

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

State of Arkansas
94th General Assembly
Regular Session, 2023

As Engrossed: H4/3/23
A Bill

HOUSE BILL 1760

By: Representative Cavenaugh
By: Senator J. English

For An Act To Be Entitled

AN ACT TO AMEND THE LAW REGARDING ALCOHOLIC BEVERAGES; TO REPEAL CERTAIN REQUIREMENTS RELATED TO WHOLESALERS; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW REGARDING ALCOHOLIC BEVERAGES; TO REPEAL CERTAIN REQUIREMENTS RELATED TO WHOLESALERS; AND TO DECLARE AN EMERGENCY.

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

SECTION 1. Arkansas Code § 3-4-606 is repealed.

~~3-4-606. Wholesalers—Additional requirements.~~

~~(a) In addition to any restriction or requirement now imposed by law or by valid rule promulgated in accordance with law, the following persons shall not be eligible hereafter to receive, obtain, or be granted any wholesale liquor permit:~~

~~(1) Any individual person who is not a citizen and bona fide resident of the State of Arkansas and who has not been domiciled in the State of Arkansas continuously for at least five (5) years next preceding the date of his or her application for permit;~~

~~(2) Any corporation in which any officer, director, manager, or stockholder of which would be ineligible as an individual person to obtain a permit by reason of the foregoing provisions of subdivision (a)(1) of this~~



~~section or by reason of any other existing restriction or provision of law or valid rule promulgated in accordance with law; or~~

~~(3) Any partnership, any of whose members or manager would be ineligible as an individual to obtain such permit by reason of the provisions of subdivision (a)(1) of this section or of any other provisions of law or valid rule as aforesaid.~~

~~(b)(1) Any corporation which shall apply for a wholesale liquor permit shall, at the time of filing, attach thereto a list of its stockholders, managers, directors, and officers on such form as may be prescribed by the officer or authority issuing the permit, verified by the president and secretary and showing the names, addresses, and places of residence of all such persons for the five (5) years next preceding the date of application.~~

~~(2) When the residence or address of any such stockholder, manager, director, or officer is changed, the change shall be reported by the corporation to such officer or authority within ten (10) days thereafter.~~

~~(3) No stock in any corporation holding a permit shall be issued or transferred to any ineligible individual, except in the case of transfer by reason of death of a stockholder. In that event, the transfer by death to any ineligible individual shall be reported by the corporation to the issuing officer or authority not later than sixty (60) days after the death. If within six (6) months thereafter the stock transferred by death shall not have been transferred by bona fide transaction to an individual otherwise eligible to receive the permit as provided herein, and as provided by existing law or rule, as aforesaid, the permit of the corporation shall immediately be revoked and cancelled.~~

~~(c) The provisions of this section shall not apply to any stock owned in any company legally operating in the State of Arkansas on June 7, 1951.~~

~~(d)(1) Any wholesale liquor permit that may be issued to any individual, partnership, or corporation which shall be found thereafter ineligible as provided in this section, or as otherwise provided by law or rule, shall be cancelled and revoked.~~

~~(2) If any individual, partnership, or corporation shall not comply fully with the provisions hereof, any permit theretofore issued shall be cancelled and revoked.~~

~~(e) This section shall not apply to any person, firm, or corporation which, for a period of at least ten (10) years prior to June 7, 1951, had~~

~~continuously been the holder of a wholesale liquor permit issued by this state.~~

~~(f) This section shall be cumulative to existing restrictions and requirements governing the issuance of wholesale liquor permits.~~

SECTION 2. Arkansas Code § 3-4-607(j), concerning the requirements applicable to a minimum wholesale permit, is repealed.

~~(j) The provisions of § 3-4-606 shall apply to a wholesaler who has a minimum wholesale liquor permit.~~

SECTION 3. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that the current residency requirements to obtain a wholesaler license for alcoholic beverages in this state is likely unconstitutional; that a recent decision by the United States Supreme Court makes clear that Arkansas is not allowed to require individuals to be residents in the State of Arkansas in order to conduct business here; and that this act is immediately necessary to remove what is likely an unconstitutional infringement on people's rights. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

(1) The date of its approval by the Governor;

(2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or

(3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.

/s/Cavenaugh