

Stricken language would be deleted from and underlined language would be added to present law.
Act 1105 of the Regular Session

State of Arkansas
89th General Assembly
Regular Session, 2013

As Engrossed: H3/12/13 H3/26/13

A Bill

HOUSE BILL 1480

By: Representative Broadway

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE PERMITTING OF SPIRITUOUS LIQUOR AND VINOUS LIQUOR SUPPLIERS AND THE REGISTRATION OF BRAND LABELS; TO ESTABLISH THE ALCOHOLIC BEVERAGE CONTROL FUND; TO MAKE TECHNICAL CORRECTIONS; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING THE PERMITTING OF SPIRITUOUS LIQUOR AND VINOUS LIQUOR SUPPLIERS AND THE REGISTRATION OF BRAND LABELS; TO ESTABLISH THE ALCOHOLIC BEVERAGE CONTROL FUND; AND TO DECLARE AN EMERGENCY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 3-2-403, concerning the registration of brands and labels of spirituous and vinous liquor, is amended to read as follows:

3-2-403. Spirituous and vineous beverages - Registration of brands and labels - Designation of licensed wholesaler.

(a) As used in this section, "brand label" means the label carrying the distinctive design of a brand name of a spirituous liquor or vinous liquor.

(b)(1) Every manufacturer, importer, or producer of spirituous and vinous beverages, as defined by § 3-1-102, doing business in the State of



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Arkansas shall submit to the Alcoholic Beverage Control Division one (1) label Alcohol and Tobacco Tax and Trade Bureau Certificate of Label Approval for each brand of spirituous and vinous beverages and the brand label extension of each brand of spirituous and vinous beverages to be shipped for the first time by the shipper into or within the state and shall designate in the application for registration one (1) licensed liquor wholesaler in the state, who shall be the exclusive distributor of such brand or label within the state. Such designated wholesaler shall be initially approved by the Director of the Alcoholic Beverage Control Division and shall not be changed or initially disapproved except for good cause, and the director shall determine good cause after a hearing pursuant to the provisions set out in this subchapter. Any brands or labels previously registered in this state and which have subsequently been withdrawn from distribution in this state shall be treated in the same manner as the initial registration of brands or labels and are subject to the provisions of this section.

(2) A brand label and a brand label extension shall be registered by the supplier before the first shipment of each brand label and brand label extension into or within the state on or after July 1, 2013.

(c) A copy of the Alcohol and Tobacco Tax and Trade Bureau Certificate of Label Approval for each brand label and brand label extension shall be submitted with the registration of each brand label and brand label extension.

(d) The registration of a brand label and a brand label extension shall:

(1) Be in writing or electronically submitted as prescribed by the Director of the Alcoholic Beverage Control Division;

(2) Be verified if it is submitted in writing; and

(3) Set forth information as the Director of the Alcoholic Beverage Control Division requires.

(e) Each Alcohol and Tobacco Tax and Trade Bureau Certificate of Label Approval submitted for registration shall be accompanied by a registration fee of fifteen dollars (\$15.00) payable by check, cash, money order, or electronic payment.

(f) The registration shall be renewed annually.

(g) The division shall promulgate rules to administer and implement this section.

SECTION 2. Arkansas Code Title 3, Chapter 4, Subchapter 6, is amended to add an additional section to read as follows:

3-4-608. Spirituous liquor – Vinous liquor – Supplier registration.

(a) As used in this section:

(1) "Small farm wine" means the wine produced by a wine-making business that produces two hundred fifty thousand (250,000) gallons of wine or less per year, the alcohol content of which is not less than one-half percent (0.5%) and not more than twenty-one percent (21%);

(2) "Spirituous" means a liquor distilled from the fermented juices of grain, fruits, or vegetables and containing more than twenty-one percent (21%) alcohol by weight, or any other liquids containing more than twenty-one percent (21%) alcohol by weight;

(3) "Supplier" means an in-state or out-of-state manufacturer, distiller, rectifier, brewer, importer, or producer of spirituous liquor or vinous liquor; and

(4) "Vinous" means the fermented juices of fruits or a mixture containing the fermented juices of fruits, containing more than five percent (5%) and not more than twenty-one percent (21%) alcohol by weight.

(b)(1) A supplier of a spirituous or vinous beverage, excluding small farm wine, shall file an application with the Alcoholic Beverage Control Division for a permit.

(2) The application shall:

(A) Be in writing;

(B) Be verified; and

(C) Set forth the information in detail as the Director of the Alcoholic Beverage Control Division requires concerning the applicant for the permit and premises to be used.

(3) The application shall be accompanied by a permit fee of *fifty dollars (\$50.00) payable by cash, check, money order, or electronic payment.*

(4) The permit may be renewed annually.

(5) If the director grants the application, he or she shall issue a permit in the form required by the rules established by the division.

(c) A supplier shall not sell a spirituous liquor or a vinous liquor to a wholesaler, distributor, or to any other person who is not legally

authorized to receive, possess, transport, distribute, or sell a spirituous liquor or a vinous liquor under this chapter.

(d) Under the rules adopted by the director, a supplier may:

(1) Sell, deliver, or transport to a wholesaler, distributor, or rectifier;

(2) Ship into the state to a wholesaler, distributor, or rectifier; and

(3) Export out of the state.

SECTION 3. Arkansas Code Title 19, Chapter 6, Subchapter 8, is amended to add an additional section to read as follows:

19-6-819. Alcoholic Beverage Control Fund.

(a) There is created on the books of the Treasurer of State, the Auditor of State, and the Chief Fiscal Officer of the State a special revenue fund to be known as the "Alcoholic Beverage Control Fund".

(b)(1) The registration fee of fifteen dollars (\$15.00) for each brand label and brand label size collected under § 3-2-403 shall be deposited into the State Treasury to the credit of the fund as special revenues.

(2) The fund also shall consist of any other revenues as may be authorized by law.

(c) The Alcoholic Beverage Control Division shall use the fund to:

(1) Educate alcoholic beverage servers and law enforcement personnel regarding state law and the division's rules;

(2) Promote alcohol safety awareness; and

(3) Enforce state law and the division's rules regarding underage drinking.

/s/Broadaway

APPROVED: 04/11/2013