

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

State of Arkansas
93rd General Assembly
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As Engrossed: S3/29/21
A Bill

SENATE BILL 554

By: Senator M. Johnson

For An Act To Be Entitled

AN ACT TO AMEND THE LAW REGARDING ALCOHOLIC BEVERAGES; TO AUTHORIZE BEER WHOLESALERS TO DISTRIBUTE CERTAIN READY-TO-DRINK PRODUCTS; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW REGARDING ALCOHOLIC BEVERAGES; AND TO AUTHORIZE BEER WHOLESALERS TO DISTRIBUTE CERTAIN READY-TO-DRINK PRODUCTS.

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

SECTION 1. Arkansas Code § 3-2-403(b), concerning manufacturers, importers, or producers of spirituous and vinous beverages, is amended to add an additional subdivision to read as follows:

(3) Spirituous liquor beverages classified as a ready-to-drink product containing spirituous liquor with a final finished product of no greater than fifteen percent (15%) alcohol by weight may be registered under § 3-2-409 pursuant to rules adopted by the division.

SECTION 2. Arkansas Code § 3-2-409 is amended to read as follows:

3-2-409. Beer, malt products, or light wine.

(a)(1) Every manufacturer or importer of beer or other malt products or light wine doing business in the State of Arkansas shall submit to the Alcoholic Beverage Control Division one (1) label for each brand of beer or malt product or light wine to be shipped for the first time into or within



the state and shall designate within the application for registration any number of wholesalers in the state, each of whom shall be the exclusive distributor of such brand within the geographical territory assigned by the manufacturer or importer to such wholesaler.

(2) A wholesaler of beer and light wine may sell:

(A) Ready-to-drink products containing spirituous liquor with a final finished product of no greater than fifteen percent (15%) alcohol by weight; and

(B) Malt liquor.

(b) Transfers of brands of malt products or light wine or changes in geographical distribution areas assigned shall not be subject to the provisions set out above for spirituous or vinous products so long as any such manufacturer or importer has complied with the filing provisions of applicable law.

(c) This section does not create a dual distributorship.

(d) The division shall promulgate rules regarding the distribution of ready-to-drink products containing spirituous liquor with a final finished product of no greater than fifteen percent (15%) alcohol by weight and malt liquor.

SECTION 3. Arkansas Code § 3-5-101 is amended to read as follows:

3-5-101. Wholesaler of beer and light wine may sell malt liquor and certain ready-to-drink products.

A person, firm, or corporation having a permit to sell beer and light wine at wholesale shall be permitted to sell to liquor retailers:

(1) ~~malt~~ Malt liquor containing greater than five percent (5%) of alcohol by weight; and

(2) Ready-to-drink products containing spirituous liquor with a final finished product of no greater than fifteen percent (15%) alcohol by weight.

SECTION 4. DO NOT CODIFY. Rules.

(a) When adopting the initial rules required under this act, the Alcoholic Beverage Control Division shall file the final rules with the Secretary of State for adoption under § 25-15-204(f):

(1) On or before July 1, 2022; or

(2) If approval under § 10-3-309 has not occurred by July 1, 2022, as soon as practicable after approval under § 10-3-309.

(b) The division shall file the proposed rules with the Legislative Council under § 10-3-309(c) sufficiently in advance of July 1, 2022, so that the Legislative Council may consider the rules for approval before July 1, 2022.

SECTION 5. DO NOT CODIFY. The rules promulgated under this act shall not be effective before July 1, 2022.

/s/M. Johnson