



STATE OF ARKANSAS
**Department of Finance
and Administration**

REGULATORY DIVISION

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March 1, 2024

The Honorable Kim Hammer, Senate Chair
The Honorable Brian Evans, House Chair
Arkansas Legislative Council
Administrative Rules Subcommittee
5th Floor, Room-L513
Little Rock, AR 72201

Dear Senator Hammer and Representative Evans:

Pursuant to Act 595 of the 2021 Regular Session, the Regulatory Division of the Arkansas Department of Finance and Administration (DFA) submits the following status report concerning the promulgation of rules applicable to acts of the 2023 Regular Session of the 94th General Assembly. The Regulatory Division of DFA consists of Alcoholic Beverage Control (ABC), Arkansas Tobacco Control (ATC), and the Arkansas Racing Commission (ARC).

1. Act 655 – AN ACT TO AMEND THE LAW CONCERNING ALCOHOLIC BEVERAGES; TO AUTHORIZE A STATE PARK TO SELL ALCOHOLIC BEVERAGES FOR ON-PREMISES CONSUMPTION WITHOUT OBTAINING A PERMIT FROM THE ALCOHOLIC BEVERAGE CONTROL DIVISION; AND FOR OTHER PURPOSES.
 - A. Explanation – Act 655 allows the Secretary of the Arkansas Department of Parks Heritage and Tourism to issue permits to allow state parks to sell alcohol for on-premises consumption and for outdoor events. ABC is required to promulgate rules under Act 655 to assist in the implementation of the new law.
 - B. Status – ABC has begun the promulgation process to add new rules to the ABC Rules per Act 655. These proposed rules are currently being reviewed by the Governor's Office.
2. Act 629 – AN ACT TO AMEND THE LAW CONCERNING CERTAIN DELTA TETRAHYDROCANNABINOL SUBSTANCES; TO PROHIBIT THE GROWTH, PROCESSING, SALE, TRANSFER, OR POSSESSION OF INDUSTRIAL HEMP

THAT CONTAINS CERTAIN DELTA TETRAHYDROCANNABINOL SUBSTANCES; TO INCLUDE DELTA-8, DELTA-9, AND DELTA-10 TETRAHYDROCANNABINOL IN THE LIST OF SCHEDULE VI CONTROLLED SUBSTANCES; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

- A. Explanation – Act 629 imposes a ban on the sale, use, or possession of intoxicating hemp products. Act 629 tasked ATC with the regulation and enforcement of the ban and directs ATC to promulgate rules for the enforcement and regulation of hemp products.
 - B. Status – On September 7, 2023, U.S. District Judge Billy Roy Wilson enjoined the State of Arkansas from enforcing or implementing Act 629 by granting a preliminary injunction. (*Bio Gen, LLC, et al. v. Sarah Huckabee Sanders, et al.*, 4:23CV-00718-BRW). ATC’s rule promulgation process will begin when the injunction is lifted.
3. Act 207 – AN ACT TO AMEND THE LAW REGARDING A MICROBREWERY-RESTAURANT LICENSE; TO AUTHORIZE CERTAIN MICROBREWERY-RESTAURANT LICENSEES TO SELF-DISTRIBUTE; AND FOR OTHER PURPOSES.
- A. Explanation – Act 207 allows microbrewery-restaurant licensees to self-distribute beer, malt beverage, or hard cider to licensed retailers.
 - B. Status – ABC has begun the promulgation process to amend ABC Rules to eliminate inconsistencies with the provisions of Act 207. The proposed amended rules are currently being reviewed by the Governor’s Office.
4. Act 169 – AN ACT TO AMEND THE LAW REGARDING MICROBREWERY-RESTAURANTS; TO AUTHORIZE MICROBREWERY-RESTAURANTS TO MANUFACTURE AND SELL READY-TO-DRINK PRODUCT; AND FOR OTHER PURPOSES.
- A. Explanation – Act 169 allows microbrewery-restaurant licensees to manufacture and sell ready-to-drink beverages containing spiritous liquor.
 - B. Status – ABC has begun the promulgation process to amend ABC Rules to eliminate inconsistencies with the provisions of Act 169. The proposed amended rules are currently being reviewed by the Governor’s Office.
5. Act 95 – AN ACT TO AMEND THE LAW CONCERNING ALCOHOLIC BEVERAGES; TO SET THE MINIMUM CONTAINER SIZE OF SPIRITOUS LIQUOR TO BE SOLD FOR OFF-PREMISES CONSUMPTION; AND FOR OTHER PURPOSES.
- A. Explanation – Act 95 allows for the retail sale of single unit 50ml containers of spiritous liquor for off-premises consumption.

- B. Status – ABC has begun the promulgation process to amend ABC Rules to eliminate inconsistencies with the provisions of Act 95. The proposed amended rules are currently being reviewed by the Governor’s Office.
- 6. Act 540 – AN ACT TO AMEND THE LAW REGARDING ALCOHOLIC BEVERAGES; TO AMEND THE LAW RELATED TO THE SELLING OF ALCOHOLIC BEVERAGES WITH FOOD PURCHASE FOR DELIVERY OR TO BE CONSUMED OFF-PREMISES; AND FOR OTHER PURPOSES.
 - A. Explanation – Act 540 allows private clubs in wet areas to sell food to-go or via delivery.
 - B. Status – ABC has begun the promulgation process to amend ABC Rules to eliminate inconsistencies with the provisions of Act 540. The proposed amended rules are currently being reviewed by the Governor’s Office.
- 7. Act 334 – AN ACT TO AMEND THE LAW REGARDING ALCOHOLIC BEVERAGES; TO AMEND THE LAW RELATED TO MICROBREWERY-RESTAURANT PRIVATE CLUBS; TO PERMIT A MICROBREWERY-RESTAURANT PRIVATE CLUB PERMITTEE TO STORE AND SELL SPIRITOUS LIQUOR TO MEMBERS FOR ON-PREMISES CONSUMPTION; TO PROVIDE DISCRETION RELATED TO REVOCATION OF A MICROBREWERY-RESTAURANT PRIVATE CLUB PERMIT; TO INCLUDE MICROBREWERY-RESTAURANT PRIVATE CLUBS AS A TYPE OF ENTITY PERMITTED IN AN ENTERTAINMENT DISTRICT; AND FOR OTHER PURPOSES.
 - A. Explanation – Act 334 allows microbrewery-restaurant private club licensees to sell spiritous beverages for on-premises consumption.
 - B. Status – ABC has begun the promulgation process to amend ABC Rules to eliminate inconsistencies with the provisions of Act 334. The proposed amended rules are currently being reviewed by the Governor’s Office.
- 8. Act 684 – AN ACT REGARDING ALCOHOLIC BEVERAGES; TO AMEND THE LAW RELATED TO ADDITIONAL PRODUCTS SOLD BY THE HOLDER OF A LIQUOR PERMIT; AND FOR OTHER PURPOSES.
 - A. Explanation – Act 684 allows retail liquor stores to sell clothing products that promote and advertise the permittee’s business.
 - B. Status – ABC has begun the promulgation process to amend ABC Rules to eliminate inconsistencies with the provisions of Act 684. The proposed amended rules are currently being reviewed by the Governor’s Office.
- 9. Act 705 – AN ACT TO AMEND THE LAW REGARDING ALCOHOLIC BEVERAGES; TO CLARIFY THE VIOLATION REGARDING THE SALE OF CONTROLLED BEVERAGES BY VENDING MACHINE; TO AUTHORIZE THE SALE THROUGH A DISPENSING MACHINE UNDER CERTAIN CIRCUMSTANCES; AND FOR OTHER PURPOSES.

- A. Explanation – Act 705 allows alcohol to be sold from vending machines under certain conditions.
- B. Status – ABC has begun the promulgation process to amend ABC Rules to eliminate inconsistencies with the provisions of Act 705. The proposed amended rules are currently being reviewed by the Governor's Office.

Sincerely,

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