

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 86th General Assembly
3 Regular Session, 2007
4

A Bill

SENATE BILL 304

5 By: Senators T. Smith, Horn, Salmon
6 By: Representatives Wood, Sample, Harrelson, Saunders
7

For An Act To Be Entitled

10 AN ACT TO TREAT NATIVE WINE MANUFACTURERS EQUALLY
11 WITH OTHER MANUFACTURERS; TO PROTECT THE STATE'S
12 TRADITIONAL THREE-TIER SYSTEM FOR THE CONTROL OF
13 ALCOHOLIC BEVERAGES; AND FOR OTHER PURPOSES.
14

Subtitle

15 AN ACT TO TREAT NATIVE WINE
16 MANUFACTURERS EQUALLY WITH OTHER
17 MANUFACTURERS AND TO PROTECT THE STATE'S
18 TRADITIONAL THREE-TIER SYSTEM FOR THE
19 CONTROL OF ALCOHOLIC BEVERAGES.
20
21
22

23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
24

SECTION 1. Intent.

25
26 (a) The General Assembly intends this subchapter to amend Arkansas law
27 that controls the distribution and sale of alcoholic beverages to comply with
28 the recent ruling of the United States Supreme Court in the case of Granholm
29 v. Heald, 544 U.S. 460 (2005).

30 (b) The purposes of this subchapter are to:

31 (1) Ensure equal treatment of all affected businesses under the
32 law;

33 (2) Maintain a comprehensive system of regulation and control of
34 the distribution and sale of alcoholic beverages in the state;

35 (3) Ensure that all alcoholic beverages are sold to Arkansas
36 consumers by licensed retailers through face-to-face sales transactions;



1 (4) Ensure the continuation of a system that fosters the prompt
 2 and efficient collection and payment of all wholesale and retail alcoholic
 3 beverage taxes due the state;

4 (5) Preserve our system of laws that prohibit the unauthorized
 5 and unlawful sale of alcoholic beverages in dry counties; and

6 (6) Ensure that Arkansas' native wine manufacturers are treated
 7 equally with out-of-state wine manufacturers.

8
 9 SECTION 2. Arkansas Code § 3-1-103(a)(1), concerning alcoholic
 10 products exempted from the Arkansas Alcoholic Control Act, is amended to read
 11 as follows:

12 (a)(1) ~~The~~ Except as expressly provided, the provisions of this act
 13 shall not in any manner be construed to apply to the manufacture, sale, and
 14 distribution of wines or vinous liquors manufactured, sold, and distributed
 15 by residents of Arkansas.

16
 17 SECTION 3. Arkansas Code § 3-2-403 is amended to read as follows:

18 3-2-403. Spirituous and vinous beverages - Registration of brands and
 19 labels - Designation of licensed wholesaler.

20 (a) Every manufacturer, importer, or producer of spirituous and vinous
 21 beverages, as defined by § 3-1-102, including wine manufactured in Arkansas,
 22 doing business in the State of Arkansas shall submit to the Alcoholic
 23 Beverage Control Division one (1) label for each brand of spirituous and
 24 vinous beverages to be shipped for the first time by the shipper into or
 25 within the state and shall designate in the application for registration one
 26 (1) licensed liquor wholesaler in the state, who shall be the exclusive
 27 distributor of such brand or label within the state.

28 (b) ~~Such~~ The designated wholesaler shall be initially approved by the
 29 director and shall not be changed or initially disapproved except for good
 30 cause, and the director shall determine good cause after a hearing pursuant
 31 to the provisions set out in this subchapter.

32 (c) Any brands or labels previously registered in this state, and
 33 ~~which~~ that have subsequently been withdrawn from distribution in this state,
 34 shall be treated in the same manner as the initial registration of brands or
 35 labels and are subject to the provisions ~~hereof~~ of this subchapter.

SECTION 4. Arkansas Code § 3-2-411 is amended to read as follows:

3-2-411. Subchapter incorporated into division approvals -
Applicability - Waiver.

(a) The terms, conditions, and requirements of this subchapter are hereby expressly made a part of the terms of and as conditions to the approval granted by the Alcoholic Beverage Control Division to distillers, manufacturers, importers, or producers, to do business in the state, and by the application for, the acceptance of, or the conduct of business under any such approval, a distiller, manufacturer, importer, or producer consents and agrees to comply with the terms, conditions, and requirements of this subchapter.

~~(b) This subchapter does not apply to manufacturers or wholesalers of Arkansas native wine.~~

~~(e)(b)~~ No right, duty, or other provision set out in this subchapter may be waived by any agreement or contract between any wholesaler and supplier regardless of whether any such waiver agreement was made prior to or after July 15, 1991.

SECTION 5. Arkansas Code § 3-3-212, concerning relations between manufacturers and sellers of alcoholic beverages, is amended to add an additional subsection to read as follows:

(d) This section applies to wine manufactured in Arkansas.

SECTION 6. Arkansas Code § 3-4-101 is amended to read as follows:

3-4-101. Permit required.

(a) No vinous (~~except wines~~), spirituous, or malt liquors shall be manufactured in this state for storage or sale at retail within the state without a permit therefor issued by the Director of the Alcoholic Beverage Control Division as ~~herein~~ provided in this section.

(b) No person shall sell vinous, spirituous, or malt liquors in this state, except as provided in this act. ~~However, the provisions of this act shall not apply to the manufacture, sale, and distribution of wines in this state.~~

(c) This section applies to wine manufactured in Arkansas.

SECTION 7. Arkansas Code § 3-5-407 is amended to read as follows:

1 3-5-407. License fees generally.

2 For the privilege of doing business respectively, as indicated in this
 3 section, there shall each fiscal year, beginning July 1, be imposed,
 4 assessed, levied, and collected the following license fees:

5 (1)(A) For the privilege of manufacturing native wine in
 6 quantities not to exceed five thousand (5,000) gallons, a license fee of one
 7 dollar (\$1.00) per thousand gallons shall be paid by the manufacturer.

8 (B)(i) However, any persons in this state shall have the
 9 right to manufacture free from this license fee from grapes, berries, or
 10 other fruits or vegetables grown in the State of Arkansas, native wine or
 11 light wine for consumption in their homes by themselves and their guests, but
 12 not for sale, in quantities not to exceed two hundred (200) gallons.

13 (ii) Provided, nothing ~~herein~~ in this section shall
 14 be deemed to authorize the manufacture of wine or light wine in any area
 15 which has voted against the manufacture or sale of intoxicating liquors;

16 (2) For the privilege of manufacturing native wine in excess of
 17 five thousand (5,000) gallons, a license fee of two hundred fifty dollars
 18 (\$250) shall be paid by the manufacturer; and

19 (3) For the privilege of selling native wine, ~~except~~ by a
 20 manufacturer for consumption at ~~his~~ the manufacturer's winery, there shall be
 21 paid ~~for each retail dealer's license~~ a fee of fifteen dollars (\$15.00);

22 ~~(4) For the privilege of selling native wine, except by a~~
 23 ~~manufacturer at his winery, there shall be paid for each wholesale dealer's~~
 24 ~~license a fee of fifty dollars (\$50.00).~~

25
 26 SECTION 8. Arkansas Code § 3-5-409(a), concerning taxes on the
 27 manufacture and sale of native wines, is amended to read as follows:

28 (a)(1) Under the provisions of this subchapter, for the privilege of
 29 manufacturing wine and for selling it for consumption at the winery or in
 30 this state, there is imposed, assessed, and levied a tax of seventy-five
 31 cents (75¢) per gallon upon all the wine manufactured ~~and sold~~ in this state
 32 under the provisions of this subchapter.

33 (2) For the privilege of manufacturing light wine under the
 34 provisions of this subchapter, and for selling it for consumption at the
 35 winery or in this state, there is imposed, assessed, and levied a tax of
 36 twenty-five cents (25¢) per gallon upon all light wine manufactured ~~and sold~~

1 in this state under the provisions of this subchapter.

2
3 SECTION 9. Arkansas Code § 3-5-410 is amended to read as follows:

4 3-5-410. Manner of sale.

5 All native wine, whether sold by the ~~manufacturer,~~ retailer, or
6 wholesale dealer, ~~must~~ shall be sold in original packages and in the
7 following lots:

8 ~~(1) The manufacturer may sell to the consumer at the winery in~~
9 ~~lots not to exceed five (5) gallons and to either wholesale or retail dealers~~
10 ~~in lots not less than five (5) gallons. However, the lots may be contained in~~
11 ~~packages of less than five (5) gallons each;~~

12 ~~(2)(1)~~ Retail dealers may sell only to consumers and in lots not
13 to exceed five (5) gallons; and

14 ~~(3)(2)~~ Wholesale dealers may sell only to retail dealers and in
15 lots of any quantity.

16
17 SECTION 10. Arkansas Code § 3-5-411 is amended to read as follows:

18 3-5-411. Transportation.

19 (a) It shall be lawful to transport native wine in the original
20 package along any highway, road, street, or other thoroughfare of travel.

21 (b) It shall be unlawful to transport wine along any highway, road,
22 street, or other thoroughfare of travel except in the original package.

23 ~~(c)(1) It is lawful for any winery in the State of Arkansas to ship~~
24 ~~wines out of the state by common carrier or other appropriate parcel delivery~~
25 ~~service and for common carriers and other appropriate parcel delivery~~
26 ~~services to accept wine from Arkansas wineries for delivery outside the State~~
27 ~~of Arkansas.~~

28 ~~(2)(A) An individual who purchases native Arkansas wine at the~~
29 ~~winery may transport the wine pursuant to § 3-5-504 or may have the purchase~~
30 ~~shipped to him or her at the individual's home by common carrier or~~
31 ~~appropriate parcel delivery service.~~

32 ~~(B) Under subdivision (c)(2)(A) of this section, it is~~
33 ~~lawful for:~~

34 ~~(i) Any winery in the State of Arkansas to ship~~
35 ~~wines within the state by common carrier or other appropriate parcel delivery~~
36 ~~service; and~~

1 ~~(ii) Common carriers and other appropriate parcel~~
 2 ~~delivery services to accept wine from Arkansas wineries for delivery within~~
 3 ~~the State of Arkansas.~~

4
 5 SECTION 11. Arkansas Code § 5-4-413 is amended to read as follows:

6 3-5-413. Wineries – Sale of wine for on-premises ~~or off-premises~~
 7 consumption.

8 (a) Notwithstanding the provisions of § 3-5-410 or any other law to
 9 the contrary, wine may be sold at any winery located in this state for on-
 10 premises ~~or off-premises~~ consumption on any day of the week.

11 (b)(1) The Alcohol Beverage Control Board ~~is hereby authorized to~~ may
 12 promulgate reasonable rules ~~and regulations~~ for the on-premises sale with of
 13 ~~foods, and off-premises package sale, labeling, and identification, of and~~
 14 wine sold at wine outlets maintained on the premises and operated in
 15 connection with a wine manufacturing facility in this state throughout the
 16 week~~.~~

17 ~~(2) and such regulations~~ The rules shall ~~include the following~~
 18 ~~minimum requirements:~~

19 ~~(1) The winery shall provide~~ ensure that the winery
 20 provides tours through ~~their~~ its cellars~~.~~

21 ~~(2) Only sealed containers may be removed from the winery~~
 22 ~~premises;~~

23 ~~(3)(A) That packages sold on Sundays for off-premises~~
 24 ~~consumption shall have attached around the central seam of each such package~~
 25 ~~a tape or other seal approved by the Alcoholic Beverage Control Board to seal~~
 26 ~~such package.~~

27 ~~(B) Said tape or seal shall be affixed in such manner as~~
 28 ~~directed by the Alcoholic Beverage Control Board which shall prohibit the~~
 29 ~~opening thereof without breaking such tape or seal.~~

30 ~~(C) On each such package shall be stamped in ink the words~~
 31 ~~"Not to be opened on date of sale by order of the Arkansas Alcoholic Beverage~~
 32 ~~Control Board" and stating the penalty for violating such order in letters of~~
 33 ~~such minimum height and size as may be prescribed by the Alcoholic Beverage~~
 34 ~~Control Board.~~

35 ~~(c) Breaking the seal required by subdivision (b)(3) of this section~~
 36 ~~on the date of sale shall be a Class C misdemeanor.~~

1
2 SECTION 12. Arkansas Code Title 3, Chapter 5, Subchapter 5 is
3 repealed.

4 ~~3-5-501. Legislative determinations and intent.~~

5 ~~(a) The General Assembly, in the passage of this subchapter, is~~
6 ~~eognizant of the practice of Arkansas wineries who produce native wine in~~
7 ~~cooperating with the efforts of the State Parks, Recreation, and Travel~~
8 ~~Commission in promoting the tourist industry of this state by opening their~~
9 ~~cellars and vineyards to tourists, by providing official tour guides, and by~~
10 ~~expending sums of money for the construction of vineyard observation towers,~~
11 ~~vineyard roads, tourist centers, and tunnels for the proper flow of travel~~
12 ~~through their wine cellars, and that these activities by Arkansas wineries~~
13 ~~who produce native wine have promoted the tourist industry in Arkansas, and~~
14 ~~are of substantial benefit in promoting the economy and welfare of this~~
15 ~~state.~~

16 ~~(b) The General Assembly further recognizes that quantities of native~~
17 ~~wines are sold at the wineries in this state to connoisseurs of vintage wines~~
18 ~~who purchase the native wines to stock their home wine cellars, but in the~~
19 ~~transportation of such wines, persons may often find themselves in technical~~
20 ~~violation of the laws of this state by transporting greater quantities of~~
21 ~~native wine through dry counties than are authorized by law.~~

22 ~~(c) It is, therefore, essential to the development of native wine~~
23 ~~producing industry in this state, with related economic benefits to farms and~~
24 ~~orchards which produce fruits and berries used in native wine production, and~~
25 ~~in improved employment advantages enjoyed by those directly or indirectly~~
26 ~~engaged in native wine production or allied employment, that procedures be~~
27 ~~developed for the lawful, yet regulated, movement of native wines within the~~
28 ~~state and through the state so long as the native wine is not used in~~
29 ~~violation of any local option law.~~

30 ~~(d) The General Assembly further determines that the procedures set~~
31 ~~forth hereinafter provide reasonable regulations for the lawful~~
32 ~~transportation of native wines upon the public highways of this state which,~~
33 ~~if transported in compliance herewith, shall not be in violation of state law~~
34 ~~or of any local initiated act prohibiting or restricting the manufacture,~~
35 ~~possession, or sale of alcoholic beverages in this state.~~

36 ~~(e) It is the intent of this subchapter to establish regulated~~

1 ~~procedures for transportation of native wine on the public highways of this~~
2 ~~state which are purchased by the purchaser in the manner provided in this~~
3 ~~subchapter for transportation to a destination outside the State of Arkansas~~
4 ~~or to a destination within the state in which the lawful manufacture,~~
5 ~~possession, or sale of alcoholic beverages is prohibited.~~

6
7 ~~3-5-502. — Penalty.~~

8 ~~Any person who shall knowingly or illegally violate any of the~~
9 ~~provisions of this subchapter shall be guilty of a Class B misdemeanor.~~

10
11 ~~3-5-503. — Labeling for transportation.~~

12 ~~(a) — The Alcoholic Beverage Control Board is authorized to promulgate~~
13 ~~reasonable rules and regulations for the labeling and identification of~~
14 ~~quantities of native wine purchased at wine outlets maintained on the~~
15 ~~premises and operated in connection with a native wine manufacturing facility~~
16 ~~in this state, which would identify native wines and authorize the~~
17 ~~transportation of them upon the public highways of this state to a~~
18 ~~destination outside this state or to a destination within this state in which~~
19 ~~the lawful possession or sale of alcoholic beverages is not prohibited by~~
20 ~~law.~~

21 ~~(b) — The regulation shall include minimum requirements as follows:~~

22 ~~(1)(A) — Each case or partial case of native wine sold at a retail~~
23 ~~outlet of native wine manufacturers shall have attached around the central~~
24 ~~seam of each case a tape or other seal approved by the Alcoholic Beverage~~
25 ~~Control Board to seal the package.~~

26 ~~(B) — The tape or seal shall be affixed in the manner as~~
27 ~~directed by the Alcoholic Beverage Control Board which shall prohibit the~~
28 ~~opening of the case in transit or which if opened in transit would enable any~~
29 ~~law enforcement officer to determine that the sealed case had been unlawfully~~
30 ~~opened;~~

31 ~~(2) — On each case shall be stamped in ink the words: "Not to Be~~
32 ~~Opened in Transit by Order of the Arkansas Alcoholic Beverage Control Board,"~~
33 ~~in letters of such minimum height and size as may be prescribed by the~~
34 ~~Alcoholic Beverage Control Board;~~

35 ~~(3)(A) — In addition thereto, the case shall have stamped or~~
36 ~~printed on it substantially the following form:~~

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~~ARKANSAS NATIVE WINE TRANSIT PERMIT~~

~~This package contains Arkansas Native Wine produced by:~~

~~....., and sold to~~

~~(Name and Address of Winery)~~

~~.....~~

~~(Name of Purchaser) (Address)~~

~~On, for transit to~~

~~(Date of Sale)~~

~~.....~~

~~(Name and Address of Destination)~~

~~(B) Each case or partial case of native wine shall be stamped in the manner as provided in this section, and there shall be written on each case or partial case the information required in this section.~~

~~3-5-504. Transportation by purchaser authorized—Limitation.~~

~~(a) Any person who shall purchase native wine at retail outlets maintained on the premises of, and operated by, the native wine manufacturer may transport a quantity of not more than three (3) cases, not to exceed three (3) gallons per case, of Arkansas produced native wine. If the cases are packaged, sealed, and stamped in the manner as provided in § 3-5-503, they may be transported upon the public highways of this state without the transportation of them being in violation of any laws of this state or of any local ordinances prohibiting the manufacture, possession, or sale of alcoholic beverages in any dry area through which they are transported on the public highway. This is true so long as the container has been unopened and is being transported by a vehicle to a destination, as reflected on the package, outside the State of Arkansas or to a destination within the State~~

1 of Arkansas in which the manufacture, possession, or sale of alcoholic
2 beverages is not prohibited by law.

3 (b) ~~For the purposes of this subchapter, each purchaser of Arkansas-~~
4 ~~produced native wine shall be entitled to purchase not more than three (3)~~
5 ~~cases of native wine per purchaser as reflected on the sealed cases thereof~~
6 ~~and may transport native wine in any vehicle under the provisions of this~~
7 ~~subchapter.~~

8 (c) ~~Nothing in this subchapter shall be construed to limit the~~
9 ~~transportation of three (3) cases per vehicle.~~

10 (d) ~~Nothing in this subchapter shall be construed to grant permission~~
11 ~~or authority for any person to transport an unlawful quantity of native wine~~
12 ~~to a destination in, or for possession, sale, or use in, any county, city, or~~
13 ~~portion thereof in which the manufacture, possession, or sale of alcoholic~~
14 ~~beverages is prohibited by law.~~

15
16 ~~3-5-505. Package to remain unopened—Inspection.~~

17 (a) ~~Any person purchasing Arkansas produced native wines and~~
18 ~~transporting them in the manner authorized in this subchapter shall not open~~
19 ~~any container or break any seal or package in which the wines are packaged~~
20 ~~for transportation in compliance with this subchapter until the package~~
21 ~~reaches the destination thereof as designated on the sealed package.~~

22 (b) ~~All cases of Arkansas produced native wine transported under the~~
23 ~~provisions of this subchapter shall be made available for inspection, upon~~
24 ~~request, by any law enforcement officer.~~

25 (c) ~~If a law enforcement officer determines it necessary to open the~~
26 ~~case for any lawful inspection, he shall attach to the case a statement, in~~
27 ~~writing, identifying the name, address, and commission of the officer and the~~
28 ~~site, hour, and date on which the case has been opened, in order that if the~~
29 ~~person transporting the package is required to submit it for further~~
30 ~~inspection, there will be a proper identification thereon that it was opened~~
31 ~~for inspection and has not been opened in violation of this subchapter.~~

32
33 SECTION 13. Arkansas Code § 3-5-603(a), concerning bottling and taxing
34 native wines, is amended to read as follows:

35 (a) In order to enable Arkansas wineries ~~which~~ that produce native
36 wines to ~~sell their products to~~ make their products usable by interstate and

1 intrastate passenger airline companies and to passenger railroads in
 2 containers for their convenience and use, the Alcoholic Beverage Control
 3 Board ~~is authorized to~~ may promulgate ~~regulations~~ rules to permit the
 4 bottling of wines produced by wineries in this state in two-fifths (2/5) pint
 5 or split size wine containers, or other nearest metric size practicable when
 6 the metric system of measurement is phased into operation in this country,
 7 ~~for sale to~~ for use by airlines and passenger railroads for sale for
 8 consumption ~~thereon~~ on airlines and passenger railroads.

9
 10 SECTION 14. Arkansas Code § 3-5-607 is repealed

11 ~~3-5-607. Tax incentive for export of local wines.~~

12 ~~(a) In order to encourage Arkansas wineries to seek new and broader~~
 13 ~~markets for Arkansas wines outside of Arkansas and to enable the wineries to~~
 14 ~~be less dependent upon Arkansas markets for the sale of their wines, thereby~~
 15 ~~giving an incentive for the purchase of more Arkansas fruits and vegetables~~
 16 ~~to be used in the production of wines for sale outside this state, the~~
 17 ~~General Assembly determines that the establishment of a tax incentive is~~
 18 ~~necessary to accomplish this purpose.~~

19 ~~(b) The tax incentive shall be as follows: For every one and one-half~~
 20 ~~(11/2) gallons of Arkansas grown wine that an Arkansas winery sells and ships~~
 21 ~~outside the State of Arkansas, the Arkansas winery shall receive a seventy~~
 22 ~~cent tax credit against tax it must pay for out-of-state wines that the~~
 23 ~~winery imports into this state for blending with Arkansas produced wines for~~
 24 ~~sale within the State of Arkansas. The Arkansas winery must pay a similar~~
 25 ~~credit against taxes for wines it sells within the State of Arkansas produced~~
 26 ~~from fruits and vegetables grown outside the State of Arkansas.~~

27 ~~(c)(1) To qualify for the benefits of the tax credit incentive as~~
 28 ~~provided in subsections (a) and (b) of this section, the Arkansas winery~~
 29 ~~shall submit to the Department of Finance and Administration copies of~~
 30 ~~invoices of sales of Arkansas grown wines to wholesalers in other states or~~
 31 ~~countries indicating the date of sale and address of the wholesaler.~~

32 ~~(2) If certain wines on the invoice are blends of Arkansas grown~~
 33 ~~and out-of-state grown wines, or blends with wines produced in Arkansas from~~
 34 ~~out-of-state fruit, a copy of the blend ratio record shall accompany the~~
 35 ~~invoice.~~

36 ~~(3) Invoices may be submitted annually.~~

1 ~~(d) Nothing in this subchapter shall be construed to require Arkansas~~
 2 ~~wineries to pay gallonage tax in Arkansas on wines shipped and sold to~~
 3 ~~wholesalers for sale outside of Arkansas.~~

4 ~~(e) All persons manufacturing controlled beverages shall keep and~~
 5 ~~maintain on the premises the following records:~~

6 ~~(1) A record showing the kind, quantity, and date of the receipt~~
 7 ~~of all materials brought upon the premises for use in the manufacture of~~
 8 ~~controlled beverages;~~

9 ~~(2) A record of all controlled beverages sold or otherwise~~
 10 ~~disposed of, indicating the date of sale or other disposition, the name of~~
 11 ~~the wholesale or retail outlet purchaser, and the quantity of controlled~~
 12 ~~beverages sold or otherwise disposed of.~~

13 ~~(f) The records shall be preserved for a period of three (3) years~~
 14 ~~from the relevant date of the records and shall be available on the premises~~
 15 ~~at all times for reasonable inspection by authorized agents of the Alcoholic~~
 16 ~~Beverage Control Division and the Department of Finance and Administration.~~
 17 ~~The records, along with federal Bureau of Alcohol, Tobacco, and Firearms~~
 18 ~~production and sales records and other requirements of this subchapter, shall~~
 19 ~~serve as a system to ensure proper collection of wine taxes.~~

20
 21 SECTION 15. EMERGENCY CLAUSE. It is found and determined by the
 22 General Assembly of the State of Arkansas that lawsuits are currently pending
 23 in both Federal Court for the Eastern District of Arkansas and Pulaski County
 24 Circuit Court regarding the constitutionality of the laws being amended by
 25 this subchapter; that the lawsuits are being defended by the office of the
 26 Arkansas Attorney General; and that immediate implementation of this act is
 27 necessary because any delay may result in substantial costs to the state.
 28 Therefore, an emergency is declared to exist and this act being necessary for
 29 the preservation of the public peace, health, and safety shall become
 30 effective on:

31 (1) The date of its approval by the Governor;

32 (2) If the bill is neither approved nor vetoed by the Governor,
 33 the expiration of the period of time during which the Governor may veto the
 34 bill; or

35 (3) If the bill is vetoed by the Governor and the veto is
 36 overridden, the date the last house overrides the veto.