

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

State of Arkansas
95th General Assembly
Regular Session, 2025

A Bill

HOUSE BILL 1578

By: Representative Pilkington

By: Senator J. Bryant

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING ALCOHOLIC
BEVERAGES; TO ESTABLISH THE ARKANSAS HEMP BEVERAGE
ACT; AND FOR OTHER PURPOSES.

Subtitle

TO ESTABLISH THE ARKANSAS HEMP BEVERAGE
ACT.

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

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

Subchapter 11 - Arkansas Hemp Beverage Act

3-4-1101. Title.

This act shall be known and may be cited as the "Arkansas Hemp Beverage
Act".

3-4-1102. Legislative findings – Purpose.

(a) The General Assembly finds that:

(1) Hemp-based beverages containing legal concentrations of
delta-9 tetrahydrocannabinol and cannabidiol can be safely integrated into
the existing alcohol distribution framework;

(2) Hemp-based beverages are a growing sector of consumer goods
that offer significant economic potential for Arkansas; and

(3) Proper licensing and oversight through the Alcoholic
Beverage Control Division will ensure consistent regulatory compliance.



(b) The purpose of this subchapter is to establish a framework for the regulation of hemp-based beverages within the division to ensure compliance with the state's three-tier system for alcoholic beverages, public safety, and market integrity.

3-4-1103. Definitions.

As used in this subchapter:

(1) "Certificate of analysis" means a document from an independent laboratory verifying a product's compliance with delta-9 tetrahydrocannabinol and contaminant thresholds;

(2) "Hemp" means the same as defined in the Agriculture Improvement Act of 2018, Pub. L. No. 115-334, and includes any part of the plant Cannabis sativa L. with a delta-9 tetrahydrocannabinol concentration that does not exceed three-tenths of one percent (0.3%) on a dry-weight basis;

(3) "Hemp-based beverage" means a liquid product for human consumption that contains hemp-derived cannabinoids, commensurate with the Agriculture Improvement Act of 2018, Pub. L. No. 115-334;

(4) "Manufacturer" means a licensed entity authorized to manufacture hemp-based beverages in compliance with this subchapter and Alcoholic Beverage Control Division rules;

(5) "Retailer" means a licensed entity authorized to sell hemp-based beverages directly to consumers; and

(6) "Wholesaler" means a licensed entity authorized to distribute hemp-based beverages to retailers under the three-tier system for alcoholic beverages.

3-4-1104. Manufacturers.

(a)(1) An in-state manufacturer of a hemp-based beverage shall obtain a manufacturer permit from the Alcoholic Beverage Control Division.

(2) An out-of-state manufacturer of a hemp-based beverage sold in Arkansas shall hold a current manufacturer permit from the designated regulator in the manufacturer's state that is assigned the task of approving and issuing a hemp manufacturer or processor permit.

(b) A manufacturer shall:

(1) Submit proof of compliance with state and federal hemp laws;

(2) Provide a certificate of analysis for each product batch;
and

(3) Ensure manufacturing facilities comply with Department of Health food safety rules.

3-4-1105. Wholesalers.

(a) A wholesaler of a hemp-based beverage shall obtain a wholesale permit from the Alcoholic Beverage Control Division.

(b) A wholesaler shall:

(1) Purchase products only from licensed manufacturers;

(2) Sell products only to licensed retailers; and

(3) Maintain records of all transactions for inspection by the division.

3-4-1106. Retailers.

(a) A retailer of a hemp-based beverage shall hold an appropriate permit from the Alcoholic Beverage Control Division to sell the hemp-based beverage.

(b) A retailer shall purchase products only from a licensed wholesaler.

(c) A retailer is prohibited from producing or distributing a hemp-based beverage.

3-4-1107. Product standards and labeling.

(a) A hemp-based beverage shall comply with the following standards:

(1) By having a delta-9 tetrahydrocannabinol content not to exceed three-tenths of one percent (0.3%) on a dry-weight basis;

(2) Being product-tested by an independent laboratory to verify compliance with delta-9 tetrahydrocannabinol limits and the absence of contaminants; and

(3) If produced out-of-state:

(A) Comply with all laws and rules applicable to similar beverages in the state of manufacture; and

(B) Meet all standards, requirements, and rules established by the State of Arkansas for beverages distributed or sold within the state.

(b) Each product shall display:

- (1) A scannable quick-response code linking to the certificate of analysis;
- (2) The delta-9 tetrahydrocannabinol and cannabidiol content per serving; and
- (3) The batch number and expiration date.

(c) Labels shall not:

- (1) Be attractive to children, including without limitation through the use of cartoons or bright colors; and
- (2) Resemble alcoholic beverages or candy products in a way that may mislead consumers.

3-4-1108. Distribution and sales.

- (a) A hemp-based beverage may be sold only to individuals who are twenty-one (21) years of age or older.
- (b) A manufacturer and wholesaler shall:
 - (1) Follow the three-tier system referenced under § 3-5-1201; and
 - (2) Ensure clear separation of roles.
- (c) A retailer may sell a hemp-based beverage for off-premises consumption if authorized by the permit issued by the Alcoholic Beverage Control Division.

3-4-1109. Enforcement and penalties.

- (a) The Alcoholic Beverage Control Division shall enforce this subchapter through:
 - (1) Routine inspections;
 - (2) Record audits; and
 - (3) Product testing.
- (b) A violation of this subchapter, including without limitation unlicensed production, unlicensed distribution, or unlicensed sales, is subject to penalties under Title 3 of the Arkansas Code.
- (c) A noncompliant product may be subject to immediate stop-sale orders and confiscation pursuant to the enforcement authorities of the division under § 3-2-201 et seq.

3-4-1110. Rules.

The Alcoholic Beverage Control Division shall promulgate rules to implement this subchapter to include without limitation:

- (1) Licensing procedures for manufacturers, wholesalers, and retailers;
 - (2) Standards for product testing, labeling, and advertising;
- and
- (3) Reporting and recordkeeping requirements for licensed entities.

SECTION 2. DO NO 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 one hundred twenty (120) days from the effective date of this act; or
- (2) If approval under § 10-3-309 has not occurred by one hundred twenty (120) days from the effective date of this act, 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 one hundred twenty (120) days from the effective date of this act, so that the Legislative Council may consider the rules for approval before one hundred twenty (120) days from the effective date of this act.