

Hall of the House of Representatives
91st General Assembly - Regular Session, 2017
Amendment Form

Subtitle of House Bill No. 2151

TO AMEND THE LAW REGARDING RETAIL LIQUOR STORE SAMPLING PERMITS.

Amendment No. 1 to House Bill No. 2151

Amend House Bill No. 2151 as originally introduced:

Delete everything after the enacting clause, and substitute the following:

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

3-4-408. Wholesaler authorized to extend credit.

(a) A wholesaler may extend credit on distilled spirits and wine sold to a retail liquor permit holder for a period not to exceed thirty (30) days from the date of invoice, with the date of invoice included in the total number of days.

(b) When the thirty-day period under subsection (a) of this section has passed without payment in full, sales or deliveries of distilled spirits or wine shall not be made by a wholesaler to a retailer whose name appears on the list of credit extended under subsection (a) of this section.

(c) Once payment in full has been made by the delinquent retailer to the reporting wholesaler, the reporting wholesaler shall notify the Alcoholic Beverage Control Division within twenty-four (24) hours that payment has been made.

SECTION 2. Arkansas Code § 3-5-104(f)(1), concerning fees for wine tasting events, is amended to read as follows:

(f)(1) The Director of the Alcoholic Beverage Control Division may issue a sampling permit if the applicant:

~~(A) Is is licensed by the director to sell wine, beer, spirits, or any combination, at retail; and~~

~~(B) Pays a license fee of:~~

~~(i) Five hundred dollars (\$500) for either a wine license, beer license, or spirits license; or~~

~~(ii) One thousand dollars (\$1,000) for a combined wine, beer, and spirits license.~~

SECTION 3. Arkansas Code § 3-5-203, concerning penalties for violating the law regarding permits for beer and light wine, is amended to add an additional subsection to read as follows:

(c) It is a violation of this chapter for anyone holding a permit



authorized under this chapter to sell at retail any wine or beer below the cost to purchase the product from a wholesaler.

SECTION 4. Arkansas Code § 3-5-1801, concerning definitions for wine sales in grocery stores, is amended to read as follows:

3-5-1801. Definitions.

As used in this subchapter:

(1) "Basic cost of wine" means the invoice cost of wine to the retailer in the quantity last purchased from the wholesaler at prices generally available in the marketplace, absent any cash or other discounts, incentives or concessions that are offered within or outside of this state, to which shall be added the full face value of any taxes, freight or delivery fees that may be required by any tax law of this state imposed upon wine supplied to retailers now in effect or hereafter enacted, and any other taxes or fees imposed by this title, if not already included by the wholesaler in this price;

(2) "Cost of doing business by the retailer" means forty percent (40%) of the basic cost of wine to the retailer;

(3) "Cost to the retailer" means the basic cost of wine to the retailer plus the cost of wine to the retailer;

~~(1)~~(4) "Grocery store" means a single physical establishment that:

(A) Has an inventory of human-consumable items; and

(B) Is located in a wet territory;

~~(2)~~(5) "Slotting allowance" means an allowance paid by a manufacturer to a grocery store for making room for a product on the grocery store's shelves; and

~~(3)~~(6) "Wine" means port, wine, sherry wine, vermouth wine, or other wines manufactured within or without the State of Arkansas, the alcoholic content of which does not exceed twenty-one percent (21%).

SECTION 5. Arkansas Code Title 3, Chapter 5, Subchapter 18, is amended to add additional sections to read as follows:

3-5-1804. Below-cost sales prohibited.

A person holding a grocery store wine permit shall not sell wine below the cost to the person.

3-5-1805. Curbside service prohibited.

An employee, agent, or representative of a grocery store wine permittee shall not deliver wine to the curbside or to a vehicle for pick up by a purchaser.

SECTION 6. DO NOT CODIFY. Effective date.

A grocery store wine permit under § 3-5-1801 et seq. shall not be issued until July 1, 2019."

The Amendment was read _____

By: Representative Penzo
MGF/TDW - 03-10-2017 15:26:30
MGF269

Chief Clerk