

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

State of Arkansas
91st General Assembly
Regular Session, 2017

A Bill

HOUSE BILL 1378

By: Representative G. Hodges

For An Act To Be Entitled

AN ACT TO ALLOW QUALIFIED CORPORATIONS THAT HAVE OFFICES IN ARKANSAS AND ARE IN THE BUSINESS OF SELLING ALCOHOLIC BEVERAGES IN OTHER STATES TO CONDUCT SAMPLING ACTIVITIES; TO ALLOW FOR THE DONATION OF ALCOHOLIC BEVERAGES TO A CHARITABLE EVENT FOR A SAMPLING ACTIVITY; AND FOR OTHER PURPOSES.

Subtitle

AN ACT TO ALLOW CERTAIN TYPES OF CORPORATIONS TO CONDUCT SAMPLING ACTIVITIES; AND TO ALLOW FOR THE DONATION OF ALCOHOLIC BEVERAGES TO A CHARITABLE EVENT FOR A SAMPLING ACTIVITY.

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

SECTION 1. Arkansas Code Title 3, Chapter 4, Subchapter 1, is amended to add an additional section to read as follows:

3-4-106. Alcoholic beverage sampling authorized – Definition.

(a) As used in this section, "selling unit" means the configuration of an alcoholic beverage intended for sale to consumers, including without limitation:

(1) A bottle of wine holding seven hundred fifty milliliters (750 ml); and

(2) A case of beer containing thirty six (36) cans holding twelve ounces (12 oz) per can.

(b) A corporation that is publicly traded on a nationally recognized



stock exchange that has its principal place of business in Arkansas and is permitted to sell alcoholic beverages for on-premises or off-premises consumption in Arkansas and other states may conduct sampling activities in accordance with this section.

(c)(1) A manufacturer or wholesaler may provide and deliver alcoholic beverages of any type directly to a qualified corporation for the purpose of allowing the corporation to sample the alcoholic beverages to determine whether to offer the alcoholic beverages for sale at one (1) or more of the qualified corporation's business locations either within or outside the state.

(2) A manufacturer or wholesaler that provides alcoholic beverages under this section is not required to:

(A) Be authorized to do business in this state; or

(B) Have any type of license or permit to operate in this state.

(3) A manufacturer and wholesaler shall not charge the qualified corporation for the alcoholic beverages provided under this section.

(4) Provision of an alcoholic beverage by a manufacturer or wholesaler under this section is not a gift, gratuity, or inducement to the qualified corporation or any of the qualified corporation's affiliates.

(5) An alcoholic beverage provided and delivered under this section need not:

(A) Be available for sale in Arkansas; or

(B) Possess a brand label approved for sale in this state.

(6) An alcoholic beverage provided and delivered under this section shall be delivered to an office of the qualified corporation.

(7) Except for a facility hosting a charitable event, the location to which an alcoholic beverage is provided and delivered under this section shall not be a part of a facility permitted for the on-premises or off-premises consumption of alcoholic beverages.

(d) Except as provided in subsection (e) of this section, an alcoholic beverage provided and delivered under this section shall:

(1) Be stored in a locked container when not being used for sampling; and

(2) Not be served to, available to, or handled by a person under twenty-one (21) years of age.

(e) An employee of a qualified corporation may transport an alcoholic beverage provided under this section to the employee's personal residence or to a facility hosting a charitable event for the purpose of sampling the alcoholic beverage if:

(1) Sampling of the alcoholic beverage occurs within the employee's personal residence or within a facility hosting a charitable event;

(2) No person under twenty-one (21) years of age is served, has access to, or handles the alcoholic beverage;

(3) The alcoholic beverage is not sold; and

(4) For alcoholic beverages transported to a private residence, no more than one (1) selling unit of each stock-keeping unit of each alcoholic beverage is present at the same time.

(f) An alcoholic beverage provided and delivered under this subsection shall be sampled only by an employee, a contractor, an immediate family member of the employee or a contractor, an agent of the qualified corporation, a guest visiting the facility of the qualified corporation, or a guest at a charitable event.

(g) No more than thirty-six (36) selling units of each stock-keeping unit of an alcoholic beverage may be held at the same time by a qualified corporation for sampling purposes or charitable events.

(h) A qualified corporation shall:

(1) Not sell an alcoholic beverage provided and delivered under this section; and

(2) Destroy or safely store any alcoholic beverage remaining at the conclusion of the sampling.

(i) An alcoholic beverage provided and delivered by a manufacturer or wholesaler under this section is exempt from taxation.

(j) Providing alcoholic beverages to a qualified corporation in accordance with this section is not a violation of any statute or rule, including a rule requiring a manufacturer or wholesaler to provide the same services to all retailers.

(k) Owning, possessing, or transporting an alcoholic beverage furnished, or being furnished, to a qualified corporation under this section is not an offense under § 3-3-401 et seq.