

LIQUOR TRADE LOSES BATTLE, GAINS IN WAR; NONDRINKER APPOINTED TO STATE PANEL, BUT OFFICIALS LISTEN TO INDUSTRY COMPLAINTS ON REPRESENTATION

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Utah's hospitality industry departed the state Capitol on Wednesday with its figurative glass half full.

The industry lost its effort to get one of its own added to the five-member Alcoholic Beverage Control Commission, but it gained pledges of greater cooperation from lawmakers, the governor's office and the commission itself.

"That's the best we could have hoped for," said Sarah Fugate, an alcoholic-beverage broker and spokeswoman for the Utah Wine Brokers Association.

Fugate made the remarks after a hearing on the imminent appointment of former legislator Ted Lewis to the ABC commission. Lewis, whose nomination was confirmed hours later by the full Senate, now is the fourth teetotaling male Mormon lawyer on the five-member commission.

The liquor industry began pressing legislators to diversify the commission's membership since learning about Lewis' nomination earlier this month.

Margo Provost, owner and general manager of the Log Haven restaurant in Salt Lake City, told senators she would like to know that someone on the commission grasps the difficulty involved in putting Utah's liquor laws into practice.

"You look {on other boards and commissions} to people who have been in the industry for their wisdom and their experience," she said. "I would like the hospitality industry to have the same."

On many other Utah boards and commissions that regulate an industry, some members must be from that industry.

On the ABC panel, though, not one commissioner has professional experience with clubs, restaurants or other alcoholic beverage sales.

In fact, state code declares it a conflict of interest for anyone with ties to the liquor trade to serve on the commission.

Meanwhile, the panel's charge includes the state's \$124 million wholesaling and retailing business, in addition to regulating more than 1,000 restaurants, private clubs and beer bars.

Hospitality industry representatives said experienced individuals could be found who have no conflict of interest. They handed the Senate Business, Labor and Economic Development Confirmation Committee a sheaf of petitions signed by more than four dozen hospitality industry representatives who said a change is needed.

Senators praised the governor's nomination of Lewis, a Democrat who represented the Rose Park area of Salt Lake City. Lawmakers also told critics they should have protested the nomination earlier than they did.

"This is bad timing to come up and throw this back at the governor," said Sen. Howard Nielsen, R-Provo.

Senators also said critics should have taken their complaints to the governor's office, which makes the appointments.

In the end, liquor-industry representatives were heartened to hear the senators, the governor's office and the commission offer help in improving industry input into ABC's business.

"We certainly will listen to them," said the governor's counsel, Gary Doxey.

Nielsen, the Provo senator, urged industry representatives to lobby to have the conflict-of-interest restriction removed.

"The industry needs representation" on the ABC commission, he said.

That sentiment also was expressed by Commissioner Vickie McCall, who is the only one of the five ABC commissioners who consumes alcoholic beverages. After the hearing, McCall, a businesswoman, pledged to help organize an ad hoc committee of liquor licensees to improve the communication among regulators and the industry.

Lewis resigned from the state Transportation Commission to join the ABC panel. Senators and the industry representatives agreed he will do a good job on the commission.

One of his main selling points: Lewis is a Democrat and the commission can have no more than three Republicans on the panel, according to the law creating it.

McCall, whose reappointment to a four-year-term also was confirmed on Wednesday, previously was an Independent who has switched to the Republican Party.