

1 **State of Arkansas**  
2 **79th General Assembly**  
3 **Regular Session, 1993**  
4 **By: Representative D. Wood**

# A Bill

**HOUSE BILL III**

## For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE ANNOTATED §3-9-301 ET AL.  
9 TO ALLOW CONVENTION FACILITIES TO SELL WINE FOR ON  
10 PREMISES CONSUMPTION; AND FOR OTHER PURPOSES."

## Subtitle

13 "AN ACT TO AMEND ARKANSAS CODE ANNOTATED §3-9-301 ET AL.  
14 TO ALLOW CONVENTION FACILITIES TO SELL WINE FOR ON  
15 PREMISES CONSUMPTION."

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

19 SECTION 1. Arkansas Code Annotated §3-9-301 is amended to read as  
20 follows:

21 "3-9-301 Definitions.

22 As used in this subchapter, unless the context otherwise requires:

23 (1) Convention facility means any establishment, business or service  
24 designated as a convention facility by the Director of the Alcoholic Beverage  
25 Control Division.

26 (2) Director means the Director of the Alcoholic Beverage Control  
27 Division;

28 (6) Wine or wines means any port wine, sherry wine, vermouth wine,  
29 or other wines, the alcoholic content of which does not exceed fourteen  
30 percent (14%), regardless of whether the wines are manufactured within or  
31 without the State of Arkansas;

32 (3) License means a license to sell wine in a restaurant, cafe or  
33 convention facility as defined herein. An annual fee of fifty dollars (\$50.00)  
34 shall be paid for each license or renewal thereof. All moneys derived from  
35 such fees shall be deposited in the State Treasury as general revenues to the

1 credit of the State Apportionment Fund, there to be allocated and transferred  
2 to the various funds, fund accounts, and accounts participating in general  
3 revenues in the respective proportions to each as provided by law, and to be  
4 used for the respective purposes set forth in the Revenue Stabilization Law of  
5 Arkansas, §19-5-101 et seq.;

6 (5) Restaurant or cafe means a place of business serving food to  
7 the public prepared for consumption on the premises at an established eating  
8 place, as defined by reasonable rules and regulations promulgated by the  
9 Alcoholic Beverage Control Board.

10 (A) The Alcoholic Beverage Control Board is authorized and  
11 directed to establish appropriate rules and regulations defining "established  
12 eating places" to the extent that licenses granted under the provisions of  
13 this subchapter shall be issued only to those business establishments whose  
14 principal business is serving food for consumption on the premises.

15 (B) However, a drive-in shall not be classified as an established  
16 eating place;

17 (4) Person means any person, firm, partnership, association, or  
18 corporation."

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20 SECTION 2. Arkansas Code Annotated §3-9-303 is amended to read as  
21 follows:

22 "§3-9-303. Sale by licensed cafe or restaurant authorized -  
23 Restrictions.

24 (a) It shall be lawful for any cafe, restaurant or convention facility,  
25 as defined in §3-9-301, in this state, to sell wines, as defined in §3-9-301,  
26 for consumption with food served in such cafe or restaurant or for consumption  
27 in such convention facility upon obtaining a license, and paying the fee  
28 therefor, from the director as provided in this subchapter.

29 (b) However, it shall be unlawful for the director to issue any license  
30 to a cafe or restaurant for sales of wine served with food or to a convention  
31 facility for sales of wine in any city, county, township, or other area in  
32 this state wherein the sale and possession of wines is unlawful.

33 (c) All licenses shall be renewed annually in the manner  
34 provided by law."

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1 SECTION 3. Arkansas Code Annotated §3-9-305 is amended as follows:

2 "§3-9-305. License applications - Qualifications.

3 (a) No license shall be issued to any person authorizing the sale of  
4 wine at retail for consumption on the premises with food served in any cafe or  
5 restaurant or for consumption on the premises of any convention facility  
6 unless the person shall file with the Director of the Alcoholic Beverage  
7 Control Division a verified application therefor, accompanied by the fee  
8 required by law, and shall state in the application that he possesses the  
9 following qualifications:

10 (1) Applicant is a person of good moral character, a citizen or  
11 resident alien of the United States, and a resident of the county in which the  
12 permit will be operated or reside within twenty-five (25) miles of the address  
13 of the premises described in the application;

14 (2) Applicant has not been convicted of a felony or has not been  
15 convicted within five (5) years of the date of his application of any  
16 violation of the laws of this state or any other state relating to alcoholic  
17 beverages;

18 (3) Applicant has not had revoked within five (5) years next-preceding  
19 his application any license issued to him pursuant to the laws of this state,  
20 or any other state, to sell alcoholic liquor of any kind;

21 (4) Applicant shall be the owner of the premises for which the license  
22 is sought or the holder of an existing lease or option to lease thereon;

23 (5) If the applicant is a copartner, all members of the copartnership  
24 must be qualified to obtain a license;

25 (6) If the applicant is a corporation, all officers and directors  
26 thereof, any stockholder owning more than five percent (5%) of the stock of  
27 such corporation, and the person or persons who shall conduct and manage the  
28 licensed premises for the corporation shall possess all the qualifications  
29 required herein for an individual license. The requirement as to residence  
30 shall not apply to officers, directors, and stockholders of the corporation,  
31 but the requirement shall apply to any officer, director, or stockholder who  
32 is also the manager of the licensed premises, in any capacity, in the  
33 conducting or operation of the licensed premises;

34 (7) The cafe or restaurant making application for the license is  
35 primarily engaged in the business of serving foods to the public prepared for

1 consumption on the premises and must be an established eating place within the  
2 rules and regulations promulgated by the Alcoholic Beverage Control Board as  
3 provided in §3-9-301(4).

4 (b) Any misstatement or concealment of fact in the application shall  
5 be grounds for the revocation of any license issued pursuant to the  
6 application."

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8 SECTION 4. Subchapter 9 of Chapter 3 of Arkansas Code Annotated is  
9 amended by adding the following section:

10 "3-9-308. Designation of convention facility shall be made by the  
11 Director of the Alcoholic Beverage Control Division based on the following  
12 criteria:

13 (A) The facility is or would be within a radius of one mile or  
14 less of an operating *municipally owned* convention center located within the  
15 city or within an immediately adjacent city *either of which shall be no*  
16 *further than ten (10) miles of a navigable river with active interstate river*  
17 *traffic and commerce; and*

18 (B) The facility would provide recreational, leisure or  
19 entertainment activities for visitors to the city and users of the convention  
20 center and would promote tourism in the city; and

21 (C) The activities proposed for the convention facilities, if any  
22 meet the contemporary moral standards of the community as a whole."

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24 SECTION 5. All provisions of this act of a general and permanent nature  
25 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
26 Revision Commission shall incorporate the same in the Code.

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28 SECTION 6. If any provision of this act or the application thereof to  
29 any person or circumstance is held invalid, such invalidity shall not affect  
30 other provisions or applications of the act which can be given effect without  
31 the invalid provision or application, and to this end the provisions of this  
32 act are declared to be severable.

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34 SECTION 7. All laws and parts of laws in conflict with this act are  
35 hereby repealed.

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SECTION 8. EMERGENCY. It is hereby found and determined that additional general revenues are required for the State Apportionment Fund to support programs vital to the health, education, welfare, and safety of the people of this state and that unless such funds are provided, curtailment of these programs will be necessary; that the expanded economic growth of the State of Arkansas is essential to providing sources of tax revenue to support these programs; that the provisions of this act will stimulate the tourist and convention business in this state and will provide increased revenues from existing taxes; that the revenues to be collected under this act are essential to continuing existing levels of government; and that the immediate passage of this act is necessary to accomplish the purpose stated herein. This act will generate additional revenue necessary to meet the needs described and those needs will not be properly met until the additional revenues are received. Therefore, an emergency is declared to exist and this act, being necessary for the immediate preservation of the public peace, health and safety, shall be in full force and effective from and after the date of its passage and approval.

*/s/D. Wood*

***As Engrossed: 1/26/93 2/11/93***

**HB 1111**

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