Stricken language would be deleted from and underlined language would be added to present law. Act 578 of the Regular Session

1	State of Arkansas	As Engrossed: \$3/29/21	
2	93rd General Assembly	A Bill	
3	Regular Session, 2021		SENATE BILL 554
4			
5	By: Senator M. Johnson		
6			
7		For An Act To Be Entitled	
8	AN ACT TO	AMEND THE LAW REGARDING ALCOHOL	LIC
9	BEVERAGES	; TO AUTHORIZE BEER WHOLESALERS	TO
10	DISTRIBUT	E CERTAIN READY-TO-DRINK PRODUCT	rs; and for
11	OTHER PUR	POSES.	
12			
13			
14		Subtitle	
15	TO A	AMEND THE LAW REGARDING ALCOHOLIC	С
16	BEVI	ERAGES; AND TO AUTHORIZE BEER	
17	WHOI	LESALERS TO DISTRIBUTE CERTAIN R	EADY-
18	TO-I	DRINK PRODUCTS.	
19			
20			
21	BE IT ENACTED BY THE	GENERAL ASSEMBLY OF THE STATE OF	F ARKANSAS:
22			
23	SECTION 1. Ark	cansas Code § 3-2-403(b), concert	ning manufacturers,
24	importers, or produce	ers of spirituous and vinous beve	erages, is amended to add
25	an additional subdivi	ision to read as follows:	
26	<u>(3) Spir</u>	rituous liquor beverages classif	ied as a ready-to-drink
27	product containing sp	pirituous liquor with a final fin	nished product of no
28	greater than fifteen	percent (15%) alcohol by weight	may be registered under
29	§ 3-2-409 pursuant to	rules adopted by the division.	
30			
31	SECTION 2. Ark	cansas Code § 3-2-409 is amended	to read as follows:
32	3-2-409. Beer,	malt products, or light wine.	
33	(a) <u>(l)</u> Every п	nanufacturer or importer of beer	or other malt products
34	or light wine doing b	ousiness in the State of Arkansas	s shall submit to the
35	Alcoholic Beverage Co	ontrol Division one (1) label for	r each brand of beer or
36	malt product or light	wine to be shipped for the firs	st time into or within

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1	the state and shall designate within the application for registration any		
2	number of wholesalers in the state, each of whom shall be the exclusive		
3	distributor of such brand within the geographical territory assigned by the		
4	manufacturer or importer to such wholesaler.		
5	(2) A wholesaler of beer and light wine may sell:		
6	(A) Ready-to-drink products containing spirituous liquor		
7	with a final finished product of no greater than fifteen percent (15%)		
8	alcohol by weight; and		
9	(B) Malt liquor.		
10	(b) Transfers of brands of malt products or light wine or changes in		
11	geographical distribution areas assigned shall not be subject to the		
12	provisions set out above for spirituous or vinous products so long as any		
13	such manufacturer or importer has complied with the filing provisions of		
14	applicable law.		
15	(c) This section does not create a dual distributorship.		
16	(d) The division shall promulgate rules regarding the distribution of		
17	ready-to-drink products containing spirituous liquor with a final finished		
18	product of no greater than fifteen percent (15%) alcohol by weight and malt		
19	liquor.		
20			
21	SECTION 3. Arkansas Code § 3-5-101 is amended to read as follows:		
22	3-5-101. Wholesaler of beer and light wine may sell malt liquor <u>and</u>		
23	<u>certain ready-to-drink products</u> .		
24	A person, firm, or corporation having a permit to sell beer and light		
25	wine at wholesale shall be permitted to sell to liquor retailers:		
26	(1) malt Malt liquor containing greater than five percent (5%)		
27	of alcohol by weight <u>; and</u>		
28	(2) Ready-to-drink products containing spirituous liquor with a		
29	final finished product of no greater than fifteen percent (15%) alcohol by		
30	weight.		
31			
32	SECTION 4. DO NOT CODIFY. <u>Rules.</u>		
33	(a) When adopting the initial rules required under this act, the		
34	Alcoholic Beverage Control Division shall file the final rules with the		
35	Secretary of State for adoption under § 25-15-204(f):		
36	(1) On or before July 1, 2022; or		

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1	(2) If approval under § 10-3-309 has not occurred by July 1,
2	2022, as soon as practicable after approval under § 10-3-309.
3	(b) The division shall file the proposed rules with the Legislative
4	Council under § 10-3-309(c) sufficiently in advance of July 1, 2022, so that
5	the Legislative Council may consider the rules for approval before July 1,
6	<u>2022.</u>
7	
8	SECTION 5. DO NOT CODIFY. The rules promulgated under this act shall
9	not be effective before July 1, 2022.
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12	/s/M. Johnson
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15	APPROVED: 4/6/21
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