

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
90th General Assembly
Regular Session, 2015

As Engrossed: H3/17/15 H3/24/15

A Bill

HOUSE BILL 1959

By: Representative Wardlaw

For An Act To Be Entitled

*AN ACT TO AMEND THE LAW REGARDING THE SCOPE OF A
STATE PERMIT AUTHORIZING THE SALE OF BEER AND LIGHT
WINE; AND FOR OTHER PURPOSES.*

Subtitle

*TO AMEND THE LAW REGARDING THE SCOPE OF A
STATE PERMIT AUTHORIZING THE SALE OF BEER
AND LIGHT WINE.*

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

SECTION 1. Arkansas Code § 3-4-201(a), concerning restrictions on the number of permits that may issued by the Alcoholic Beverage Control Board, is amended to read as follows:

(a) The public policy of the state is to restrict the number of permits in this state to dispense vinous liquor, ~~(except small farm wines)~~, spirituous liquor, beer, or malt liquor.

SECTION 2. Arkansas Code § 3-4-201(c)(1)(A), concerning restrictions on the number of permits that may issued by the Alcoholic Beverage Control Board, is amended to read as follows:

(1)(A)(i) The number of permits allowing the off-premises sale of vinous (except small farm wines), spirituous, or malt liquor in a county or political subdivision of the county which permits the sale shall not exceed a ratio of one (1) permit for every five thousand (5,000) population residing in that county or political subdivision of the county.

(ii) The number of permits allowing the off-premises



sale of small farm wines or beer and light wine in a county or political subdivision of the county which permits the sale shall not exceed a ratio of one (1) permit for every two thousand five hundred (2,500) population residing in that county or political subdivision of the county.

SECTION 3. Arkansas Code § 3-4-201(c)(2) and (3), concerning restrictions on the number of permits that may issued by the Alcoholic Beverage Control Board, are amended to read as follows:

(2) A new permit that is issued in a county or political subdivision following the most recent federal decennial census shall be issued under the following restrictions:

(A)(i) Additional permits allowing the off-premises sale of vinous (except small farm wines), spirituous, or malt liquor may be issued on a ratio of one (1) for every additional five thousand (5,000) population within the county or political subdivision of the county.

(ii) Additional permits allowing the off-premises sale of small farm wines or beer and light wine may be issued on a ratio of one (1) for every additional two thousand five hundred (2,500) population within the county or political subdivision of the county;

(B)(i) A qualified applicant may apply for a permit.

(ii) Qualifications are to be set by the board and its determination of the public convenience and advantage;

(3)(A) If it is determined that a county or political subdivision of the county is entitled to additional permits when warranted by the most recent federal decennial census, the board will announce before the last date for applications the number of new permits, if any, which may be issued in the county or political subdivision of the county.

(B) In the event that the most recent federal decennial census population figures decline in a county or political subdivision of the county:

(i) Existing permits shall not be cancelled or revoked for the decline in population;

(ii) The quota ratio shall not be applied to the county or political subdivision of the county until the population in the county or political subdivision of the county reaches:

(a) For a permit issued under subdivision

(c)(2)(A)(i) of this section, a number equaling one (1) permit to every five thousand (5,000) population; and

(b) For a permit issued under subdivision (c)(2)(A)(ii) of this section, a number equaling one (1) permit to every two thousand five hundred (2,500) population; and

(iii) A new permit shall not be issued in the county or political subdivision of the county until the population warrants.

(C) A transfer of locations from one county to another county is not allowed.

(D) If a holder of a permit sells the business at which a permit is held, the entity purchasing the business may apply to the Alcoholic Beverage Control Board to be substituted as the permittee for the existing permit at the business.

~~(D)(E)~~ (E) If a holder of a permit for the sale of vinous liquor, (except small farm wines), spirituous liquor, beer, or malt liquor surrenders the permit in a county or political subdivision of the county where the permit-to-population ratio no longer meets the one-to-five-thousand-population-requirement requirements under subdivision (c)(2)(A)(i) or under subdivision (c)(2)(A)(ii) of this section, new applications will shall not be accepted until that ratio is reestablished at a subsequent federal decennial census;

SECTION 4. Arkansas Code § 3-4-201(c)(5), concerning restrictions on the number of permits that may issued by the Alcoholic Beverage Control Board, is amended to read as follows:

(5)(A) This section and §§ 3-4-202 and 3-4-208, except a permit on inactive status for more than eighteen (18) months after the provisions of subdivision (c)(4) of this section become effective or which has expired in accordance with subdivision (c)(4) of this section, do not divest any permit holder holding the permit on ~~July 1, 1991~~ August 15, 2015, regardless of the quota ratio, of his or her permit.

(B) In a county or political subdivision of the county which has a ratio lower than the permit quota ratio ~~of one-to-five-thousand-population~~, the permit holder shall be allowed to continue under subdivision (a)(3)(B) of this section.

SECTION 5. Arkansas Code § 3-4-201(d), concerning restrictions on the number of permits that may issued by the Alcoholic Beverage Control Board, is repealed.

~~(d) This section shall apply only to applications for permits to dispense vinous (except small farm wines), spirituous, or malt liquor filed with the board after July 1, 1991.~~

SECTION 6. Arkansas Code § 3-5-102 is amended to read as follows:

3-5-102. Additional license to sell ~~native~~ beer and small farm wines not required.

~~Any A licensed retail liquor dealer who has been duly licensed as such shall have has the right without any additional license fee to sell ~~native~~ wines manufactured from fruits, vegetables, and other products grown in the State of Arkansas beer and small farm wine.~~

SECTION 7. Arkansas Code § 3-5-207(a), concerning the scope of a state permit authorizing the sale of beer and light wine, is amended to read as follows:

(a)(1) Except as provided in subsection (b) of this section, any permit issued under ~~the provisions of~~ § 3-5-206 authorizing the sale of light wines or beer for consumption under the provisions prescribed in the permit shall ~~be construed to~~ authorize the sale of such liquor by the bottle, by the glass or draught, and in or from the original package.

(2) The Director of Alcoholic Beverage Control Division shall not issue a new beer permit, including a native beer and light wine permit, for off-premises consumption issued under § 3-5-206 or a small farm wine permit for off-premises consumption issued under § 3-5-1602 to a business that is within one thousand feet (1,000') of a gas pump located on property:

(A) That the applicant controls;

(B) In which the applicant holds an interest directly or indirectly, individually, as a member of a partnership, or as a shareholder of a corporation; or

(C) For which the applicant receives compensation or profit.

(3) The director shall not transfer an existing beer permit issued under § 3-5-206,, including a native beer and light wine permit, or a small

farm winery license issued under § 3-5-1602, for off-premise consumption to a business that is within one thousand feet (1,000') of a gas pump located on property:

(A) That the applicant controls;

(B) In which the applicant holds an interest directly or indirectly, individually, as a member of a partnership, or as a shareholder of a corporation; or

(C) For which the applicant receives compensation or profit.

SECTION 8. Arkansas Code § 3-5-207, concerning the scope of a state permit authorizing the sale of beer and light wine, is amended to add an additional subsection to read as follows:

(d) This section applies only to an application for a new permit or a transfer of an existing permit filed with the Director of the Alcoholic Beverage Control Division after August 1, 2015.

/s/Wardlaw