

1 State of Arkansas  
2 80th General Assembly  
3 Regular Session, 1995  
4 By: Senator Dowd

# A Bill

SENATE BILL 466

## For An Act To Be Entitled

8 "AN ACT TO AMEND THE ARKANSAS CODE TO PROVIDE THAT  
9 APPLICANTS FOR A RETAIL BEER PERMIT, AN ON-PREMISES MIXED  
10 DRINK PERMIT, OR PRIVATE CLUB PERMIT MUST EITHER OWN,  
11 LEASE, HAVE AN OPTION TO LEASE, OR HOLD A BUY-SELL  
12 AGREEMENT OR OFFER AND ACCEPTANCE ON THE PROPERTY; TO  
13 PROVIDE THAT AN APPLICANT FOR A RETAIL BEER PERMIT OR ON-  
14 PREMISES MIXED DRINK PERMIT MUST LIVE WITHIN 35 MILES OF  
15 THE PREMISES; AND FOR OTHER PURPOSES."

## Subtitle

17 "APPLICANTS FOR RETAIL BEER PERMIT, ON-  
18 PREMISES MIXED DRINK PERMIT, OR PRIVATE  
19 CLUB PERMIT MUST OWN, LEASE, HAVE AN  
20 OPTION TO LEASE, A BUY-SELL AGREEMENT OR  
21 OFFER AND ACCEPTANCE ON THE PROPERTY."  
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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26 SECTION 1. Arkansas Code 3-5-302 is amended to read as follows:

27 "3-5-302. Applications - Qualifications of applicant.

28 No license shall be issued to any person authorizing the sale of beer at  
29 retail unless the person shall file a verified application, accompanied by  
30 the fee required by law, and shall state in the application that he possesses  
31 the following qualifications:

32 (1) Applicant must be a person of good moral character, a citizen or  
33 resident alien of the United States, and a resident of the county in which  
34 the permit will be operated or reside within thirty-five (35) miles of the  
35 address of the premises described in the application;

1 (2) Applicant shall not have been convicted of a felony or have been  
2 convicted within five (5) years of the date of his application of any  
3 violation of the laws of this state or the laws of any other state relating  
4 to the sale of alcoholic beverages;

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

8 (4) Applicant shall be the owner of the premises for which the license  
9 is sought or the holder of an existing lease, buy-sell agreement, offer and  
10 acceptance, or option to lease thereon;

11 (5) If applicant is a copartnership, all members of the partnership must  
12 be qualified to obtain a license;

13 (6) If applicant is a corporation, all officers and directors, any  
14 stockholder owning more than five percent (5%) of the stock of the  
15 corporation, and the person or persons who shall conduct and manage the  
16 licensed premises for the corporation shall possess all the qualifications  
17 required herein for an individual license. The requirement as to residence  
18 shall not apply to officers, directors, and stockholders of the corporation,  
19 but the requirement shall apply to any officer, director, or stockholder who  
20 is also the manager of the licensed premises, in any capacity, in the conduct  
21 or operation of the licensed premises."

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23 SECTION 2. Arkansas Code 3-9-202(10) is amended to read as follows:

24 "(10) Private club means a nonprofit corporation organized and  
25 existing under the laws of this state, no part of the net revenues of which  
26 shall inure directly or indirectly to the benefit of any of its members or  
27 any other individual, except for the payment of bona fide expenses of the  
28 club's operations, conducted for some common recreational, social, patriotic,  
29 political, national, benevolent, athletic, or other nonprofit object or  
30 purpose other than the consumption of alcoholic beverages. The nonprofit  
31 corporation shall have been in existence for a period of not less than one  
32 (1) year before application for a permit, as hereinafter prescribed. At the  
33 time of application for the permit, the nonprofit corporation must have not  
34 less than one hundred (100) members regularly paying annual dues of not less  
35 than five dollars (\$5.00) per member, and, at the time of application, must

1 own or lease, or be the holder of a buy-sell agreement or offer and  
2 acceptance, or have an option to lease a building, property, or space therein  
3 for the reasonable comfort and accommodation of its members and their  
4 families and guest, and restrict the use of club facilities to such persons;"  
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6 SECTION 3. Arkansas Code 3-9-305(a) is amended to read as follows:

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

13 (1) Applicant is a person of good moral character, a citizen or resident  
14 alien of the United States, and a resident of the county in which the permit  
15 will be operated or reside within thirty-five (35) miles of the address of  
16 the premises described in the application;

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

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

24 (4) Applicant shall be the owner of the premises for which the license  
25 is sought or the holder of an existing lease, buy-sell agreement, offer and  
26 acceptance, or option to lease thereon;

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

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

1 is also the manager of the licensed premises, in any capacity, in the  
2 conducting or operation of the licensed premises;

3 (7) The cafe or restaurant making application for the license is  
4 primarily engaged in the business of serving foods to the public prepared for  
5 consumption on the premises and must be an established eating place within  
6 the rules and regulations promulgated by the Alcoholic Beverage Control Board  
7 as provided in § 3-9-301(4)."

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9 SECTION 4. All provisions of this act of a general and permanent  
10 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas  
11 Code Revision Commission shall incorporate the same in the Code.

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13 SECTION 5. If any provision of this act or the application thereof to  
14 any person or circumstance is held invalid, such invalidity shall not affect  
15 other provisions or applications of the act which can be given effect without  
16 the invalid provision or application, and to this end the provisions of this  
17 act are declared to be severable.

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19 SECTION 6. All laws and parts of laws in conflict with this act are  
20 hereby repealed.

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