

Stricken language would be deleted from and underlined language would be added to present law.  
Act 1044 of the Regular Session

State of Arkansas  
90th General Assembly  
Regular Session, 2015

As Engrossed: H3/16/15  
**A Bill**

HOUSE BILL 1989

By: Representative Ratliff

### For An Act To Be Entitled

AN ACT TO AMEND ARKANSAS ALCOHOL LAWS TO ALLOW  
CERTAIN MANAGING AGENTS TO SERVE AS AN EXCEPTION TO  
RESIDENCY REQUIREMENTS; AND FOR OTHER PURPOSES.

### Subtitle

TO AMEND ARKANSAS ALCOHOL LAWS TO ALLOW  
CERTAIN MANAGING AGENTS TO SERVE AS AN  
EXCEPTION TO RESIDENCY REQUIREMENTS.

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

*SECTION 1. Arkansas Code § 3-5-302 is amended to read as follows:*

*3-5-302. Applications – Qualifications of applicant.*

*(a) ~~No~~ A license shall not be issued to any person authorizing the sale of beer at retail unless the person shall file a verified application, accompanied by the fee required by law, and shall state in the application that he or she possesses the following qualifications:*

*(1)(A) The applicant ~~must be~~ is a person of good moral character, a citizen or resident alien of the United States, and a resident of the county in which the permit will be operated or ~~reside~~ resides within thirty-five (35) miles of the address of the premises described in the application.*

*(B) However, the residency requirement under subdivision (a)(1)(A) of this section does not apply to a managing agent of a partnership, corporation, or an association that is an applicant if:*

*(i) The applicant currently holds at least two (2) permits issued by the Alcoholic Beverage Control Division for the sale of*



alcoholic beverages; and

(ii) The applicant designates with the division a representative who resides within the county of the premises or within thirty-five (35) miles of the address of the premises described in the application;

(2) The applicant ~~shall not have~~ has not been convicted of a felony or have been convicted within five (5) years of the date of his or her application of any violation of the laws of this state or the laws of any other state relating to the sale of alcoholic beverages;

(3) The applicant ~~shall not have~~ has not had revoked, within five (5) years next-preceding his or her application, any license issued to him or her ~~pursuant to~~ under the laws of this state or any other state to sell alcoholic liquor of any kind;

(4) The applicant ~~shall be~~ is the owner of the premises for which the license is sought or the holder of an existing lease, buy-sell agreement, offer and acceptance, or option to lease thereon;

(5) If the applicant is a copartnership, all members of the partnership ~~must~~ shall be qualified to obtain a license; and

(6)(A)(i) If the applicant is a corporation, the president and directors, any stockholder owning more than five percent (5%) of the stock of the corporation who are not exempted under subdivision (a)(6)(A)(ii) of this section, and the person or persons who ~~shall~~ will conduct and manage the licensed premises for the corporation shall possess all the qualifications required herein for an individual license.

(ii) An applicant is not required to state the identity of its shareholders who are not the president or a director when the corporation:

(a) Is publicly traded on a nationally recognized stock exchange; or

(b) Holds at least ten (10) permits issued by the ~~Alcoholic Beverage Control Division~~ division for the sale of alcoholic beverages.

(B) The requirement as to residence in the United States or citizenship of the United States ~~shall~~ does not apply to officers, directors, and stockholders of the corporation, but ~~the requirement shall~~ does apply to any officer, director, or stockholder who is also the manager

*of the licensed premises in any capacity in the conduct or operation of the licensed premises.*

*(b) If a retailer permitted under this section chooses to exercise the exemption to the residency requirements contained in subdivision (a)(1)(A) of this section, the retailer, after the issuance of the second permit issued to the permitted retailer by the division, may:*

*(1)(A) Change the managing agent of each of its permits by completing a form provided by the division.*

*(B)(i) A managing agent named under subdivision (b)(1)(A) of this section shall be a person of good moral character and a citizen or resident alien of the United States.*

*(ii) A managing agent named under subdivision (b)(1)(A) of this section shall not be required to meet the requirements set forth in subdivision (a)(1)(A) of this section; and*

*(2) Designate a representative for each permitted premises who resides within the county of the premises or within thirty-five (35) miles of the address of the premises stated on the permit.*

*/s/Ratliff*

**APPROVED: 04/04/2015**