

State of Arizona
House of Representatives
Fifty-second Legislature
First Regular Session
2015

HOUSE BILL 2178

AN ACT

AMENDING SECTIONS 4-244 AND 4-246, ARIZONA REVISED STATUTES; RELATING TO
SPIRITUOUS LIQUOR.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 4-244, Arizona Revised Statutes, is amended to
3 read:
4 4-244. Unlawful acts
5 It is unlawful:
6 1. For a person to buy for resale, sell or deal in spirituous liquors
7 in this state without first having procured a license duly issued by the
8 board.
9 2. For a person to sell or deal in alcohol for beverage purposes
10 without first complying with this title.
11 3. For a distiller, vintner, brewer or wholesaler knowingly to sell,
12 dispose of or give spirituous liquor to any person other than a licensee
13 except in sampling wares as may be necessary in the ordinary course of
14 business, except in donating spirituous liquor to a nonprofit organization
15 ~~which~~ THAT has obtained a special event license for the purpose of charitable
16 fund raising activities or except in donating spirituous liquor with a cost
17 to the distiller, brewer or wholesaler of up to five hundred dollars in a
18 calendar year to an organization that is exempt from federal income taxes
19 under section 501(c) (3), (4), (6) or (7) of the internal revenue code and
20 not licensed under this title.
21 4. For a distiller, vintner or brewer to require a wholesaler to offer
22 or grant a discount to a retailer, unless the discount has also been offered
23 and granted to the wholesaler by the distiller, vintner or brewer.
24 5. For a distiller, vintner or brewer to use a vehicle for trucking or
25 transportation of spirituous liquors unless there is affixed to both sides of
26 the vehicle a sign showing the name and address of the licensee and the type
27 and number of the person's license in letters not less than three and
28 one-half inches in height.
29 6. For a person to take or solicit orders for spirituous liquors
30 unless the person is a salesman or solicitor of a licensed wholesaler, a
31 salesman or solicitor of a distiller, brewer, vintner, importer or broker or
32 a registered retail agent.
33 7. For any retail licensee to purchase spirituous liquors from any
34 person other than a solicitor or salesman of a wholesaler licensed in this
35 state.
36 8. For a retailer to acquire an interest in property owned, occupied
37 or used by a wholesaler in the wholesaler's business, or in a license with
38 respect to the premises of the wholesaler.
39 9. Except as provided in paragraphs 10 and 11 of this section, for a
40 licensee or other person to sell, furnish, dispose of or give, or cause to be
41 sold, furnished, disposed of or given, to a person under the legal drinking
42 age or for a person under the legal drinking age to buy, receive, have in the
43 person's possession or consume spirituous liquor. This paragraph shall not
44 prohibit the employment by an off-sale retailer of persons who are at least
45 sixteen years of age to check out, if supervised by a person on the premises

1 who is at least nineteen years of age, package or carry merchandise,
2 including spirituous liquor, in unbroken packages, for the convenience of the
3 customer of the employer, if the employer sells primarily merchandise other
4 than spirituous liquor.

5 10. For a licensee to employ a person under nineteen years of age to
6 manufacture, sell or dispose of spirituous liquors. This paragraph shall not
7 prohibit the employment by an off-sale retailer of persons who are at least
8 sixteen years of age to check out, if supervised by a person on the premises
9 who is at least nineteen years of age, package or carry merchandise,
10 including spirituous liquor, in unbroken packages, for the convenience of the
11 customer of the employer, if the employer sells primarily merchandise other
12 than spirituous liquor.

13 11. For an on-sale retailer to employ a person under nineteen years of
14 age in any capacity connected with the handling of spirituous liquors. This
15 paragraph does not prohibit the employment by an on-sale retailer of a person
16 under nineteen years of age who cleans up the tables on the premises for
17 reuse, removes dirty dishes, keeps a ready supply of needed items and helps
18 clean up the premises.

19 12. For a licensee, when engaged in waiting on or serving customers, to
20 consume spirituous liquor or for a licensee or on-duty employee to be on or
21 about the licensed premises while in an intoxicated or disorderly condition.

22 13. For an employee of a retail licensee, during that employee's
23 working hours or in connection with such employment, to give to or purchase
24 for any other person, accept a gift of, purchase for himself or consume
25 spirituous liquor, except that:

26 (a) An employee of a licensee, during that employee's working hours or
27 in connection with the employment, while the employee is not engaged in
28 waiting on or serving customers, may give spirituous liquor to or purchase
29 spirituous liquor for any other person.

30 (b) An employee of an on-sale retail licensee, during that employee's
31 working hours or in connection with the employment, while the employee is not
32 engaged in waiting on or serving customers, may taste samples of beer or wine
33 not to exceed four ounces per day or distilled spirits not to exceed two
34 ounces per day provided by an employee of a wholesaler or distributor who is
35 present at the time of the sampling.

36 (c) An employee of an on-sale retail licensee, under the supervision
37 of a manager as part of the employee's training and education, while not
38 engaged in waiting on or serving customers may taste samples of distilled
39 spirits not to exceed two ounces per educational session or beer or wine not
40 to exceed four ounces per educational session, and provided that a licensee
41 shall not have more than two educational sessions in any thirty day period.

42 (d) An unpaid volunteer who is a bona fide member of a club and who is
43 not engaged in waiting on or serving spirituous liquor to customers may
44 purchase for himself and consume spirituous liquor while participating in a
45 scheduled event at the club. An unpaid participant in a food competition may

1 purchase for himself and consume spirituous liquor while participating in the
2 food competition.

3 (e) An unpaid volunteer of a special event licensee under section
4 4-203.02 may purchase and consume spirituous liquor while not engaged in
5 waiting on or serving spirituous liquor to customers at the special event.
6 This subdivision does not apply to an unpaid volunteer whose responsibilities
7 include verification of a person's legal drinking age, security or the
8 operation of any vehicle or heavy machinery.

9 14. For a licensee or other person to serve, sell or furnish spirituous
10 liquor to a disorderly or obviously intoxicated person, or for a licensee or
11 employee of the licensee to allow or permit a disorderly or obviously
12 intoxicated person to come into or remain on or about the premises, except
13 that a licensee or an employee of the licensee may allow an obviously
14 intoxicated person to remain on the premises for a period of time of not to
15 exceed thirty minutes after the state of obvious intoxication is known or
16 should be known to the licensee in order that a nonintoxicated person may
17 transport the obviously intoxicated person from the premises. For the
18 purposes of this section, "obviously intoxicated" means inebriated to the
19 extent that a person's physical faculties are substantially impaired and the
20 impairment is shown by significantly uncoordinated physical action or
21 significant physical dysfunction that would have been obvious to a reasonable
22 person.

23 15. For an on-sale or off-sale retailer or an employee of such retailer
24 to sell, dispose of, deliver or give spirituous liquor to a person between
25 the hours of 2:00 a.m. and 6:00 a.m.

26 16. For a licensee or employee to knowingly permit any person on or
27 about the licensed premises to give or furnish any spirituous liquor to any
28 person under twenty-one years of age or knowingly permit any person under
29 twenty-one years of age to have in the person's possession spirituous liquor
30 on the licensed premises.

31 17. For an on-sale retailer or an employee of such retailer to allow a
32 person to consume or possess spirituous liquors on the premises between the
33 hours of 2:30 a.m. and 6:00 a.m.

34 18. For an on-sale retailer to permit an employee or for an employee to
35 solicit or encourage others, directly or indirectly, to buy the employee
36 drinks or anything of value in the licensed premises during the employee's
37 working hours. No on-sale retailer shall serve employees or allow a patron
38 of the establishment to give spirituous liquor to, purchase liquor for or
39 drink liquor with any employee during the employee's working hours.

40 19. For an off-sale retailer or employee to sell spirituous liquor
41 except in the original unbroken container, to permit spirituous liquor to be
42 consumed on the premises or to knowingly permit spirituous liquor to be
43 consumed on adjacent property under the licensee's exclusive control.

44 20. For a person to consume spirituous liquor in a public place,
45 thoroughfare or gathering. The license of a licensee permitting a violation

1 of this paragraph on the premises shall be subject to revocation. This
2 paragraph does not apply to the sale of spirituous liquors on the premises of
3 and by an on-sale retailer. This paragraph also does not apply to a person
4 consuming beer OR WINE from a broken package in a public recreation area or
5 on private property with permission of the owner or lessor or on the walkways
6 surrounding such private property or to a person consuming beer or wine from
7 a broken package in a public recreation area as part of a special event or
8 festival that is conducted under a license secured pursuant to section
9 4-203.02 or 4-203.03.

10 21. For a person to have possession of or to transport spirituous
11 liquor ~~which~~ THAT is manufactured in a distillery, winery, brewery or
12 rectifying plant contrary to the laws of the United States and this
13 state. Any property used in transporting such spirituous liquor shall be
14 forfeited to the state and shall be seized and disposed of as provided in
15 section 4-221.

16 22. For an on-sale retailer or employee to allow a person under the
17 legal drinking age to remain in an area on the licensed premises during those
18 hours in which its primary use is the sale, dispensing or consumption of
19 alcoholic beverages after the licensee, or the licensee's employees, know or
20 should have known that the person is under the legal drinking age. An
21 on-sale retailer may designate an area of the licensed premises as an area in
22 which spirituous liquor will not be sold or consumed for the purpose of
23 allowing underage persons on the premises if the designated area is separated
24 by a physical barrier and at no time will underage persons have access to the
25 area in which spirituous liquor is sold or consumed. A licensee or an
26 employee of a licensee may require a person who intends to enter a licensed
27 premises or a portion of a licensed premises where persons under the legal
28 drinking age are prohibited under this section to exhibit a written
29 instrument of identification that is acceptable under section 4-241 as a
30 condition of entry. The director, or a municipality, may adopt rules to
31 regulate the presence of underage persons on licensed premises provided the
32 rules adopted by a municipality are more stringent than those adopted by the
33 director. The rules adopted by the municipality shall be adopted by local
34 ordinance and shall not interfere with the licensee's ability to comply with
35 this paragraph. This paragraph does not apply:

36 (a) If the person under the legal drinking age is accompanied by a
37 spouse, parent or legal guardian of legal drinking age or is an on-duty
38 employee of the licensee.

39 (b) If the owner, lessee or occupant of the premises is a club as
40 defined in section 4-101, paragraph 7, subdivision (a) and the person under
41 the legal drinking age is any of the following:

42 (i) An active duty military service member.

43 (ii) A veteran.

44 (iii) A member of the United States army national guard or the United
45 States air national guard.

1 (iv) A member of the United States military reserve forces.

2 (c) To the area of the premises used primarily for the serving of food
3 during the hours when food is served.

4 23. For an on-sale retailer or employee to conduct drinking contests,
5 to sell or deliver to a person an unlimited number of spirituous liquor
6 beverages during any set period of time for a fixed price, to deliver more
7 than forty ounces of beer, one liter of wine or four ounces of distilled
8 spirits in any spirituous liquor drink to one person at one time for that
9 person's consumption or to advertise any practice prohibited by this
10 paragraph. ~~The provisions of~~ This paragraph ~~do~~ DOES not prohibit an on-sale
11 retailer or employee from selling and delivering an opened, original
12 container of distilled spirits if:

13 (a) Service or pouring of the spirituous liquor is provided by an
14 employee of the on-sale retailer.

15 (b) The employee of the on-sale retailer monitors consumption to
16 ensure compliance with this paragraph. Locking devices may be used, but are
17 not required.

18 24. For a licensee or employee to knowingly permit the unlawful
19 possession, use, sale or offer for sale of narcotics, dangerous drugs or
20 marijuana on the premises. As used in this paragraph, "dangerous drug" has
21 the same meaning prescribed in section 13-3401.

22 25. For a licensee or employee to knowingly permit prostitution or the
23 solicitation of prostitution on the premises.

24 26. For a licensee or employee to knowingly permit unlawful gambling on
25 the premises.

26 27. For a licensee or employee to knowingly permit trafficking or
27 attempted trafficking in stolen property on the premises.

28 28. For a licensee or employee to fail or refuse to make the premises
29 or records available for inspection and examination as provided in this title
30 or to comply with a lawful subpoena issued under this title.

31 29. For any person other than a peace officer or a member of a
32 sheriff's volunteer posse while on duty who has received firearms training
33 that is approved by the Arizona peace officer standards and training board,
34 the licensee or an employee of the licensee acting with the permission of the
35 licensee to be in possession of a firearm while on the licensed premises of
36 an on-sale retailer. This paragraph shall not be construed to include a
37 situation in which a person is on licensed premises for a limited time in
38 order to seek emergency aid and such person does not buy, receive, consume or
39 possess spirituous liquor. This paragraph shall not apply to:

40 (a) Hotel or motel guest room accommodations.

41 (b) The exhibition or display of a firearm in conjunction with a
42 meeting, show, class or similar event.

43 (c) A person with a permit issued pursuant to section 13-3112 who
44 carries a concealed handgun on the licensed premises of any on-sale retailer
45 that has not posted a notice pursuant to section 4-229.

1 30. For a licensee or employee to knowingly permit a person in
2 possession of a firearm other than a peace officer or a member of a sheriff's
3 volunteer posse while on duty who has received firearms training that is
4 approved by the Arizona peace officer standards and training board, the
5 licensee or an employee of the licensee acting with the permission of the
6 licensee to remain on the licensed premises or to serve, sell or furnish
7 spirituous liquor to a person in possession of a firearm while on the
8 licensed premises of an on-sale retailer. It shall be a defense to action
9 under this paragraph if the licensee or employee requested assistance of a
10 peace officer to remove such person. This paragraph shall not apply to:

11 (a) Hotel or motel guest room accommodations.

12 (b) The exhibition or display of a firearm in conjunction with a
13 meeting, show, class or similar event.

14 (c) A person with a permit issued pursuant to section 13-3112 who
15 carries a concealed handgun on the licensed premises of any on-sale retailer
16 that has not posted a notice pursuant to section 4-229.

17 31. For any person in possession of a firearm while on the licensed
18 premises of an on-sale retailer to consume spirituous liquor. This paragraph
19 does not prohibit the consumption of small amounts of spirituous liquor by an
20 undercover peace officer on assignment to investigate the licensed
21 establishment.

22 32. For a licensee or employee to knowingly permit spirituous liquor to
23 be removed from the licensed premises, except in the original unbroken
24 package. This paragraph does not apply to any of the following:

25 (a) A person who removes a bottle of wine ~~which~~ THAT has been
26 partially consumed in conjunction with a purchased meal from licensed
27 premises if a cork is inserted flush with the top of the bottle or the bottle
28 is otherwise securely closed.

29 (b) A person who is in licensed premises that have noncontiguous
30 portions that are separated by a public or private walkway or driveway and
31 who takes spirituous liquor from one portion of the licensed premises across
32 the public or private walkway or driveway directly to the other portion of
33 the licensed premises.

34 (c) A bar, beer and wine bar, liquor store, beer and wine store or
35 microbrewery licensee who dispenses beer only in a clean container composed
36 of a material approved by a national sanitation organization with a maximum
37 capacity that does not exceed one gallon and not for consumption on the
38 premises if:

39 (i) The licensee or the licensee's employee fills the container at the
40 tap at the time of sale.

41 (ii) The container is sealed with a plastic adhesive and displays a
42 government warning label.

43 (iii) The dispensing of that beer is not done through a drive-through
44 or walk-up service window.

1 The department shall review the effects of this subdivision and submit a
2 report by July 1, 2015 on the effects of this subdivision to the governor,
3 the speaker of the house of representatives and the president of the senate.
4 The department shall provide a copy of this report to the secretary of state.

5 33. For a person who is obviously intoxicated to buy or attempt to buy
6 spirituous liquor from a licensee or employee of a licensee or to consume
7 spirituous liquor on licensed premises.

8 34. For a person under twenty-one years of age to drive or be in
9 physical control of a motor vehicle while there is any spirituous liquor in
10 the person's body.

11 35. For a person under twenty-one years of age to operate or be in
12 physical control of a motorized watercraft that is underway while there is
13 any spirituous liquor in the person's body. For the purposes of this
14 paragraph, "underway" has the same meaning prescribed in section 5-301.

15 36. For a licensee, manager, employee or controlling person to
16 purposely induce a voter, by means of alcohol, to vote or abstain from voting
17 for or against a particular candidate or issue on an election day.

18 37. For a licensee to fail to report an occurrence of an act of
19 violence to either the department or a law enforcement agency.

20 38. For a licensee to use a vending machine for the purpose of
21 dispensing spirituous liquor.

22 39. For a licensee to offer for sale a wine carrying a label including
23 a reference to Arizona or any Arizona city, town or geographic location
24 unless at least seventy-five ~~per cent~~ PERCENT by volume of the grapes used in
25 making the wine were grown in Arizona.

26 40. For a retailer to knowingly allow a customer to bring spirituous
27 liquor onto the licensed premises, except that an on-sale retailer may allow
28 a wine and food club to bring wine onto the premises for consumption by the
29 club's members and guests of the club's members in conjunction with meals
30 purchased at a meeting of the club that is conducted on the premises and that
31 at least seven members attend. An on-sale retailer who allows wine and food
32 clubs to bring wine onto its premises under this paragraph shall comply with
33 all applicable provisions of this title and any rules adopted pursuant to
34 this title to the same extent as if the on-sale retailer had sold the wine to
35 the members of the club and their guests. For the purposes of this
36 paragraph, "wine and food club" means an association that has more than
37 twenty bona fide members paying at least six dollars per year in dues and
38 that has been in existence for at least one year.

39 41. For a person under twenty-one years of age to have in the person's
40 body any spirituous liquor. In a prosecution for a violation of this
41 paragraph:

42 (a) Pursuant to section 4-249, it is a defense that the spirituous
43 liquor was consumed in connection with the bona fide practice of a religious
44 belief or as an integral part of a religious exercise and in a manner not
45 dangerous to public health or safety.

1 (b) Pursuant to section 4-226, it is a defense that the spirituous
2 liquor was consumed for a bona fide medicinal purpose and in a manner not
3 dangerous to public health or safety.

4 42. For an employee of a licensee to accept any gratuity, compensation,
5 remuneration or consideration of any kind to either:

6 (a) Permit a person who is under twenty-one years of age to enter any
7 portion of the premises where that person is prohibited from entering
8 pursuant to paragraph 22 of this section.

9 (b) Sell, furnish, dispose of or give spirituous liquor to a person
10 who is under twenty-one years of age.

11 43. For a person to purchase, offer for sale or use any device, machine
12 or process ~~which~~ THAT mixes spirituous liquor with pure oxygen or another gas
13 to produce a vaporized product for the purpose of consumption by inhalation
14 or to allow patrons to use any item for the consumption of vaporized
15 spirituous liquor.

16 44. For a retail licensee or an employee of a retail licensee to sell
17 spirituous liquor to a person if the retail licensee or employee knows the
18 person intends to resell the spirituous liquor.

19 45. Except as authorized by paragraph 32, subdivision (c) of this
20 section, for a person to reuse a bottle or other container authorized for use
21 by the laws of the United States or any agency of the United States for the
22 packaging of distilled spirits or for a person to increase the original
23 contents or a portion of the original contents remaining in a liquor bottle
24 or other authorized container by adding any substance.

25 46. FOR A PERSON TO PURCHASE AT RETAIL, CONSUME OR INGEST SPIRITUOUS
26 LIQUOR IN POWDERED FORM, OR FOR A RETAILER TO SELL, OFFER FOR SALE OR FURNISH
27 SPIRITUOUS LIQUOR IN POWDERED FORM.

28 Sec. 2. Section 4-246, Arizona Revised Statutes, is amended to read:

29 4-246. Violation; classification

30 A. A person violating any provision of this title is guilty of a class
31 2 misdemeanor unless another classification is prescribed.

32 B. A person violating section 4-244, paragraph 9, 14, 34, 42, ~~or~~ 44 OR
33 46 is guilty of a class 1 misdemeanor.

34 C. A person violating section 4-229, subsection B, or section 4-244,
35 paragraph 31 is guilty of a class 3 misdemeanor.

36 D. In addition to any other penalty prescribed by law, the court may
37 suspend the privilege to drive of a person under eighteen years of age for a
38 period of up to one hundred eighty days on receiving the record of the
39 person's first conviction for a violation of section 4-244, paragraph 9.

40 E. In addition to any other penalty prescribed by law, a person who is
41 convicted of a violation of section 4-244, paragraph 42 shall pay a fine of
42 at least five hundred dollars.

43 F. In addition to any other penalty prescribed by law, a person who is
44 convicted of a violation of section 4-241, subsection L, M or N shall pay a
45 fine of at least two hundred fifty dollars.