; or

5407 (ii) a business that is:

5408 (A) a new or renewing licensee licensed by a city, town, or
county; and

5409 (B) engaged in the retail sale of beer for consumption off the
premises of the licensee.

5410 (c) "Off-premise beer retailer" is as defined in Section [32B-1-
102](#).

5411 (d) "Seminar provider" means a person other than the division
who provides an alcohol

5412 training and education seminar meeting the requirements of this
section.

5413 (2) (a) This section applies to:

5414 (i) a retail manager as defined in Section [32B-1-701](#);

5415 (ii) retail staff as defined in Section [32B-1-701](#); and

5416 (iii) an individual who, as defined by division rule:

5417 (A) directly supervises the sale of beer to a customer for
consumption off the premises

5418 of an off-premise beer retailer; or

5419 (B) sells beer to a customer for consumption off the premises of
an off-premise beer

5420 retailer.

5421 (b) If the individual does not have a valid record that the individual has completed an

5422 alcohol training and education seminar, an individual described in Subsection (2)(a) shall:

5423 (i) (A) complete an alcohol training and education seminar within 30 days of the

5424 following if the individual is described in Subsection (2)(a)(i) or (ii):

5425 (I) if the individual is an employee, the day the individual begins employment;

5426 (II) if the individual is an independent contractor, the day the individual is first hired;

5427 or

5428 (III) if the individual holds an ownership interest in the licensee, the day that the

5429 individual first engages in an activity that would result in that individual being required to

5430 complete an alcohol training and education seminar; or

5431 (B) complete an alcohol training and education seminar within the time periods

5432 specified in Subsection [32B-1-703\(1\)](#) if the individual is described in Subsection (2)(a)(iii)(A)

5433 or (B); and

5434 (ii) pay a fee:

5435 (A) to the seminar provider; and

5436 (B) that is equal to or greater than the amount established under Subsection (4)(h).

5437 (c) An individual shall have a valid record that the individual completed an alcohol

5438 training and education seminar within the time period provided in this Subsection (2) to engage

5439 in an activity described in Subsection (2)(a).

5440 (d) A record that an individual has completed an alcohol training and education

5441 seminar is valid for:

5442 (i) three years from the day on which the record is issued for an individual described in

5443 Subsection (2)(a)(i) or (ii); and

5444 (ii) five years from the day on which the record is issued for an individual described in

5445 Subsection (2)(a)(iii)(A) or (B).

5446 (e) On and after July 1, 2011, to be considered as having completed an alcohol training

5447 and education seminar, an individual shall:

5448 (i) attend the alcohol training and education seminar and take any test required to

5449 demonstrate completion of the alcohol training and education seminar in the physical presence

5450 of an instructor of the seminar provider; or

5451 (ii) complete the alcohol training and education seminar and

take any test required to

5452 demonstrate completion of the alcohol training and education seminar through an online course

5453 or testing program that meets the requirements described in Subsection (2)(f).

5454 (f) The division shall by rule made in accordance with Title 63G, Chapter 3, Utah

5455 Administrative Rulemaking Act, establish one or more requirements for an online course or

5456 testing program described in Subsection (2)(e) that are designed to inhibit fraud in the use of

5457 the online course or testing program. In developing the requirements by rule the division shall

5458 consider whether to require:

5459 (i) authentication that the an individual accurately identifies the individual as taking the

5460 online course or test;

5461 (ii) measures to ensure that an individual taking the online course or test is focused on

5462 training material throughout the entire training period;

5463 (iii) measures to track the actual time an individual taking the online course or test is

5464 actively engaged online;

5465 (iv) a seminar provider to provide technical support, such as requiring a telephone

5466 number, email, or other method of communication that allows an individual taking the online

5467 course or test to receive assistance if the individual is unable to participate online because of

5468 technical difficulties;

5469 (v) a test to meet quality standards, including randomization of test questions and

5470 maximum time limits to take a test;

5471 (vi) a seminar provider to have a system to reduce fraud as to who completes an online

5472 course or test, such as requiring a distinct online certificate with information printed on the

5473 certificate that identifies the person taking the online course or test, or requiring measures to

5474 inhibit duplication of a certificate;

5475 (vii) measures for the division to audit online courses or tests;

5476 (viii) measures to allow an individual taking an online course or test to provide an

5477 evaluation of the online course or test;

5478 (ix) a seminar provider to track the Internet protocol address or similar electronic

5479 location of an individual who takes an online course or test;

5480 (x) an individual who takes an online course or test to use an e-signature; or

5481 (xi) a seminar provider to invalidate a certificate if the seminar provider learns that the

5482 certificate does not accurately reflect the individual who took the online course or test.

5483 (3) (a) A licensee may not permit an individual who is not in compliance with

5484 Subsection (2) to:

5485 (i) serve or supervise the serving of an alcoholic product to a customer for

5486 consumption on the premises of the licensee;

5487 (ii) engage in any activity that would constitute managing operations at the premises of

5488 a licensee that engages in the retail sale of an alcoholic product for consumption on the

5489 premises of the licensee;

5490 (iii) directly supervise the sale of beer to a customer for consumption off the premises

5491 of an off-premise beer retailer; or

5492 (iv) sell beer to a customer for consumption off the premises of an off-premise beer

5493 retailer.

5494 (b) A licensee that violates Subsection (3)(a) is subject to Section [32B-1-702](#).

5495 (4) The division shall:

5496 (a) (i) provide alcohol training and education seminars; or

5497 (ii) certify one or more seminar providers;

5498 (b) establish the curriculum for an alcohol training and education seminar that includes

5499 the following subjects:

5500 (i) (A) alcohol as a drug; and

5501 (B) alcohol's effect on the body and behavior;

5502 (ii) recognizing the problem drinker or signs of intoxication;

5503 (iii) an overview of state alcohol laws related to responsible beverage sale or service,

5504 as determined in consultation with the Department of Alcoholic Beverage ~~Control~~ Services;

5505 (iv) dealing with the problem customer, including ways to terminate sale or service;

5506 and

5507 (v) for those supervising or engaging in the retail sale of an alcoholic product for

5508 consumption on the premises of a licensee, alternative means of transportation to get the

5509 customer safely home;

5510 (c) recertify each seminar provider every three years;

5511 (d) monitor compliance with the curriculum described in Subsection (4)(b);

5512 (e) maintain for at least five years a record of every person who has completed an

5513 alcohol training and education seminar;

5514 (f) provide the information described in Subsection (4)(e) on request to:

5515 (i) the Department of Alcoholic Beverage [~~Control~~] Services;
5516 (ii) law enforcement; or
5517 (iii) a person licensed by the state or a local government to sell
an alcoholic product;

5518 (g) provide the Department of Alcoholic Beverage [~~Control~~] Services on request a list
5519 of any seminar provider certified by the division; and
5520 (h) establish a fee amount for each person attending an alcohol
training and education
5521 seminar that is sufficient to offset the division's cost of
administering this section.
5522 (5) The division shall by rule made in accordance with Title 63G,
Chapter 3, Utah
5523 Administrative Rulemaking Act:
5524 (a) define what constitutes under this section an individual who:
5525 (i) manages operations at the premises of a licensee engaged
in the retail sale of an
5526 alcoholic product for consumption on the premises of the licensee;
5527 (ii) supervises the serving of an alcoholic product to a customer
for consumption on the
5528 premises of a licensee;
5529 (iii) serves an alcoholic product to a customer for consumption
on the premises of a
5530 licensee;
5531 (iv) directly supervises the sale of beer to a customer for
consumption off the premises
5532 of an off-premise beer retailer; or
5533 (v) sells beer to a customer for consumption off the premises of
an off-premise beer
5534 retailer;
5535 (b) establish criteria for certifying and recertifying a seminar
provider; and
5536 (c) establish guidelines for the manner in which an instructor
provides an alcohol
5537 education and training seminar.
5538 (6) A seminar provider shall:
5539 (a) obtain recertification by the division every three years;
5540 (b) ensure that an instructor used by the seminar provider:
5541 (i) follows the curriculum established under this section; and
5542 (ii) conducts an alcohol training and education seminar in
accordance with the
5543 guidelines established by rule;
5544 (c) ensure that any information provided by the seminar
provider or instructor of a
5545 seminar provider is consistent with:

5546 (i) the curriculum established under this section; and
5547 (ii) this section;
5548 (d) provide the division with the names of all persons who
complete an alcohol training
5549 and education seminar provided by the seminar provider;

5550 (e) (i) collect a fee for each person attending an alcohol training and education seminar

5551 in accordance with Subsection (2); and

5552 (ii) forward to the division the portion of the fee that is equal to the amount described

5553 in Subsection (4)(h); and

5554 (f) issue a record to an individual that completes an alcohol training and education

5555 seminar provided by the seminar provider.

5556 (7) (a) If after a hearing conducted in accordance with Title 63G, Chapter 4,

5557 Administrative Procedures Act, the division finds that a seminar provider violates this section

5558 or that an instructor of the seminar provider violates this section, the division may:

5559 (i) suspend the certification of the seminar provider for a period not to exceed 90 days;

5560 (ii) revoke the certification of the seminar provider;

5561 (iii) require the seminar provider to take corrective action regarding an instructor; or

5562 (iv) prohibit the seminar provider from using an instructor until such time that the

5563 seminar provider establishes to the satisfaction of the division that the instructor is in

5564 compliance with Subsection (6)(b).

5565 (b) The division may certify a seminar provider whose certification is revoked:

5566 (i) no sooner than 90 days from the date the certification is revoked; and

5567 (ii) if the seminar provider establishes to the satisfaction of the division that the

5568 seminar provider will comply with this section.

5569 Section 87. Section **63A-17-502** is amended to read:

5570 **63A-17-502. Overtime policies for state employees.**

5571 (1) As used in this section:

5572 (a) "Accrued overtime hours" means:

5573 (i) for nonexempt employees, overtime hours earned during a fiscal year that, at the end

5574 of the fiscal year, have not been paid and have not been taken as time off by the nonexempt

5575 state employee who accrued them; and

5576 (ii) for exempt employees, overtime hours earned during an overtime year.

5577 (b) "Appointed official" means:

5578 (i) each department executive director and deputy director, each division director, and

5579 each member of a board or commission; and

5580 (ii) any other person employed by a department who is appointed by, or whose

5581 appointment is required by law to be approved by, the governor

and who:

5582 (A) is paid a salary by the state; and

5583 (B) who exercises managerial, policy-making, or advisory responsibility.

5584 (c) "Department" means the Department of Government Operations, the Department of

5585 Corrections, the Department of Financial Institutions, the Department of Alcoholic Beverage

5586 ~~Control~~ Services, the Insurance Department, the Public Service Commission, the Labor

5587 Commission, the Department of Agriculture and Food, the Department of Human Services, the

5588 Department of Natural Resources, the Department of Transportation, the Department of

5589 Commerce, the Department of Workforce Services, the State Tax Commission, the Department

5590 of Cultural and Community Engagement, the Department of Health, the National Guard, the

5591 Department of Environmental Quality, the Department of Public Safety, the Commission on

5592 Criminal and Juvenile Justice, all merit employees except attorneys in the Office of the

5593 Attorney General, merit employees in the Office of the State Treasurer, merit employees in the

5594 Office of the State Auditor, Department of Veterans and Military Affairs, and the Board of

5595 Pardons and Parole.

5596 (d) "Elected official" means any person who is an employee of the state because the

5597 person was elected by the registered voters of Utah to a position in state government.

5598 (e) "Exempt employee" means a state employee who is exempt as defined by the Fair

5599 Labor Standards Act of 1978, 29 U.S.C. Sec. 201 et seq.

5600 (f) "FLSA" means the Fair Labor Standards Act of 1978, 29 U.S.C. Sec. 201 et seq.

5601 (g) "FLSA agreement" means the agreement authorized by the Fair Labor Standards

5602 Act of 1978, 29 U.S.C. Sec. 201 et seq., by which a nonexempt employee elects the form of

5603 compensation the nonexempt employee will receive for overtime.

5604 (h) "Nonexempt employee" means a state employee who is nonexempt as defined by

5605 the division applying FLSA requirements.

5606 (i) "Overtime" means actual time worked in excess of the employee's defined work

5607 period.

5608 (j) "Overtime year" means the year determined by a department under Subsection

5609 (4)(b) at the end of which an exempt employee's accrued overtime lapses.

5610 (k) "State employee" means every person employed by a
department who is not:

5611 (i) an appointed official;

5612 (ii) an elected official; or

5613 (iii) a member of a board or commission who is paid only for per
diem or travel

5614 expenses.

5615 (l) "Uniform annual date" means the date when an exempt
employee's accrued

5616 overtime lapses.

5617 (m) "Work period" means:

5618 (i) for all nonexempt employees, except law enforcement and
hospital employees, a

5619 consecutive seven day 24 hour work period of 40 hours;

5620 (ii) for all exempt employees, a 14 day, 80 hour payroll cycle;
and

5621 (iii) for nonexempt law enforcement and hospital employees, the
period established by

5622 each department by rule for those employees according to the
requirements of the Fair Labor

5623 Standards Act of 1978, 29 U.S.C. Sec. 201 et seq.

5624 (2) Each department shall compensate each state employee
who works overtime by

5625 complying with the requirements of this section.

5626 (3) (a) Each department shall negotiate and obtain a signed
FLSA agreement from each

5627 nonexempt employee.

5628 (b) In the FLSA agreement, the nonexempt employee shall elect
either to be

5629 compensated for overtime by:

5630 (i) taking time off work at the rate of one and one-half hour off
for each overtime hour

5631 worked; or

5632 (ii) being paid for the overtime worked at the rate of one and
one-half times the rate per

5633 hour that the state employee receives for nonovertime work.

5634 (c) Any nonexempt employee who elects to take time off under
this Subsection (3)

5635 shall be paid for any overtime worked in excess of the cap
established by the division.

5636 (d) Before working any overtime, each nonexempt employee
shall obtain authorization

5637 to work overtime from the employee's immediate supervisor.

5638 (e) Each department shall:

5639 (i) for employees who elect to be compensated with time off for
overtime, allow

5640 overtime earned during a fiscal year to be accumulated; and

5641 (ii) for employees who elect to be paid for overtime worked, pay
them for overtime

5642 worked in the paycheck for the pay period in which the employee
worked the overtime.

5643 (f) If a department pays a nonexempt employee for overtime,
that department shall
5644 charge that payment to that department's budget.
5645 (g) At the end of each fiscal year, the Division of Finance shall
total all the accrued
5646 overtime hours for nonexempt employees and charge that total
against the appropriate fund or
5647 subfund.
5648 (4) (a) (i) Except as provided in Subsection (4)(a)(ii), each
department shall
5649 compensate exempt employees who work overtime by granting
them time off at the rate of one
5650 hour off for each hour of overtime worked.
5651 (ii) The director of the division may grant limited exceptions to
this requirement,
5652 where work circumstances dictate, by authorizing a department to
pay employees for overtime
5653 worked at the rate per hour that the employee receives for
nonovertime work, if that department
5654 has funds available.
5655 (b) (i) Each department shall:
5656 (A) establish in its written human resource policies a uniform
annual date for each
5657 division that is at the end of any pay period; and

5658 (B) communicate the uniform annual date to its employees.
5659 (ii) If any department fails to establish a uniform annual date as
required by this
5660 Subsection (4), the director of the division, in conjunction with the
director of the Division of
5661 Finance, shall establish the date for that department.
5662 (c) (i) Any overtime earned under this Subsection (4) is not an
entitlement, is not a
5663 benefit, and is not a vested right.
5664 (ii) A court may not construe the overtime for exempt
employees authorized by this
5665 Subsection (4) as an entitlement, a benefit, or as a vested right.
5666 (d) At the end of the overtime year, upon transfer to another
department at any time,
5667 and upon termination, retirement, or other situations where the
employee will not return to
5668 work before the end of the overtime year:
5669 (i) any of an exempt employee's overtime that is more than the
maximum established
5670 by division rule lapses; and
5671 (ii) unless authorized by the director of the division under
Subsection (4)(a)(ii), a
5672 department may not compensate the exempt employee for that
lapsed overtime by paying the
5673 employee for the overtime or by granting the employee time off for
the lapsed overtime.
5674 (e) Before working any overtime, each exempt employee shall

obtain authorization to
5675 work overtime from the exempt employee's immediate supervisor.
5676 (f) If a department pays an exempt employee for overtime under
authorization from the
5677 director of the division, that department shall charge that payment
to that department's budget
5678 in the pay period earned.
5679 (5) The division shall:
5680 (a) ensure that the provisions of the FLSA and this section are
implemented throughout
5681 state government;
5682 (b) determine, for each state employee, whether that employee
is exempt, nonexempt,
5683 law enforcement, or has some other status under the FLSA;
5684 (c) in coordination with modifications to the systems operated
by the Division of
5685 Finance, make rules:

5686 (i) establishing procedures for recording overtime worked that
comply with FLSA
5687 requirements;
5688 (ii) establishing requirements governing overtime worked while
traveling and
5689 procedures for recording that overtime that comply with FLSA
requirements;
5690 (iii) establishing requirements governing overtime worked if the
employee is "on call"
5691 and procedures for recording that overtime that comply with FLSA
requirements;
5692 (iv) establishing requirements governing overtime worked while
an employee is being
5693 trained and procedures for recording that overtime that comply with
FLSA requirements;
5694 (v) subject to the FLSA, establishing the maximum number of
hours that a nonexempt
5695 employee may accrue before a department is required to pay the
employee for the overtime
5696 worked;
5697 (vi) subject to the FLSA, establishing the maximum number of
overtime hours for an
5698 exempt employee that do not lapse; and
5699 (vii) establishing procedures for adjudicating appeals of any
FLSA determinations
5700 made by the division as required by this section;
5701 (d) monitor departments for compliance with the FLSA; and
5702 (e) recommend to the Legislature and the governor any
statutory changes necessary
5703 because of federal government action.
5704 (6) (a) In coordination with the procedures for recording
overtime worked established
5705 in rule by the division, the Division of Finance shall modify its
payroll and human resource

5706 systems to accommodate those procedures.
5707 (b) Notwithstanding the procedures and requirements of Title
5708 63G, Chapter 4,
5709 Administrative Procedures Act, Section 63A-17-602, and Section
5710 67-19a-301, any employee
5711 who is aggrieved by the FLSA designation made by the division as
5712 required by this section may
5713 appeal that determination to the director of the division by following
5714 the procedures and
5715 requirements established in division rule.
5716 (c) Upon receipt of an appeal under this section, the director
5717 shall notify the executive
5718 director of the employee's department that the appeal has been
5719 filed.

5714 (d) If the employee is aggrieved by the decision of the director,
5715 the employee shall
5716 appeal that determination to the Department of Labor, Wage and
5717 Hour Division, according to
5718 the procedures and requirements of federal law.
5719 Section 88. Section **63A-17-807** is amended to read:
5720 **63A-17-807. Department award program.**
5721 (1) As used in this section:
5722 (a) "Department" means the Department of Government
5723 Operations, the Department of
5724 Agriculture and Food, the Department of Alcoholic Beverage
5725 [~~Control~~] Services, the
5726 Department of Commerce, the Department of Cultural and
5727 Community Engagement, the
5728 Department of Corrections, the Department of Workforce Services,
5729 the Department of
5730 Environmental Quality, the Department of Financial Institutions, the
5731 Department of Health, the
5732 Department of Human Services, the Insurance Department, the
5733 National Guard, the Department
5734 of Natural Resources, the Department of Public Safety, the Public
5735 Service Commission, the
5736 Labor Commission, the State Board of Education, the Utah Board
5737 of Higher Education, the
5738 State Tax Commission, and the Department of Transportation.
5739 (b) "Department head" means the individual or body of
5740 individuals in whom the
5741 ultimate legal authority of the department is vested by law.
5742 (2) There is created a department awards program to award an
5743 outstanding employee in
5744 each department of state government.
5745 (3) (a) On or before April 1 of each year, each department head
5746 shall solicit
5747 nominations for outstanding employee of the year for that
5748 department from the employees in
5749 that department.

5736 (b) On or before July 1 of each year, the department head shall:

5737 (i) select a person from the department to receive the

outstanding employee of the year

5738 award using the criteria established in Subsection (3)(c); and

5739 (ii) announce the recipient of the award to the employees of the department.

5740 (c) Department heads shall make the award to an employee who demonstrates:

5741 (i) extraordinary competence in performing the employee's function;

5742 (ii) creativity in identifying problems and devising workable, cost-effective solutions;

5743 (iii) excellent relationships with the public and other employees;

5744 (iv) a commitment to serving the public as the client; and

5745 (v) a commitment to economy and efficiency in government.

5746 (4) (a) The division shall divide any appropriation for outstanding department

5747 employee awards that the division receives from the Legislature equally among the

5748 departments.

5749 (b) If a department receives money from the division or if a department budget allows,

5750 that department head shall provide the employee with a bonus, a plaque, or some other suitable

5751 acknowledgement of the award.

5752 (5) (a) A department head may name the award after an exemplary present or former

5753 employee of the department.

5754 (b) A department head may not name the award for oneself or for any relative as

5755 defined in Section [52-3-1](#).

5756 Section 89. Section **63B-3-301** is amended to read:

5757 **63B-3-301. Legislative intent -- Additional projects.**

5758 (1) It is the intent of the Legislature that, for any lease purchase agreement that the

5759 Legislature may authorize the Division of Facilities Construction and Management to enter into

5760 during its 1994 Annual General Session, the State Building Ownership Authority, at the

5761 reasonable rates and amounts it may determine, and with technical assistance from the state

5762 treasurer, the director of the Division of Finance, and the executive director of the Governor's

5763 Office of Planning and Budget, may seek out the most cost effective and prudent lease

5764 purchase plans available to the state and may, pursuant to Chapter 1, Part 3, State Building

5765 Ownership Authority Act, certificate out interests in, or obligations of the authority pertaining

5766 to:

5767 (a) the lease purchase obligation; or
5768 (b) lease rental payments under the lease purchase obligation.
5769 (2) It is the intent of the Legislature that the Department of
Transportation dispose of

5770 surplus real properties and use the proceeds from those properties
to acquire or construct

5771 through the Division of Facilities Construction and Management a
new District Two Complex.

5772 (3) It is the intent of the Legislature that the State Building
Board allocate funds from

5773 the Capital Improvement appropriation and donations to cover
costs associated with the

5774 upgrade of the Governor's Residence that go beyond the
restoration costs which can be covered

5775 by insurance proceeds.

5776 (4) (a) It is the intent of the Legislature to authorize the State
Building Ownership

5777 Authority under authority of Chapter 1, Part 3, State Building
Ownership Authority Act, to

5778 issue or execute obligations or enter into or arrange for a lease
purchase agreement in which

5779 participation interests may be created, to provide up to
\$10,600,000 for the construction of a

5780 Natural Resources Building in Salt Lake City, together with
additional amounts necessary to:

5781 (i) pay costs of issuance;

5782 (ii) pay capitalized interest; and

5783 (iii) fund any debt service reserve requirements.

5784 (b) It is the intent of the Legislature that the authority seek out
the most cost effective

5785 and prudent lease purchase plan available with technical
assistance from the state treasurer, the

5786 director of the Division of Finance, and the executive director of the
Governor's Office of

5787 Planning and Budget.

5788 (c) It is the intent of the Legislature that the operating budget for
the Department of

5789 Natural Resources not be increased to fund these lease payments.

5790 (5) (a) It is the intent of the Legislature to authorize the State
Building Ownership

5791 Authority under authority of Chapter 1, Part 3, State Building
Ownership Authority Act, to

5792 issue or execute obligations or enter into or arrange for a lease
purchase agreement in which

5793 participation interests may be created, to provide up to \$8,300,000
for the acquisition of the

5794 office buildings currently occupied by the Department of
Environmental Quality and

5795 approximately 19 acres of additional vacant land at the Airport East
Business Park in Salt Lake

- 5796 City, together with additional amounts necessary to:
- 5797 (i) pay costs of issuance;
-
- 5798 (ii) pay capitalized interest; and
- 5799 (iii) fund any debt service reserve requirements.
- 5800 (b) It is the intent of the Legislature that the authority seek out the most cost effective
- 5801 and prudent lease purchase plan available with technical assistance from the state treasurer, the
- 5802 director of the Division of Finance, and the executive director of the Governor's Office of
- 5803 Planning and Budget.
- 5804 (6) (a) It is the intent of the Legislature to authorize the State Building Ownership
- 5805 Authority under authority of Chapter 1, Part 3, State Building Ownership Authority Act, to
- 5806 issue or execute obligations or enter into or arrange for a lease purchase agreement in which
- 5807 participation interests may be created, to provide up to \$9,000,000 for the acquisition or
- 5808 construction of up to two field offices for the Department of Human Services in the
- 5809 southwestern portion of Salt Lake County, together with additional amounts necessary to:
- 5810 (i) pay costs of issuance;
- 5811 (ii) pay capitalized interest; and
- 5812 (iii) fund any debt service reserve requirements.
- 5813 (b) It is the intent of the Legislature that the authority seek out the most cost effective
- 5814 and prudent lease purchase plan available with technical assistance from the state treasurer, the
- 5815 director of the Division of Finance, and the executive director of the Governor's Office of
- 5816 Planning and Budget.
- 5817 (7) (a) It is the intent of the Legislature to authorize the State Building Ownership
- 5818 Authority under authority of Chapter 1, Part 3, State Building Ownership Authority Act, to
- 5819 issue or execute obligations or enter into or arrange for lease purchase agreements in which
- 5820 participation interests may be created, to provide up to \$5,000,000 for the acquisition or
- 5821 construction of up to 13 stores for the Department of Alcoholic Beverage ~~Control~~ Services,
- 5822 together with additional amounts necessary to:
- 5823 (i) pay costs of issuance;
- 5824 (ii) pay capitalized interest; and
- 5825 (iii) fund any debt service reserve requirements.
-
- 5826 (b) It is the intent of the Legislature that the authority seek out the most cost effective
- 5827 and prudent lease purchase plan available with technical

assistance from the state treasurer, the
5828 director of the Division of Finance, and the executive director of the
Governor's Office of
5829 Planning and Budget.

5830 (c) It is the intent of the Legislature that the operating budget for
the Department of
5831 Alcoholic Beverage ~~[Control]~~ Services not be increased to fund
these lease payments.

5832 (8) (a) It is the intent of the Legislature to authorize the State
Building Ownership
5833 Authority under authority of Chapter 1, Part 3, State Building
Ownership Authority Act, to
5834 issue or execute obligations or enter into or arrange for a lease
purchase agreement in which
5835 participation interests may be created, to provide up to \$6,800,000
for the construction of a
5836 Prerelease and Parole Center for the Department of Corrections,
containing a minimum of 300
5837 beds, together with additional amounts necessary to:

5838 (i) pay costs of issuance;
5839 (ii) pay capitalized interest; and
5840 (iii) fund any debt service reserve requirements.

5841 (b) It is the intent of the Legislature that the authority seek out
the most cost effective
5842 and prudent lease purchase plan available with technical
assistance from the state treasurer, the
5843 director of the Division of Finance, and the executive director of the
Governor's Office of
5844 Planning and Budget.

5845 (9) If S.B. 275, 1994 General Session, which authorizes funding
for a Courts Complex
5846 in Salt Lake City, becomes law, it is the intent of the Legislature
that:

5847 (a) the Legislative Management Committee, the Interim
Appropriation Subcommittees
5848 for General Government and Capital Facilities and Executive
Offices, Courts, and Corrections,
5849 the Office of the Legislative Fiscal Analyst, the Governor's Office of
Planning and Budget, and
5850 the State Building Board participate in a review of the proposed
facility design for the Courts
5851 Complex no later than December 1994; and
5852 (b) although this review will not affect the funding authorization
issued by the 1994
5853 Legislature, it is expected that Division of Facilities Construction
and Management will give

5854 proper attention to concerns raised in these reviews and make
appropriate design changes
5855 pursuant to the review.

5856 (10) It is the intent of the Legislature that:
5857 (a) the Division of Facilities Construction and Management, in

cooperation with the

5858 Division of Youth Corrections renamed in 2003 to the Division of Juvenile Justice Services,

5859 develop a flexible use prototype facility for the Division of Youth Corrections renamed in 2003

5860 to the Division of Juvenile Justice Services;

5861 (b) the development process use existing prototype proposals unless it can be

5862 quantifiably demonstrated that the proposals cannot be used;

5863 (c) the facility is designed so that with minor modifications, it can accommodate

5864 detention, observation and assessment, transition, and secure programs as needed at specific

5865 geographical locations;

5866 (d) (i) funding as provided in the fiscal year 1995 bond authorization for the Division

5867 of Youth Corrections renamed in 2003 to the Division of Juvenile Justice Services is used to

5868 design and construct one facility and design the other;

5869 (ii) the Division of Youth Corrections renamed in 2003 to the Division of Juvenile

5870 Justice Services shall:

5871 (A) determine the location for the facility for which design and construction are fully

5872 funded; and

5873 (B) in conjunction with the Division of Facilities Construction and Management,

5874 determine the best methodology for design and construction of the fully funded facility;

5875 (e) the Division of Facilities Construction and Management submit the prototype as

5876 soon as possible to the Infrastructure and General Government Appropriations Subcommittee

5877 and Executive Offices, Criminal Justice, and Legislature Appropriation Subcommittee for

5878 review;

5879 (f) the Division of Facilities Construction and Management issue a Request for

5880 Proposal for one of the facilities, with that facility designed and constructed entirely by the

5881 winning firm;

5882 (g) the other facility be designed and constructed under the existing Division of

5883 Facilities Construction and Management process;

5884 (h) that both facilities follow the program needs and specifications as identified by

5885 Division of Facilities Construction and Management and the Division of Youth Corrections

5886 renamed in 2003 to the Division of Juvenile Justice Services in the prototype; and

5887 (i) the fully funded facility should be ready for occupancy by

September 1, 1995.

5888 (11) It is the intent of the Legislature that the fiscal year 1995 funding for the State Fair

5889 Park Master Study be used by the Division of Facilities Construction and Management to

5890 develop a master plan for the State Fair Park that:

5891 (a) identifies capital facilities needs, capital improvement needs, building

5892 configuration, and other long term needs and uses of the State Fair Park and its buildings; and

5893 (b) establishes priorities for development, estimated costs, and projected timetables.

5894 (12) It is the intent of the Legislature that:

5895 (a) the Division of Facilities Construction and Management, in cooperation with the

5896 Division of State Parks, formerly known as the Division of Parks and Recreation, and

5897 surrounding counties, develop a master plan and general program for the phased development

5898 of Antelope Island;

5899 (b) the master plan:

5900 (i) establish priorities for development;

5901 (ii) include estimated costs and projected time tables; and

5902 (iii) include recommendations for funding methods and the allocation of

5903 responsibilities between the parties; and

5904 (c) the results of the effort be reported to the Natural Resources, Agriculture, and

5905 Environmental Quality Appropriations Subcommittee and Infrastructure and General

5906 Government Appropriations Subcommittee.

5907 (13) It is the intent of the Legislature to authorize the University of Utah to use:

5908 (a) bond reserves to plan, design, and construct the Kingsbury Hall renovation under

5909 the supervision of the director of the Division of Facilities Construction and Management

5910 unless supervisory authority is delegated by the director; and

5911 (b) donated and other nonappropriated funds to plan, design, and construct the Biology

5912 Research Building under the supervision of the director of the Division of Facilities

5913 Construction and Management unless supervisory authority is delegated by the director.

5914 (14) It is the intent of the Legislature to authorize Utah State University to use:

5915 (a) federal and other funds to plan, design, and construct the Bee Lab under the

5916 supervision of the director of the Division of Facilities Construction and Management unless

5917 supervisory authority is delegated by the director;

5918 (b) donated and other nonappropriated funds to plan, design, and construct an Athletic

5919 Facility addition and renovation under the supervision of the director of the Division of

5920 Facilities Construction and Management unless supervisory authority is delegated by the

5921 director;

5922 (c) donated and other nonappropriated funds to plan, design, and construct a renovation

5923 to the Nutrition and Food Science Building under the supervision of the director of the

5924 Division of Facilities Construction and Management unless supervisory authority is delegated

5925 by the director; and

5926 (d) federal and private funds to plan, design, and construct the Millville Research

5927 Facility under the supervision of the director of the Division of Facilities Construction and

5928 Management unless supervisory authority is delegated by the director.

5929 (15) It is the intent of the Legislature to authorize Salt Lake Community College to use:

5930 (a) institutional funds to plan, design, and construct a remodel to the Auto Trades

5931 Office and Learning Center under the supervision of the director of the Division of Facilities

5932 Construction and Management unless supervisory authority is delegated by the director;

5933 (b) institutional funds to plan, design, and construct the relocation and expansion of a

5934 temporary maintenance compound under the supervision of the director of the Division of

5935 Facilities Construction and Management unless supervisory authority is delegated by the

5936 director; and

5937 (c) institutional funds to plan, design, and construct the Alder Amphitheater under the

5938 supervision of the director of the Division of Facilities Construction and Management unless

5939 supervisory authority is delegated by the director.

5940 (16) It is the intent of the Legislature to authorize Southern Utah University to use:

5941 (a) federal funds to plan, design, and construct a Community Services Building under

5942 the supervision of the director of the Division of Facilities Construction and Management

5943 unless supervisory authority is delegated by the director; and

5944 (b) donated and other nonappropriated funds to plan, design, and construct a stadium

5945 expansion under the supervision of the director of the Division of Facilities Construction and

5946 Management unless supervisory authority is delegated by the director.

5947 (17) It is the intent of the Legislature to authorize the Department of Corrections to use

5948 donated funds to plan, design, and construct a Prison Chapel at the Central Utah Correctional

5949 Facility in Gunnison under the supervision of the director of the Division of Facilities

5950 Construction and Management unless supervisory authority is delegated by the director.

5951 (18) If the Utah National Guard does not relocate in the Signetics Building, it is the

5952 intent of the Legislature to authorize the Guard to use federal funds and funds from Provo City

5953 to plan and design an Armory in Provo, Utah, under the supervision of the director of the

5954 Division of Facilities Construction and Management unless supervisory authority is delegated

5955 by the director.

5956 (19) It is the intent of the Legislature that the Utah Department of Transportation use

5957 \$250,000 of the fiscal year 1995 highway appropriation to fund an environmental study in

5958 Ogden, Utah of the 2600 North Corridor between Washington Boulevard and I-15.

5959 (20) It is the intent of the Legislature that the Ogden-Weber Applied Technology

5960 Center use the money appropriated for fiscal year 1995 to design the Metal Trades Building

5961 and purchase equipment for use in that building that could be used in metal trades or other

5962 programs in other Applied Technology Centers.

5963 (21) It is the intent of the Legislature that the Bridgerland Applied Technology Center

5964 and the Ogden-Weber Applied Technology Center projects as designed in fiscal year 1995 be

5965 considered as the highest priority projects for construction funding in fiscal year 1996.

5966 (22) It is the intent of the Legislature that:

5967 (a) the Division of Facilities Construction and Management complete physical space

5968 utilization standards by June 30, 1995, for the use of technology education activities;

5969 (b) these standards are to be developed with and approved by the State Board of

5970 Education, the Board of Regents, and the Utah State Building Board;

5971 (c) these physical standards be used as the basis for:

5972 (i) determining utilization of any technology space based on number of stations capable

5973 and occupied for any given hour of operation; and

5974 (ii) requests for any new space or remodeling;

5975 (d) the fiscal year 1995 projects at the Bridgerland Applied Technology Center and the

5976 Ogden-Weber Applied Technology Center are exempt from this process; and

5977 (e) the design of the Davis Applied Technology Center take into account the utilization

5978 formulas established by the Division of Facilities Construction and Management.

5979 (23) It is the intent of the Legislature that Utah Valley State College may use the

5980 money from the bond allocated to the remodel of the Signetics building to relocate its technical

5981 education programs at other designated sites or facilities under the supervision of the director

5982 of the Division of Facilities Construction and Management unless supervisory authority is

5983 delegated by the director.

5984 (24) It is the intent of the Legislature that the money provided for the fiscal year 1995

5985 project for the Bridgerland Applied Technology Center be used to design and construct the

5986 space associated with Utah State University and design the technology center portion of the

5987 project.

5988 (25) It is the intent of the Legislature that the governor provide periodic reports on the

5989 expenditure of the funds provided for electronic technology, equipment, and hardware to the

5990 Infrastructure and General Government Appropriations Subcommittee, and the Legislative

5991 Management Committee.

5992 Section 90. Section **63B-5-201** is amended to read:

5993 **63B-5-201. Legislative intent statements.**

5994 (1) If the United States Department of Defense has not provided matching funds to

5995 construct the National Guard Armory in Orem by December 31, 1997, the Division of Facilities

5996 Construction and Management shall transfer any funds received from issuance of a General

5997 Obligation Bond for benefit of the Orem Armory to the Provo Armory for capital

5998 improvements.

5999 (2) It is the intent of the Legislature that the University of Utah use institutional funds

6000 to plan, design, and construct:

6001 (a) the Health Science East parking structure under the supervision of the director of

6002 the Division of Facilities Construction and Management unless supervisory authority is

6003 delegated by the director;

6004 (b) the Health Science Office Building under the supervision of the director of the

6005 Division of Facilities Construction and Management unless supervisory authority is delegated

6006 by the director; and

6007 (c) the new Student Housing/Olympic Athletes Village under the supervision of the

6008 director of the Division of Facilities Construction and Management unless supervisory

6009 authority is delegated by the director.

6010 (3) It is the intent of the Legislature that Utah State University use institutional funds to

6011 plan, design, and construct a multipurpose facility under the supervision of the director of the

6012 Division of Facilities Construction and Management unless supervisory authority is delegated

6013 by the director.

6014 (4) It is the intent of the Legislature that the Utah Geologic Survey use agency internal

6015 funding to plan, design, and construct a sample library facility under the supervision of the

6016 director of the Division of Facilities Construction and Management unless supervisory

6017 authority is delegated by the director.

6018 (5) (a) If legislation introduced in the 1996 General Session to fund the Wasatch State

6019 Park Club House does not pass, the State Building Ownership Authority, under authority of

6020 Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may issue or execute

6021 obligations, or enter into or arrange for a lease purchase agreement in which participation

6022 interests may be created, to provide up to \$1,500,000 for the remodel and expansion of the

6023 clubhouse at Wasatch Mountain State Park for the Division of State Parks, formerly known as

6024 the Division of Parks and Recreation, together with additional amounts necessary to:

6025 (i) pay costs of issuance;

6026 (ii) pay capitalized interest; and

6027 (iii) fund any debt service reserve requirements.

6028 (b) The State Building Ownership Authority shall work cooperatively with the

6029 Division of State Parks, formerly known as the Division of Parks and Recreation, to seek out

6030 the most cost effective and prudent lease purchase plan available.

6031 (6) (a) The State Building Ownership Authority, under authority of Title 63B, Chapter

6032 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter

6033 into or arrange for a lease purchase agreement in which participation interests may be created,

6034 to provide up to \$835,300 for the construction of a liquor store in the Snyderville area, together

6035 with additional amounts necessary to:

6036 (i) pay costs of issuance;

6037 (ii) pay capitalized interest; and

6038 (iii) fund any debt service reserve requirements.

6039 (b) The State Building Ownership Authority shall work cooperatively with the

6040 Department of Alcoholic Beverage ~~Control~~ Services to seek out the most cost effective and

6041 prudent lease purchase plan available.

6042 (7) (a) The State Building Ownership Authority, under authority of Title 63B, Chapter

6043 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter

6044 into or arrange for a lease purchase agreement in which participation interests may be created,

6045 to provide up to \$15,000,000 for the construction of the Huntsman Cancer Institute, together

6046 with additional amounts necessary to:

6047 (i) pay costs of issuance;

6048 (ii) pay capitalized interest; and

6049 (iii) fund any debt service reserve requirements.

6050 (b) The State Building Ownership Authority shall work cooperatively with the

6051 University of Utah to seek out the most cost effective and prudent lease purchase plan

6052 available.

6053 (c) It is the intent of the Legislature that the University of Utah lease land to the State

6054 Building Ownership Authority for the construction of the Huntsman Cancer Institute facility.

6055 (8) (a) The State Building Ownership Authority, under authority of Title 63B, Chapter

6056 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter

6057 into or arrange for a lease purchase agreement in which participation interests may be created,

6058 to provide up to \$857,600 for the construction of an addition to the Human Services facility in

6059 Vernal, Utah together with additional amounts necessary to:

6060 (i) pay costs of issuance;

6061 (ii) pay capitalized interest; and

6062 (iii) fund any debt service reserve requirements.

6063 (b) The State Building Ownership Authority shall work cooperatively with the

6064 Department of Human Services to seek out the most cost effective and prudent lease purchase

6065 plan available.

6066 (9) (a) The State Building Ownership Authority, under authority
of Title 63B, Chapter
6067 1, Part 3, State Building Ownership Authority Act, may issue or
execute obligations, or enter
6068 into or arrange for a lease purchase agreement in which
participation interests may be created,
6069 to provide up to \$3,470,200 for the construction of the Student
Services Center, at Utah State
6070 University Eastern, together with additional amounts necessary to:
6071 (i) pay costs of issuance;
6072 (ii) pay capitalized interest; and
6073 (iii) fund any debt service reserve requirements.
6074 (b) The State Building Ownership Authority shall work
cooperatively with Utah State
6075 University Eastern to seek out the most cost effective and prudent
lease purchase plan
6076 available.
6077 (10) (a) Notwithstanding anything to the contrary in Title 53B,
Chapter 21, Revenue

6078 Bonds, which prohibits the issuance of revenue bonds payable
from legislative appropriations,
6079 the State Board of Regents, on behalf of Dixie College, may issue,
sell, and deliver revenue
6080 bonds or other evidences of indebtedness of Dixie College to
borrow money on the credit of
6081 the income and revenues, including legislative appropriations, of
Dixie College, to finance the
6082 acquisition of the Dixie Center.
6083 (b) (i) The bonds or other evidences of indebtedness authorized
by this section shall be
6084 issued in accordance with Title 53B, Chapter 21, Revenue Bonds,
under terms and conditions
6085 and in amounts that the board, by resolution, determines are
reasonable and necessary and may
6086 not exceed \$6,000,000 together with additional amounts necessary
to:
6087 (A) pay cost of issuance;
6088 (B) pay capitalized interest; and
6089 (C) fund any debt service reserve requirements.
6090 (ii) To the extent that future legislative appropriations will be
required to provide for
6091 payment of debt service in full, the board shall ensure that the
revenue bonds are issued
6092 containing a clause that provides for payment from future
legislative appropriations that are
6093 legally available for that purpose.
6094 (11) (a) The State Building Ownership Authority, under authority
of Title 63B, Chapter
6095 1, Part 3, State Building Ownership Authority Act, may issue or
execute obligations, or enter
6096 into or arrange for a lease purchase agreement in which

participation interests may be created,
6097 to provide up to \$10,479,000 for the construction of a facility for the
Courts - Davis County
6098 Regional Expansion, together with additional amounts necessary
to:
6099 (i) pay costs of issuance;
6100 (ii) pay capitalized interest; and
6101 (iii) fund any debt service reserve requirements.
6102 (b) The State Building Ownership Authority shall work
cooperatively with the
6103 Administrative Office of the Courts to seek out the most cost
effective and prudent lease
6104 purchase plan available.
6105 (12) (a) The State Building Ownership Authority, under authority
of Title 63B, Chapter

6106 1, Part 3, State Building Ownership Authority Act, may issue or
execute obligations, or enter
6107 into or arrange for a lease purchase agreement in which
participation interests may be created,
6108 to provide up to \$4,200,000 for the purchase and remodel of the
Washington County
6109 Courthouse, together with additional amounts necessary to:
6110 (i) pay costs of issuance;
6111 (ii) pay capitalized interest; and
6112 (iii) fund any debt service reserve requirements.
6113 (b) The State Building Ownership Authority shall work
cooperatively with the
6114 Administrative Office of the Courts to seek out the most cost
effective and prudent lease
6115 purchase plan available.
6116 (13) (a) The State Building Ownership Authority, under authority
of Title 63B, Chapter
6117 1, Part 3, State Building Ownership Authority Act, may issue or
execute obligations, or enter
6118 into or arrange for a lease purchase agreement in which
participation interests may be created,
6119 to provide up to \$14,299,700 for the construction of a facility for the
State Library and the
6120 Division of Services for the Blind and Visually Impaired, together
with additional amounts
6121 necessary to:
6122 (i) pay costs of issuance;
6123 (ii) pay capitalized interest; and
6124 (iii) fund any debt service reserve requirements.
6125 (b) The State Building Ownership Authority shall work
cooperatively with the State
6126 Board of Education and the Governor's Office of Economic
Opportunity to seek out the most
6127 cost effective and prudent lease purchase plan available.
6128 Section 91. Section **63B-10-301** is amended to read:

6129 **63B-10-301. Revenue bond authorizations.**

6130 (1) (a) It is the intent of the Legislature that the State Building
Ownership Authority,
6131 under the authority of Title 63B, Chapter 1, Part 3, State Building
Ownership Authority Act,
6132 may issue or execute obligations, or enter into or arrange for a
lease purchase agreement in
6133 which participation interests may be created, to provide up to
\$8,281,000 for the construction

6134 of an expansion of the Department of Alcoholic Beverage [~~Control~~]
Services warehouse

6135 together with additional amounts necessary to pay costs of
issuance, pay capitalized interest,

6136 and fund any debt service reserve requirements.

6137 (b) It is the intent of the Legislature that enhanced revenues of
the Department of

6138 Alcoholic Beverage [~~Control~~] Services be used as the primary
revenue source for repayment of

6139 any obligation created under authority of this Subsection (1).

6140 (2) (a) It is the intent of the Legislature that the State Building
Ownership Authority,

6141 under the authority of Title 63B, Chapter 1, Part 3, State Building
Ownership Authority Act,

6142 may issue or execute obligations, or enter into or arrange for a
lease purchase agreement in

6143 which participation interests may be created, to provide up to
\$957,100 for the acquisition of a

6144 site and construction of a store in the western part of Salt Lake
County for the Department of

6145 Alcoholic Beverage [~~Control~~] Services together with additional
amounts necessary to pay costs

6146 of issuance, pay capitalized interest, and fund any debt service
reserve requirements.

6147 (b) It is the intent of the Legislature that enhanced revenues of
the Department of

6148 Alcoholic Beverage [~~Control~~] Services be used as the primary
revenue source for repayment of

6149 any obligation created under authority of this Subsection (2).

6150 (3) (a) It is the intent of the Legislature that the State Building
Ownership Authority,

6151 under the authority of Title 63B, Chapter 1, Part 3, State Building
Ownership Authority Act,

6152 may issue or execute obligations, or enter into or arrange for a
lease purchase agreement in

6153 which participation interests may be created, to provide up to
\$1,497,700 for the acquisition of

6154 a site and construction of a store in the southern part of Salt Lake
County for the Department of

6155 Alcoholic Beverage [~~Control~~] Services together with additional
amounts necessary to pay costs

6156 of issuance, pay capitalized interest, and fund any debt service

reserve requirements.

6157 (b) It is the intent of the Legislature that enhanced revenues of the Department of

6158 Alcoholic Beverage [~~Control~~] Services be used as the primary revenue source for repayment of

6159 any obligation created under authority of this Subsection (3).

6160 (4) (a) It is the intent of the Legislature that the State Building Ownership Authority,

6161 under the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act,

6162 may issue or execute obligations, or enter into or arrange for a lease purchase agreement in

6163 which participation interests may be created, to provide up to \$100,000,000 for the acquisition

6164 and construction of a cancer clinical research hospital facility adjacent to the University of

6165 Utah Medical Center, together with additional amounts necessary to pay costs of issuance, pay

6166 capitalized interest, and fund any debt service reserve requirements.

6167 (b) The State Building Ownership Authority shall work cooperatively with the

6168 Division of Facilities Construction and Management and the University of Utah to seek out the

6169 most cost effective and prudent lease purchase plan available.

6170 (c) It is the intent of the Legislature that the University of Utah lease land to the State

6171 Building Ownership Authority for the construction of a cancer clinical research hospital facility

6172 adjacent to the University of Utah Medical Center.

6173 (d) The anticipated revenue sources for repayment of any obligation created under

6174 authority of this section are:

6175 (i) the institutional funds of the University of Utah, including the University's annual

6176 distribution of tobacco settlement funds from the state; and

6177 (ii) donations from the Huntsman Cancer Foundation and other donors.

6178 (e) By September 1 of each year of the existence of this revenue bond, the University

6179 of Utah shall give an annual report regarding the status of the bond and the bond payments to

6180 the Legislative Fiscal Analyst. This report shall be reviewed by the Higher Education

6181 Appropriations Subcommittee and the Capital Facilities Appropriation Subcommittee.

6182 (5) It is the intent of the Legislature that:

6183 (a) the Board of Regents, on behalf of the University of Utah, issue, sell, and deliver

6184 revenue bonds or other evidences of indebtedness of the University of Utah to borrow money

6185 on the credit, revenues, and reserves of the University of Utah,
other than appropriations of the
6186 Legislature, to finance the cost of acquiring, constructing,
furnishing, and equipping an
6187 expansion of the University Hospital;
6188 (b) University Hospital revenues be used as the primary
revenue source for repayment
6189 of any obligation created under authority of this section; and

6190 (c) the bonds or other evidences of indebtedness authorized by
this section may provide

6191 up to \$25,000,000, together with other amounts necessary to pay
costs of issuance, pay

6192 capitalized interest, and fund any debt service reserve
requirements.

6193 (6) It is the intent of the Legislature that:

6194 (a) the Board of Regents, on behalf of Salt Lake Community
College, issue, sell, and

6195 deliver revenue bonds or other evidences of indebtedness of Salt
Lake Community College to

6196 borrow money on the credit, revenues, and reserves of Salt Lake
Community College, other

6197 than appropriations of the Legislature, to finance the cost of
acquiring, constructing, furnishing,

6198 and equipping the remodel of the cafeteria and expansion of the
Student Center;

6199 (b) student fees be used as the primary revenue source for
repayment of any obligation

6200 created under authority of this section; and

6201 (c) the bonds or other evidences of indebtedness authorized by
this section may provide

6202 up to \$6,000,000, together with other amounts necessary to pay
costs of issuance, pay

6203 capitalized interest, and fund any debt service reserve
requirements.

6204 (7) It is the intent of the Legislature that:

6205 (a) the Board of Regents, on behalf of Dixie College, issue, sell,
and deliver revenue

6206 bonds or other evidences of indebtedness of Dixie College to
borrow money on the credit,

6207 revenues, and reserves of Dixie College, other than appropriations
of the Legislature, to finance

6208 the cost of acquiring, constructing, furnishing, and equipping an
expansion of the Gardner

6209 Student Center;

6210 (b) student fees be used as the primary revenue source for
repayment of any obligation

6211 created under authority of this section; and

6212 (c) the bonds or other evidences of indebtedness authorized by
this section may provide

6213 up to \$1,500,000, together with other amounts necessary to pay
costs of issuance, pay

6214 capitalized interest, and fund any debt service reserve requirements.

6215 Section 92. Section **63B-11-701** is amended to read:

6216 **63B-11-701. Revenue bond authorizations.**

6217 (1) It is the intent of the Legislature that:

6218 (a) the Board of Regents, on behalf of the University of Utah, issue, sell, and deliver

6219 revenue bonds or other evidences of indebtedness of the University of Utah to borrow money

6220 on the credit, revenues, and reserves of the University of Utah, other than appropriations of the

6221 Legislature, to refinance the cost of acquiring, constructing, furnishing, and equipping the

6222 East-Campus Central Plant and related energy improvements;

6223 (b) savings in heating and cooling costs be used as the primary revenue source for

6224 repayment of any obligation created under authority of this section; and

6225 (c) the bonds or other evidences of indebtedness authorized by this section may provide

6226 up to \$33,000,000, together with other amounts necessary to pay costs of issuance, pay

6227 capitalized interest, and fund any debt service reserve requirements.

6228 (2) It is the intent of the Legislature that:

6229 (a) the Board of Regents, on behalf of Utah State University, issue, sell, and deliver

6230 revenue bonds or other evidences of indebtedness of Utah State University to borrow money on

6231 the credit, revenues, and reserves of Utah State University, other than appropriations of the

6232 Legislature, to finance the cost of acquiring, constructing, furnishing, and equipping research

6233 and office facilities at its Research Park;

6234 (b) revenues from research activities, the Utah State University Research Foundation,

6235 and other institutional funds be used as the primary revenue source for repayment of any

6236 obligation created under authority of this section; and

6237 (c) the bonds or other evidences of indebtedness authorized by this section may provide

6238 up to \$19,000,000, together with other amounts necessary to pay costs of issuance, pay

6239 capitalized interest, and fund any debt service reserve requirements.

6240 (3) It is the intent of the Legislature that:

6241 (a) the Board of Regents, on behalf of Southern Utah University, issue, sell, and deliver

6242 revenue bonds or other evidences of indebtedness of Southern Utah University to borrow

6243 money on the credit, revenues, and reserves of Southern Utah University, other than

6244 appropriations of the Legislature, to finance the cost of acquiring, constructing, furnishing, and

6245 equipping a Student Living and Learning Facility;

6246 (b) student housing and other auxiliary revenues and student building fees be used as

6247 the primary revenue source for repayment of any obligation created under authority of this

6248 section; and

6249 (c) the bonds or other evidences of indebtedness authorized by this section may provide

6250 up to \$9,000,000, together with other amounts necessary to pay costs of issuance, pay

6251 capitalized interest, and fund any debt service reserve requirements.

6252 (4) It is the intent of the Legislature that:

6253 (a) the Board of Regents, on behalf of Snow College, issue, sell, and deliver revenue

6254 bonds or other evidences of indebtedness of Snow College to borrow money on the credit,

6255 revenues, and reserves of Snow College, other than appropriations of the Legislature, to finance

6256 the cost of acquiring, constructing, furnishing, and equipping a Multi-Event Center in

6257 Richfield;

6258 (b) usage fees and other operating revenues be used as the primary revenue source for

6259 repayment of any obligation created under authority of this section; and

6260 (c) the bonds or other evidences of indebtedness authorized by this section may provide

6261 up to \$2,500,000, together with other amounts necessary to pay costs of issuance, pay

6262 capitalized interest, and fund any debt service reserve requirements.

6263 (5) It is the intent of the Legislature that the State Building Ownership Authority, under

6264 the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may

6265 issue or execute obligations, or enter into or arrange for a lease purchase agreement in which

6266 participation interests may be created, to provide up to \$1,836,000 for the acquisition of a site

6267 and construction of a store in Tooele for the Department of Alcoholic Beverage ~~Control~~

6268 Services, together with additional amounts necessary to pay costs of issuance, pay capitalized

6269 interest, and fund any debt service reserve requirements.

6270 Section 93. Section **63B-13-201** is amended to read:

6271 63B-13-201. Revenue bond authorizations -- State Building**Ownership****6272 Authority.**

6273 (1) (a) It is the intent of the Legislature that the State Building
Ownership Authority,

6274 under the authority of Title 63B, Chapter 1, Part 3, State Building
Ownership Authority Act,

6275 may issue or execute obligations, or enter into or arrange for a
lease purchase agreement in

6276 which participation interests may be created, to provide up to
\$8,205,000 for the acquisition

6277 and construction of five stores for the Department of Alcoholic
Beverage ~~[Control]~~ Services,

6278 together with additional amounts necessary to pay costs of
issuance, pay capitalized interest,

6279 and fund any debt service reserve requirements.

6280 (b) It is the intent of the Legislature that the stores to be
addressed through this

6281 authorization are:

6282 (i) a new Park City store;

6283 (ii) replacement of the Mount Olympus store;

6284 (iii) replacement of the Ogden City 2nd Street store;

6285 (iv) replacement of the Ogden Patterson Street store; and

6286 (v) expansion of the Provo store.

6287 (c) It is the intent of the Legislature that proceeds from the sale
of stores replaced

6288 through this authorization shall be deposited in the General Fund.

6289 (d) It is further the intent of the Legislature that increased sales
revenues be used as the

6290 primary revenue source for repayment of any obligation created
under authority of this

6291 Subsection (1).

6292 (2) (a) It is the intent of the Legislature that the State Building
Ownership Authority,

6293 under the authority of Title 63B, Chapter 1, Part 3, State Building
Ownership Authority Act,

6294 may issue or execute obligations, or enter into or arrange for a
lease purchase agreement in

6295 which participation interests may be created, to provide up to
\$8,914,000 for the acquisition

6296 and construction of a new regional office building in Ogden,
together with additional amounts

6297 necessary to pay costs of issuance, pay capitalized interest, and
fund any debt service reserve

6298 requirements.

6299 (b) It is further the intent of the Legislature that existing rent
budgets be used as the

6300 primary revenue source for repayment of any obligation created
under authority of this

6301 Subsection (2).

6302 (3) (a) It is the intent of the Legislature that the State Building
Ownership Authority,
6303 under the authority of Title 63B, Chapter 1, Part 3, State Building
Ownership Authority Act,
6304 may issue or execute obligations, or enter into or arrange for a
lease-purchase agreement in
6305 which participation interests may be created, to provide up to
\$1,450,000 for the acquisition of
6306 the leased regional office building and adjacent land in Moab,
together with additional amounts
6307 necessary to pay costs of issuance, pay capitalized interest, and
fund any debt service reserve
6308 requirements.

6309 (b) It is further the intent of the Legislature that existing rent
budgets be used as the
6310 primary revenue source for repayment of any obligation created
under authority of this
6311 Subsection (3).

6312 (4) (a) It is the intent of the Legislature that the State Building
Ownership Authority,
6313 under the authority of Title 63B, Chapter 1, Part 3, State Building
Ownership Authority Act,
6314 may issue or execute obligations, or enter into or arrange for a
lease-purchase agreement in
6315 which participation interests may be created, to provide up to
\$7,103,000 for the acquisition of
6316 the Tooele Courts building and adjacent land in Tooele City,
together with additional amounts
6317 necessary to pay costs of issuance, pay capitalized interest, and
fund any debt service reserve
6318 requirements.

6319 (b) It is further the intent of the Legislature that court fees be
used as the primary
6320 revenue source for repayment of any obligation created under
authority of this Subsection (4).

6321 Section 94. Section **63B-14-201** is amended to read:

6322 **63B-14-201. Revenue bond authorizations -- State Building
Ownership**

6323 **Authority.**

6324 (1) It is the intent of the Legislature that the State Building
Ownership Authority, under
6325 the authority of Title 63B, Chapter 1, Part 3, State Building
Ownership Authority Act, may
6326 issue or execute obligations, or enter into or arrange for a lease-
purchase agreement in which
6327 participation interests may be created, to provide up to \$7,867,000
for the acquisition and
6328 construction of three stores for the Department of Alcoholic
Beverage ~~[Control]~~ Services,
6329 together with additional amounts necessary to pay costs of
issuance, pay capitalized interest,

6330 and fund any debt service reserve requirements.

6331 (2) It is the intent of the Legislature that the stores to be addressed through this

6332 authorization are:

6333 (a) a new wine store in the downtown Salt Lake City area;

6334 (b) a new store in Washington County; and

6335 (c) a new store in southwest Salt Lake County.

6336 (3) It is the intent of the Legislature that:

6337 (a) increased sales revenues be used as the primary revenue source for repayment of

6338 any obligation created under authority of this subsection; and

6339 (b) the Department of Alcoholic Beverage ~~[Control]~~ Services may request operation

6340 and maintenance funding from sales revenues.

6341 Section 95. Section **63B-15-201** is amended to read:

6342 **63B-15-201. Revenue bond authorizations -- State Building Ownership**

6343 **Authority.**

6344 (1) It is the intent of the Legislature that the State Building Ownership Authority, under

6345 the authority of Title 63B, Chapter 1, Part 3, State Building Ownership Authority Act, may

6346 issue or execute obligations, or enter into or arrange for a lease-purchase agreement in which

6347 participation interests may be created, to provide up to \$7,371,000 for the acquisition and

6348 construction of three stores for the Department of Alcoholic Beverage ~~[Control]~~ Services,

6349 together with additional amounts necessary to pay costs of issuance, pay capitalized interest,

6350 and fund any debt service reserve requirements.

6351 (2) It is the intent of the Legislature that the stores to be addressed through this

6352 authorization are:

6353 (a) a new store in the Holladay/Cottonwood area of Salt Lake County;

6354 (b) expansion and remodel of the Kimball Junction store in Summit County; and

6355 (c) expansion and remodel of the Redwood Road store in Salt Lake County.

6356 (3) It is the intent of the Legislature that:

6357 (a) increased sales revenues be used as the primary revenue source for repayment of

6358 any obligation created under authority of this section; and

6359 (b) the Department of Alcoholic Beverage ~~[Control]~~ Services may request operation

6360 and maintenance funding from sales revenues.

6361 Section 96. Section **63B-16-201** is amended to read:

6362 **63B-16-201. Revenue bond authorizations -- State Building Ownership**

6363 Authority.

6364 (1) It is the intent of the Legislature that:

6365 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter

6366 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter

6367 into or arrange for a lease-purchase agreement in which participation interests may be created,

6368 to provide up to \$5,662,000 for the acquisition and construction of three stores for the

6369 Department of Alcoholic Beverage ~~[Control]~~ Services, together with additional amounts

6370 necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve

6371 requirements;

6372 (b) the stores to be addressed through this authorization are:

6373 (i) expansion of the North Temple store in Salt Lake County;

6374 (ii) expansion of the Taylorsville store in Salt Lake County; and

6375 (iii) reconstruction of the Bountiful store in Davis County;

6376 (c) increased sales revenues be used as the primary revenue source for repayment of

6377 any obligation created under authority of this section; and

6378 (d) the Department of Alcoholic Beverage ~~[Control]~~ Services may request operation

6379 and maintenance funding from sales revenues.

6380 (2) It is the intent of the Legislature that:

6381 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter

6382 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter

6383 into or arrange for a lease-purchase agreement in which participation interests may be created,

6384 to provide up to \$1,476,000 for the acquisition and construction of a production warehouse for

6385 Utah Correctional Industries, together with additional amounts necessary to pay costs of

6386 issuance, pay capitalized interest, and fund any debt service reserve requirements;

6387 (b) Utah Correctional Industries' revenues be used as the primary revenue source for

6388 repayment of any obligation created under authority of this section;

6389 (c) Utah Correctional Industries may plan, design, and construct the production

6390 warehouse subject to requirements in Section [63A-5b-604](#); and

6391 (d) Utah Correctional Industries may not request state funds for operation and

6392 maintenance costs or capital improvements.

6393 Section 97. Section **63B-17-201** is amended to read:

6394 **63B-17-201. Revenue bond authorizations -- State Building Ownership**

6395 **Authority.**

6396 (1) The Legislature intends that:

6397 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter

6398 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter

6399 into or arrange for a lease purchase agreement in which participation interests may be created,

6400 to provide up to \$90,000,000 for the acquisition and construction of phase II-B of a cancer

6401 clinical research hospital facility adjacent to the University of Utah Medical Center, together

6402 with additional amounts necessary to pay costs of issuance, pay capitalized interest, and fund

6403 any debt service reserve requirements;

6404 (b) the University of Utah use institutional funds as the primary revenue source for

6405 repayment of any obligation created under authority of this section;

6406 (c) the university may plan, design, and construct phase II-B of a cancer clinical

6407 research hospital facility subject to the requirements of Section [63A-5b-604](#); and

6408 (d) the university may not request state funds for operation and maintenance costs or

6409 capital improvements.

6410 (2) The Legislature intends that:

6411 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter

6412 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or enter

6413 into or arrange for a lease-purchase agreement in which participation interests may be created,

6414 to provide up to \$23,700,000 for the acquisition and construction of five stores for the

6415 Department of Alcoholic Beverage ~~[Control]~~ Services, together with additional amounts

6416 necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve

6417 requirements;

6418 (b) the stores to be addressed through this authorization are:

6419 (i) the replacement of a liquor store in Cedar City;

6420 (ii) a new Utah County North liquor store;

6421 (iii) a new Utah County South liquor store;

6422 (iv) a new Washington County South liquor store; and

6423 (v) a new Wasatch County Heber/Midway liquor store;

6424 (c) the Department of Alcoholic Beverage ~~[Control]~~ Services use increased sales

6425 revenues as the primary revenue source for repayment of any obligation created under authority

6426 of this section; and

6427 (d) the Department of Alcoholic Beverage [~~Control~~] Services
may request operation
6428 and maintenance funding from sales revenues.
6429 Section 98. Section **63B-18-201** is amended to read:
6430 **63B-18-201. Revenue bond authorizations -- State Building
Ownership**
6431 **Authority.**
6432 (1) The Legislature intends that:
6433 (a) the State Building Ownership Authority, under the authority
of Title 63B, Chapter
6434 1, Part 3, State Building Ownership Authority Act, may issue or
execute obligations, or enter
6435 into or arrange for a lease-purchase agreement in which
participation interests may be created,
6436 to provide up to \$3,800,000 for the acquisition of property in the
Salt Lake City, Utah area on
6437 which to construct a Department of Alcoholic Beverage [~~Control~~]
Services warehouse
6438 expansion, together with additional amounts necessary to pay
costs of issuance, pay capitalized
6439 interest, and fund any debt service reserve requirements; and
6440 (b) the Department of Alcoholic Beverage [~~Control~~] Services
use increased sales
6441 revenues as the primary revenue source for repayment of any
obligation created under authority

6442 of this section.
6443 (2) The Legislature intends that:
6444 (a) the State Building Ownership Authority, under the authority
of Title 63B, Chapter
6445 1, Part 3, State Building Ownership Authority Act, may issue or
execute obligations, or enter
6446 into or arrange for a lease-purchase agreement in which
participation interests may be created,
6447 to provide up to \$19,904,000 for the construction of a warehouse
expansion for the Department
6448 of Alcoholic Beverage [~~Control~~] Services, together with additional
amounts necessary to pay
6449 costs of issuance, pay capitalized interest, and fund any debt
service reserve requirements;
6450 (b) the Department of Alcoholic Beverage [~~Control~~] Services
use increased sales
6451 revenues as the primary revenue source for repayment of any
obligation created under authority
6452 of this section; and
6453 (c) the Department of Alcoholic Beverage [~~Control~~] Services
may request operation
6454 and maintenance funding from sales revenues.
6455 Section 99. Section **63B-24-101** is amended to read:
6456 **63B-24-101. Revenue bond authorizations -- State Building
Ownership**

6457 **Authority.**

6458 (1) The Legislature intends that:

6459 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter

6460 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may

6461 enter into or arrange for a lease-purchase agreement in which participation interests may be

6462 created, to provide up to \$86,936,000 for the Fourth District Provo Courthouse Expansion,

6463 together with additional amounts necessary to pay costs of issuance, pay capitalized interest,

6464 and fund any existing debt service reserve requirements;

6465 (b) the judicial branch use court fees and existing lease budgets as the primary revenue

6466 sources for repayment of any obligation created under authority of this Subsection (1); and

6467 (c) the judicial branch may use state funds for operation and maintenance costs or

6468 capital improvements.

6469 (2) The Legislature intends that:

6470 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter

6471 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may

6472 enter into or arrange for a lease-purchase agreement in which participation interests may be

6473 created, to provide up to \$4,447,900 for a West Valley Liquor Store, together with additional

6474 amounts necessary to pay costs of issuance, pay capitalized interest, and fund any existing debt

6475 service reserve requirements;

6476 (b) the Department of Alcoholic Beverage [~~Control~~] Services use increased sales

6477 revenues as the primary revenue source for repayment of any obligation created under authority

6478 of this Subsection (2); and

6479 (c) the Department of Alcoholic Beverage [~~Control~~] Services may request operation

6480 and maintenance funding from sales revenues.

6481 Section 100. Section **63B-26-101** is amended to read:

6482 **63B-26-101. Revenue bond authorizations -- State Building Ownership**

6483 **Authority.**

6484 (1) The Legislature intends that:

6485 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter

6486 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations, or may

6487 enter into or arrange for a lease-purchase agreement in which

participation interests may be
 6488 created, to provide up to \$3,000,000 for the Fourth District Provo
 Courthouse parking lot,
 6489 together with additional amounts necessary to pay costs of
 issuance, pay capitalized interest,
 6490 and fund any existing debt service reserve requirements;
 6491 (b) the judicial branch use court fees and existing lease budgets
 as the primary revenue
 6492 sources for repayment of any obligation created under authority of
 this Subsection (1);
 6493 (c) the judicial branch may use state funds for operation and
 maintenance costs or
 6494 capital improvements; and
 6495 (d) the revenue bond authorized under this Subsection (1) may
 not be issued until on or
 6496 after March 1, 2017.
 6497 (2) The Legislature intends that:

6498 (a) the State Building Ownership Authority, under the authority
 of Title 63B, Chapter
 6499 1, Part 3, State Building Ownership Authority Act, may issue or
 execute obligations, or may
 6500 enter into or arrange for a lease-purchase agreement in which
 participation interests may be
 6501 created, to provide up to \$5,043,400 for a Syracuse liquor store,
 together with additional
 6502 amounts necessary to pay costs of issuance, pay capitalized
 interest, and fund any existing debt
 6503 service reserve requirements;
 6504 (b) the Department of Alcoholic Beverage ~~Control~~ Services
 use sales revenues as the
 6505 primary revenue source for repayment of any obligation created
 under authority of this
 6506 Subsection (2); and
 6507 (c) the Department of Alcoholic Beverage ~~Control~~ Services
 may request operation
 6508 and maintenance funding from sales revenues.
 6509 Section 101. Section **63B-27-201** is amended to read:

6510 **63B-27-201. Revenue bond authorizations -- State Building
 Ownership**

6511 **Authority.**

6512 (1) The Legislature intends that:
 6513 (a) the State Building Ownership Authority, under the authority
 of Title 63B, Chapter
 6514 1, Part 3, State Building Ownership Authority Act, may issue or
 execute obligations, or may
 6515 enter into or arrange for a lease-purchase agreement in which
 participation interests may be
 6516 created, to provide up to \$5,451,800 for a Farmington liquor store,
 together with additional
 6517 amounts necessary to pay costs of issuance, pay capitalized

interest, and fund any existing debt

6518 service reserve requirements;

6519 (b) the Department of Alcoholic Beverage [~~Control~~] Services
use sales revenues as the

6520 primary revenue source for repayment of any obligation created
under authority of this

6521 Subsection (1); and

6522 (c) the Department of Alcoholic Beverage [~~Control~~] Services
may request operation

6523 and maintenance funding from sales revenues.

6524 (2) The Legislature intends that:

6525 (a) the State Building Ownership Authority, under the authority
of Title 63B, Chapter

6526 1, Part 3, State Building Ownership Authority Act, may issue or
execute obligations, or may

6527 enter into or arrange for a lease-purchase agreement in which
participation interests may be

6528 created, to provide up to \$5,451,800 for a southwest Salt Lake
County liquor store, together

6529 with additional amounts necessary to pay costs of issuance, pay
capitalized interest, and fund

6530 any existing debt service reserve requirements;

6531 (b) the Department of Alcoholic Beverage [~~Control~~] Services
use sales revenues as the

6532 primary revenue source for repayment of any obligation created
under authority of this

6533 Subsection (2); and

6534 (c) the Department of Alcoholic Beverage [~~Control~~] Services
may request operation

6535 and maintenance funding from sales revenues.

6536 Section 102. Section **63B-28-101** is amended to read:

6537 **63B-28-101. Revenue bond authorizations -- State Building
Ownership**

6538 **Authority.**

6539 (1) The Legislature intends that:

6540 (a) the State Building Ownership Authority, under the authority
of Title 63B, Chapter

6541 1, Part 3, State Building Ownership Authority Act, may issue or
execute obligations, or may

6542 enter into or arrange for a lease-purchase agreement in which
participation interests may be

6543 created, to provide up to \$5,451,800 for a Pleasant Grove or Lehi
market area liquor store,

6544 together with additional amounts necessary to pay costs of
issuance, pay capitalized interest,

6545 and fund any existing debt service reserve requirements;

6546 (b) the Department of Alcoholic Beverage [~~Control~~] Services
use sales revenues as the

6547 primary revenue source for repayment of any obligation created
under authority of this

6548 Subsection (1); and
6549 (c) the Department of Alcoholic Beverage ~~[Control]~~ Services
may request operation
6550 and maintenance funding from sales revenues.
6551 (2) The Legislature intends that:
6552 (a) the State Building Ownership Authority, under the authority
of Title 63B, Chapter
6553 1, Part 3, State Building Ownership Authority Act, may issue or
execute obligations, or may

6554 enter into or arrange for a lease-purchase agreement in which
participation interests may be
6555 created, to provide up to \$10,759,000 for reconstructing the Store
4: Foothill liquor store,
6556 together with additional amounts necessary to pay costs of
issuance, pay capitalized interest,
6557 and fund any existing debt service reserve requirements;
6558 (b) the Department of Alcoholic Beverage ~~[Control]~~ Services
use sales revenues as the
6559 primary revenue source for repayment of any obligation created
under authority of this
6560 Subsection (2); and
6561 (c) the Department of Alcoholic Beverage ~~[Control]~~ Services
may request operation
6562 and maintenance funding from sales revenues.

6563 Section 103. Section **63B-29-101** is amended to read:
6564 **63B-29-101. Revenue bond authorizations -- State Building
Ownership**

6565 **Authority.**
6566 (1) The Legislature intends that:
6567 (a) the State Building Ownership Authority, under the authority
of Chapter 1, Part 3,
6568 State Building Ownership Authority Act, may issue or execute
obligations, or may enter into or
6569 arrange for a lease-purchase agreement in which participation
interests may be created, to
6570 provide up to \$10,091,100 for the downtown liquor store relocation,
together with additional
6571 amounts necessary to pay costs of issuance, pay capitalized
interest, and fund any existing debt
6572 service reserve requirements;
6573 (b) the Department of Alcoholic Beverage ~~[Control]~~ Services
use sales revenue as the
6574 primary revenue source for repayment of any obligation created
under authority of this
6575 Subsection (1); and
6576 (c) the Department of Alcoholic Beverage ~~[Control]~~ Services
may request operation
6577 and maintenance funding from sales revenue.
6578 (2) The Legislature intends that:
6579 (a) the State Building Ownership Authority, under the authority

of Chapter 1, Part 3,

6580 State Building Ownership Authority Act, may issue or execute obligations, or may enter into or

6581 arrange for a lease-purchase agreement in which participation interests may be created, to

6582 provide up to \$14,000,000 for two liquor stores in the Taylorsville and West Valley City

6583 market areas, together with additional amounts necessary to pay costs of issuance, pay

6584 capitalized interest, and fund any existing debt service reserve requirements;

6585 (b) the Department of Alcoholic Beverage ~~[Control]~~ Services use sales revenue as the

6586 primary revenue source for repayment of any obligation created under authority of this

6587 Subsection (2); and

6588 (c) the Department of Alcoholic Beverage ~~[Control]~~ Services may request operation

6589 and maintenance funding from sales revenue.

6590 Section 104. Section **63B-31-202** is amended to read:

6591 **63B-31-202. State Building Ownership Authority obligations for new state liquor**

6592 **stores.**

6593 (1) The Legislature intends that:

6594 (a) the State Building Ownership Authority, under the authority of Title 63B, Chapter

6595 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations or may

6596 enter into or arrange for a lease-purchase agreement in which participation interests may be

6597 created, to provide up to \$11,725,700 for a Salt Lake City market area liquor store in

6598 Sugarhouse, together with additional amounts necessary to pay costs of issuance, pay

6599 capitalized interest, and fund any existing debt service reserve requirements;

6600 (b) the Department of Alcoholic Beverage ~~[Control]~~ Services use sales revenues as the

6601 primary revenue source for repayment of any obligation created under authority of this

6602 Subsection (1);

6603 (c) the Department of Alcoholic Beverage ~~[Control]~~ Services may request operation

6604 and maintenance funding from sales revenues; and

6605 (d) the Department of Alcoholic Beverage ~~[Control]~~ Services use up to \$5,000,000 to

6606 repay the State Store Land Acquisition Fund under Section **32B-2-307**.

6607 (2) The Legislature intends that:

6608 (a) the State Building Ownership Authority, under the authority

of Title 63B, Chapter

6609 1, Part 3, State Building Ownership Authority Act, may issue or execute obligations or may

6610 enter into or arrange for a lease-purchase agreement in which participation interests may be

6611 created, to provide up to \$5,524,000 for a Salt Lake City area market liquor store in east Sandy,

6612 together with additional amounts necessary to pay costs of issuance, pay capitalized interest,

6613 and fund any existing debt service reserve requirements;

6614 (b) the Department of Alcoholic Beverage ~~Control~~ Services use sales revenues as the

6615 primary revenue source for repayment of any obligation created under authority of this

6616 Subsection (2); and

6617 (c) the Department of Alcoholic Beverage ~~Control~~ Services may request operation

6618 and maintenance funding from sales revenues.

6619 Section 105. Section **63G-12-306** is amended to read:

6620 **63G-12-306. Penalties.**

6621 (1) As used in this section:

6622 (a) "Applicable license" means a license issued under:

6623 (i) Title 32B, Alcoholic Beverage Control Act;

6624 (ii) Title 58, Occupations and Professions; or

6625 (iii) Title 61, Securities Division - Real Estate Division.

6626 (b) "First violation" means the first time the department imposes a penalty under this

6627 section, regardless of the number of individuals the private employer hired in violation of

6628 Subsection [63G-12-301\(1\)](#).

6629 (c) "Second violation" means the second time the department imposes a penalty under

6630 this section, regardless of the number of individuals the private employer hired in violation of

6631 Subsection [63G-12-301\(1\)](#).

6632 (d) "Third or subsequent violation" means a violation of Subsection [63G-12-301\(1\)](#)

6633 committed after a second violation.

6634 (2) (a) On or after the program start date, a private employer who violates Subsection

6635 [63G-12-301\(1\)](#) is subject to a penalty provided in this section under an action brought by the

6636 department in accordance with Section [63G-12-305](#).

6637 (b) For a first violation of Subsection [63G-12-301\(1\)](#), the department shall impose a

6638 civil penalty on the private employer not to exceed \$100 for each individual employed by the

6639 private employer during the time period specified in the notice of

agency action who is an

6640 unauthorized alien who does not hold a valid permit.

6641 (c) For a second violation of Subsection 63G-12-301(1), the

department shall impose a

6642 civil penalty on the private employer not to exceed \$500 for each

individual employed by the

6643 private employer during the time period specified in the notice of

agency action who is an

6644 unauthorized alien who does not hold a valid permit.

6645 (d) For a third or subsequent violation of Subsection 63G-12-

301(1), the department

6646 shall:

6647 (i) order the revocation of the one or more applicable licenses

that are issued to an

6648 owner, officer, director, manager, or other individual in a similar

position for the private

6649 employer for a period not to exceed one year; or

6650 (ii) if no individual described in Subsection (2)(d)(i) holds an

applicable license,

6651 impose a civil penalty on the private employer not to exceed

\$10,000.

6652 (3) (a) If the department finds a third or subsequent violation,

the department shall

6653 notify the Department of Commerce and the Department of

Alcoholic Beverage [~~Control~~]

6654 Services once the department's order:

6655 (i) is not appealed, and the time to appeal has expired; or

6656 (ii) is appealed, and is affirmed, in whole or in part on appeal.

6657 (b) The notice required under Subsection (3)(a) shall state:

6658 (i) that the department has found a third or subsequent

violation;

6659 (ii) that any applicable license held by an individual described in

Subsection (2)(d)(i) is

6660 to be revoked; and

6661 (iii) the time period for the revocation, not to exceed one year.

6662 (c) The department shall base its determination of the length of

revocation under this

6663 section on evidence or information submitted to the department

during the action under which

6664 a third or subsequent violation is found, and shall consider the

following factors, if relevant:

6665 (i) the number of unauthorized aliens who do not hold a permit

that are employed by

6666 the private employer;

6667 (ii) prior misconduct by the private employer;

6668 (iii) the degree of harm resulting from the violation;

6669 (iv) whether the private employer made good faith efforts to

comply with any

6670 applicable requirements;

6671 (v) the duration of the violation;

6672 (vi) the role of the individuals described in Subsection (2)(d)(i) in the violation; and

6673 (vii) any other factor the department considers appropriate.

6674 (4) Within 10 business days of receipt of notice under Subsection (3), the Department

6675 of Commerce and the Department of Alcoholic Beverage ~~Control~~ Services shall:

6676 (a) (i) if the Department of Commerce or Alcoholic Beverage ~~Control~~ Services

6677 Commission has issued an applicable license to an individual described in Subsection (2)(d)(i),

6678 notwithstanding any other law, revoke the applicable license; and

6679 (ii) notify the department that the applicable license is revoked; or

6680 (b) if the Department of Commerce or Alcoholic Beverage ~~Control~~ Services

6681 Commission has not issued an applicable license to an individual described in Subsection

6682 (2)(d)(i), notify the department that an applicable license has not been issued to an individual

6683 described in Subsection (2)(d)(i).

6684 (5) If an individual described in Subsection (2)(d)(i) is licensed to practice law in the

6685 state and the department finds a third or subsequent violation of Subsection ~~63G-12-301~~(1), the

6686 department shall notify the Utah State Bar of the third and subsequent violation.

6687 Section 106. Section ~~631-5-201~~ (**Superseded 07/01/22**) is amended to read:

6688 **631-5-201 (Superseded 07/01/22). Internal auditing programs -- State agencies.**

6689 (1) (a) The departments of Administrative Services, Agriculture, Commerce, Cultural

6690 and Community Engagement, Corrections, Workforce Services, Environmental Quality,

6691 Health, Human Services, Natural Resources, Public Safety, and Transportation, and the State

6692 Tax Commission shall conduct various types of auditing procedures as determined by the

6693 agency head or governor.

6694 (b) The governor may, by executive order, require a state agency not described in

6695 Subsection (1)(a) to establish an internal audit program.

6696 (c) The governor shall ensure that each state agency that reports to the governor has

6697 adequate internal audit coverage.

6698 (2) (a) The Administrative Office of the Courts shall establish an internal audit

6699 program under the direction of the Judicial Council, including auditing procedures for courts

6700 not of record.

6701 (b) The Judicial Council may, by rule, require other judicial agencies to establish an

6702 internal audit program.

6703 (3) (a) Dixie State University, the University of Utah, Utah State University, Salt Lake

6704 Community College, Southern Utah University, Utah Valley University, Weber State

6705 University, and Snow College shall establish an internal audit program under the direction of

6706 the Utah Board of Higher Education.

6707 (b) The Utah Board of Higher Education may issue policies requiring other higher

6708 education entities or programs to establish an internal audit program.

6709 (4) The State Board of Education shall establish an internal audit program that provides

6710 internal audit services for each program administered by the State Board of Education.

6711 (5) Subject to Section [32B-2-302.5](#), the internal audit division of the Department of

6712 Alcoholic Beverage ~~Control~~ Services shall establish an internal audit program under the

6713 direction of the Alcoholic Beverage ~~Control~~ Services Commission.

6714 Section 107. Section **63I-5-201 (Effective 07/01/22)** is amended to read:

6715 **63I-5-201 (Effective 07/01/22). Internal auditing programs -- State agencies.**

6716 (1) (a) The departments of Administrative Services, Agriculture, Commerce, Cultural

6717 and Community Engagement, Corrections, Workforce Services, Environmental Quality,

6718 Health, Human Services, Natural Resources, Public Safety, and Transportation, and the State

6719 Tax Commission shall conduct various types of auditing procedures as determined by the

6720 agency head or governor.

6721 (b) The governor may, by executive order, require a state agency not described in

6722 Subsection (1)(a) to establish an internal audit program.

6723 (c) The governor shall ensure that each state agency that reports to the governor has

6724 adequate internal audit coverage.

6725 (2) (a) The Administrative Office of the Courts shall establish an internal audit

6726 program under the direction of the Judicial Council, including auditing procedures for courts

6727 not of record.

6728 (b) The Judicial Council may, by rule, require other judicial agencies to establish an

6729 internal audit program.

6730 (3) (a) Utah Tech University, the University of Utah, Utah State University, Salt Lake

6731 Community College, Southern Utah University, Utah Valley University, Weber State

6732 University, and Snow College shall establish an internal audit program under the direction of

6733 the Utah Board of Higher Education.

6734 (b) The Utah Board of Higher Education may issue policies requiring other higher

6735 education entities or programs to establish an internal audit program.

6736 (4) The State Board of Education shall establish an internal audit program that provides

6737 internal audit services for each program administered by the State Board of Education.

6738 (5) Subject to Section [32B-2-302.5](#), the internal audit division of the Department of

6739 Alcoholic Beverage ~~[Control]~~ Services shall establish an internal audit program under the

6740 direction of the Alcoholic Beverage ~~[Control]~~ Services Commission.

6741 Section 108. Section **63J-1-219** is amended to read:

6742 **63J-1-219. Definitions -- Federal receipts reporting requirements.**

6743 (1) As used in this section:

6744 (a) (i) "Designated state agency" means the Department of Government Operations, the

6745 Department of Agriculture and Food, the Department of Alcoholic Beverage ~~[Control]~~

6746 Services, the Department of Commerce, the Department of Cultural and Community

6747 Engagement, the Department of Corrections, the Department of Environmental Quality, the

6748 Department of Financial Institutions, the Department of Health, the Department of Human

6749 Services, the Department of Insurance, the Department of Natural Resources, the Department

6750 of Public Safety, the Department of Transportation, the Department of Veterans and Military

6751 Affairs, the Department of Workforce Services, the Labor Commission, the Office of

6752 Economic Opportunity, the Public Service Commission, the Utah Board of Higher Education,

6753 the State Board of Education, the State Tax Commission, or the Utah National Guard.

6754 (ii) "Designated state agency" does not include the judicial branch, the legislative

6755 branch, or an office or other entity within the judicial branch or the legislative branch.

6756 (b) "Federal receipts" means the federal financial assistance, as

defined in 31 U.S.C.

6757 Sec. 7501, that is reported as part of a single audit.

6758 (c) "Single audit" is as defined in 31 U.S.C. Sec. 7501.

6759 (2) Subject to Subsections (3) and (4), a designated state agency shall each year, on or

6760 before October 31, prepare a report that:

6761 (a) reports the aggregate value of federal receipts the designated state agency received

6762 for the preceding fiscal year;

6763 (b) reports the aggregate amount of federal funds appropriated by the Legislature to the

6764 designated state agency for the preceding fiscal year;

6765 (c) calculates the percentage of the designated state agency's total budget for the

6766 preceding fiscal year that constitutes federal receipts that the designated state agency received

6767 for that fiscal year; and

6768 (d) develops plans for operating the designated state agency if there is a reduction of:

6769 (i) 5% or more in the federal receipts that the designated state agency receives; and

6770 (ii) 25% or more in the federal receipts that the designated state agency receives.

6771 (3) (a) The report required by Subsection (2) that the Utah Board of Higher Education

6772 prepares shall include the information required by Subsections (2) (a) through (c) for each state

6773 institution of higher education listed in Section [53B-2-101](#).

6774 (b) The report required by Subsection (2) that the State Board of Education prepares

6775 shall include the information required by Subsections (2)(a) through (c) for each school district

6776 and each charter school within the public education system.

6777 (4) A designated state agency that prepares a report in accordance with Subsection (2)

6778 shall submit the report to the Division of Finance on or before November 1 of each year.

6779 (5) (a) The Division of Finance shall, on or before November 30 of each year, prepare a

6780 report that:

6781 (i) compiles and summarizes the reports the Division of Finance receives in accordance

6782 with Subsection (4); and

6783 (ii) compares the aggregate value of federal receipts each designated state agency

6784 received for the previous fiscal year to the aggregate amount of federal funds appropriated by

6785 the Legislature to that designated state agency for that fiscal year.

6786 (b) The Division of Finance shall, as part of the report required by Subsection (5)(a),

6787 compile a list of designated state agencies that do not submit a
report as required by this
6788 section.
6789 (6) The Division of Finance shall submit the report required by
Subsection (5) to the
6790 Executive Appropriations Committee on or before December 1 of
each year.
6791 (7) Upon receipt of the report required by Subsection (5), the
chairs of the Executive
6792 Appropriations Committee shall place the report on the agenda for
review and consideration at
6793 the next Executive Appropriations Committee meeting.
6794 (8) When considering the report required by Subsection (5), the
Executive
6795 Appropriations Committee may elect to:
6796 (a) recommend that the Legislature reduce or eliminate
appropriations for a designated
6797 state agency;
6798 (b) take no action; or
6799 (c) take another action that a majority of the committee
approves.
6800 Section 109. Section **63J-1-602.2** is amended to read:
6801 **63J-1-602.2. List of nonlapsing appropriations to programs.**
6802 Appropriations made to the following programs are nonlapsing:
6803 (1) The Legislature and the Legislature's committees.
6804 (2) The State Board of Education, including all appropriations to
agencies, line items,
6805 and programs under the jurisdiction of the State Board of
Education, in accordance with

6806 Section [53F-9-103](#).
6807 (3) The Percent-for-Art Program created in Section [9-6-404](#).
6808 (4) The LeRay McAllister Critical Land Conservation Program
created in Section
6809 [11-38-301](#).
6810 (5) Dedicated credits accrued to the Utah Marriage Commission
as provided under
6811 Subsection [17-16-21\(2\)\(d\)\(ii\)](#).
6812 (6) The Trip Reduction Program created in Section [19-2a-104](#).
6813 (7) The Division of Wildlife Resources for the appraisal and
purchase of lands under
6814 the Pelican Management Act, as provided in Section [23-21a-6](#).
6815 (8) The emergency medical services grant program in Section
[26-8a-207](#).
6816 (9) The primary care grant program created in Section [26-10b-](#)
[102](#).
6817 (10) Sanctions collected as dedicated credits from Medicaid
provider under Subsection
6818 [26-18-3\(7\)](#).

- 6819 (11) The Utah Health Care Workforce Financial Assistance Program created in Section
6820 [26-46-102](#).
- 6821 (12) The Rural Physician Loan Repayment Program created in Section [26-46a-103](#).
- 6822 (13) The Opiate Overdose Outreach Pilot Program created in Section [26-55-107](#).
- 6823 (14) Funds that the Department of Alcoholic Beverage ~~Control~~ Services retains in
6824 accordance with Subsection [~~32B-2-301(9)(a)~~] [32B-2-301\(8\)\(a\)](#) or (b).
- 6825 (15) The General Assistance program administered by the Department of Workforce
6826 Services, as provided in Section [35A-3-401](#).
- 6827 (16) The Utah National Guard, created in Title 39, Militia and Armories.
- 6828 (17) The State Tax Commission under Section [41-1a-1201](#) for the:
6829 (a) purchase and distribution of license plates and decals; and
6830 (b) administration and enforcement of motor vehicle registration requirements.
- 6831 (18) The Search and Rescue Financial Assistance Program, as provided in Section
6832 [53-2a-1102](#).
- 6833 (19) The Motorcycle Rider Education Program, as provided in Section [53-3-905](#).
-
- 6834 (20) The Utah Board of Higher Education for teacher preparation programs, as
6835 provided in Section [53B-6-104](#).
- 6836 (21) The Medical Education Program administered by the Medical Education Council,
6837 as provided in Section [53B-24-202](#).
- 6838 (22) The Division of Services for People with Disabilities, as provided in Section
6839 [62A-5-102](#).
- 6840 (23) The Division of Fleet Operations for the purpose of upgrading underground
6841 storage tanks under Section [63A-9-401](#).
- 6842 (24) The Utah Seismic Safety Commission, as provided in Section [63C-6-104](#).
- 6843 (25) Appropriations to the Division of Technology Services for technology innovation
6844 as provided under Section [63A-16-903](#).
- 6845 (26) The Office of Administrative Rules for publishing, as provided in Section
6846 [63G-3-402](#).
- 6847 (27) The Colorado River Authority of Utah, created in Title 63M,

Chapter 14,

6848 Colorado River Authority of Utah Act.

6849 (28) The Governor's Office of Economic Opportunity to fund the Enterprise Zone Act,

6850 as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.

6851 (29) Appropriations to fund the Governor's Office of Economic Opportunity's Rural

6852 Employment Expansion Program, as described in Title 63N, Chapter 4, Part 4, Rural

6853 Employment Expansion Program.

6854 (30) Appropriations to fund programs for the Jordan River Recreation Area as

6855 described in Section [65A-2-8](#).

6856 (31) The Division of Human Resource Management user training program, as provided

6857 in Section [63A-17-106](#).

6858 (32) A public safety answering point's emergency telecommunications service fund, as

6859 provided in Section [69-2-301](#).

6860 (33) The Traffic Noise Abatement Program created in Section [72-6-112](#).

6861 (34) The money appropriated from the Navajo Water Rights Negotiation Account to

6862 the Division of Water Rights, created in Section [73-2-1.1](#), for purposes of participating in a

6863 settlement of federal reserved water right claims.

6864 (35) The Judicial Council for compensation for special prosecutors, as provided in

6865 Section [77-10a-19](#).

6866 (36) A state rehabilitative employment program, as provided in Section [78A-6-210](#).

6867 (37) The Utah Geological Survey, as provided in Section [79-3-401](#).

6868 (38) The Bonneville Shoreline Trail Program created under Section [79-5-503](#).

6869 (39) Adoption document access as provided in Sections [78B-6-141](#), [78B-6-144](#), and

6870 [78B-6-144.5](#).

6871 (40) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent

6872 Defense Commission.

6873 (41) The program established by the Division of Facilities Construction and

6874 Management under Section [63A-5b-703](#) under which state agencies receive an appropriation

6875 and pay lease payments for the use and occupancy of buildings owned by the Division of

6876 Facilities Construction and Management.

6877 Section 110. Section **67-22-2** is amended to read:

6878 **67-22-2. Compensation -- Other state officers.**

6879 (1) As used in this section:

6880 (a) "Appointed executive" means the:

6881 (i) commissioner of the Department of Agriculture and Food;

6882 (ii) commissioner of the Insurance Department;

6883 (iii) commissioner of the Labor Commission;

6884 (iv) director, Department of Alcoholic Beverage [~~Control~~]

Services;

6885 (v) commissioner of the Department of Financial Institutions;

6886 (vi) executive director, Department of Commerce;

6887 (vii) executive director, Commission on Criminal and Juvenile

Justice;

6888 (viii) adjutant general;

6889 (ix) executive director, Department of Cultural and Community

Engagement;

6890 (x) executive director, Department of Corrections;

6891 (xi) commissioner, Department of Public Safety;

6892 (xii) executive director, Department of Natural Resources;

6893 (xiii) executive director, Governor's Office of Planning and

Budget;

6894 (xiv) executive director, Department of Government Operations;

6895 (xv) executive director, Department of Environmental Quality;

6896 (xvi) executive director, Governor's Office of Economic

Opportunity;

6897 (xvii) executive director, Department of Workforce Services;

6898 (xviii) executive director, Department of Health, Nonphysician;

6899 (xix) executive director, Department of Human Services;

6900 (xx) executive director, Department of Transportation; [~~and~~]

6901 (xxi) executive director, Department of Veterans and Military

Affairs; and

6902 (xxii) executive director, Public Lands Policy Coordinating

Office, created in Section

6903 [63L-11-201](#).

6904 (b) "Board or commission executive" means:

6905 (i) members, Board of Pardons and Parole;

6906 (ii) chair, State Tax Commission;

6907 (iii) commissioners, State Tax Commission;

6908 (iv) executive director, State Tax Commission;

6909 (v) chair, Public Service Commission; and

6910 (vi) commissioners, Public Service Commission.

6911 (c) "Deputy" means the person who acts as the appointed executive's second in

6912 command as determined by the Division of Human Resource Management.

6913 (2) (a) The director of the Division of Human Resource Management shall:

6914 (i) before October 31 of each year, recommend to the governor a compensation plan for

6915 the appointed executives and the board or commission executives;
and
6916 (ii) base those recommendations on market salary studies
conducted by the Division of
6917 Human Resource Management.

6918 (b) (i) The Division of Human Resource Management shall
determine the salary range
6919 for the appointed executives by:
6920 (A) identifying the salary range assigned to the appointed
executive's deputy;
6921 (B) designating the lowest minimum salary from those deputies'
salary ranges as the
6922 minimum salary for the appointed executives' salary range; and
6923 (C) designating 105% of the highest maximum salary range
from those deputies' salary
6924 ranges as the maximum salary for the appointed executives' salary
range.
6925 (ii) If the deputy is a medical doctor, the Division of Human
Resource Management
6926 may not consider that deputy's salary range in designating the
salary range for appointed
6927 executives.
6928 (c) (i) Except as provided in Subsection (2)(c)(ii), in establishing
the salary ranges for
6929 board or commission executives, the Division of Human Resource
Management shall set the
6930 maximum salary in the salary range for each of those positions at
90% of the salary for district
6931 judges as established in the annual appropriation act under
Section [67-8-2](#).
6932 (ii) In establishing the salary ranges for an individual described
in Subsection (1)(b)(ii)
6933 or (iii), the Division of Human Resource Management shall set the
maximum salary in the
6934 salary range for each of those positions at 100% of the salary for
district judges as established
6935 in the annual appropriation act under Section [67-8-2](#).
6936 (3) (a) (i) Except as provided in Subsection (3)(a)(ii), the
governor shall establish a
6937 specific salary for each appointed executive within the range
established under Subsection
6938 (2)(b).
6939 (ii) If the executive director of the Department of Health is a
physician, the governor
6940 shall establish a salary within the highest physician salary range
established by the Division of
6941 Human Resource Management.
6942 (iii) The governor may provide salary increases for appointed
executives within the
6943 range established by Subsection (2)(b) and identified in Subsection

(3)(a)(ii).

6944 (b) The governor shall apply the same overtime regulations
applicable to other FLSA
6945 exempt positions.

6946 (c) The governor may develop standards and criteria for
reviewing the appointed
6947 executives.

6948 (4) Salaries for other Schedule A employees, as defined in
Section [63A-17-301](#), that
6949 are not provided for in this chapter, or in Title 67, Chapter 8, Utah
Elected Official and Judicial
6950 Salary Act, shall be established as provided in Section [63A-17-
301](#).

6951 (5) (a) The Legislature fixes benefits for the appointed
executives and the board or

6952 commission executives as follows:

6953 (i) the option of participating in a state retirement system
established by Title 49, Utah

6954 State Retirement and Insurance Benefit Act, or in a deferred
compensation plan administered

6955 by the State Retirement Office in accordance with the Internal
Revenue Code and its

6956 accompanying rules and regulations;

6957 (ii) health insurance;

6958 (iii) dental insurance;

6959 (iv) basic life insurance;

6960 (v) unemployment compensation;

6961 (vi) workers' compensation;

6962 (vii) required employer contribution to Social Security;

6963 (viii) long-term disability income insurance;

6964 (ix) the same additional state-paid life insurance available to
other noncareer service

6965 employees;

6966 (x) the same severance pay available to other noncareer
service employees;

6967 (xi) the same leave, holidays, and allowances granted to
Schedule B state employees as

6968 follows:

6969 (A) sick leave;

6970 (B) converted sick leave if accrued prior to January 1, 2014;

6971 (C) educational allowances;

6972 (D) holidays; and

6973 (E) annual leave except that annual leave shall be accrued at
the maximum rate

6974 provided to Schedule B state employees;

6975 (xii) the option to convert accumulated sick leave to cash or
insurance benefits as

6976 provided by law or rule upon resignation or retirement according to
the same criteria and

6977 procedures applied to Schedule B state employees;
6978 (xiii) the option to purchase additional life insurance at group
insurance rates according
6979 to the same criteria and procedures applied to Schedule B state
employees; and
6980 (xiv) professional memberships if being a member of the
professional organization is a
6981 requirement of the position.
6982 (b) Each department shall pay the cost of additional state-paid
life insurance for its
6983 executive director from its existing budget.
6984 (6) The Legislature fixes the following additional benefits:
6985 (a) for the executive director of the State Tax Commission a
vehicle for official and
6986 personal use;
6987 (b) for the executive director of the Department of
Transportation a vehicle for official
6988 and personal use;
6989 (c) for the executive director of the Department of Natural
Resources a vehicle for
6990 commute and official use;
6991 (d) for the commissioner of Public Safety:
6992 (i) an accidental death insurance policy if POST certified; and
6993 (ii) a public safety vehicle for official and personal use;
6994 (e) for the executive director of the Department of Corrections:
6995 (i) an accidental death insurance policy if POST certified; and
6996 (ii) a public safety vehicle for official and personal use;
6997 (f) for the adjutant general a vehicle for official and personal
use; and
6998 (g) for each member of the Board of Pardons and Parole a
vehicle for commute and
6999 official use.
7000 Section 111. **Repealer.**
7001 This bill repeals:

7002 Section **32B-8a-101, Title.**

7003 Section **32B-8a-302, Application -- Approval process.**

7004 Section **32B-12-207, Changing location of a warehousing
facility.**

7005 Section 112. **Effective date.**

7006 This bill takes effect on June 1, 2022, with the exception of
Section [63I-5-201](#)

7007 (Effective 07/01/22) which takes effect on July 1, 2022.

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Contact a Senator

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