

1 State of Arkansas  
2 89th General Assembly  
3 Regular Session, 2013  
4

# A Bill

HOUSE BILL 1480

5 By: Representative Broadway  
6

## For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING THE PERMITTING OF  
9 SPIRITUOUS LIQUOR AND VINOUS LIQUOR SUPPLIERS AND THE  
10 REGISTRATION OF BRAND LABELS; TO ESTABLISH THE  
11 ALCOHOLIC BEVERAGE CONTROL FUND; TO MAKE TECHNICAL  
12 CORRECTIONS; TO DECLARE AN EMERGENCY; AND FOR OTHER  
13 PURPOSES.  
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## Subtitle

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16 TO AMEND THE LAW CONCERNING THE  
17 PERMITTING OF SPIRITUOUS LIQUOR AND  
18 VINOUS LIQUOR SUPPLIERS AND THE  
19 REGISTRATION OF BRAND LABELS; TO  
20 ESTABLISH THE ALCOHOLIC BEVERAGE CONTROL  
21 FUND; AND TO DECLARE AN EMERGENCY.  
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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27 SECTION 1. Arkansas Code § 3-2-403, concerning the registration of  
28 brands and labels of spirituous and vinous liquor, is amended to read as  
29 follows:

30 3-2-403. Spirituous and vineous beverages - Registration of brands and  
31 labels - Designation of licensed wholesaler.

32 (a) As used in this section:

33 (1) "Brand label" means the label carrying the distinctive  
34 design of a brand name of a spirituous liquor or vinous liquor; and

35 (2) "Brand label size" means the size of a bottle, box, can, or  
36 other container that contains a brand of spirituous liquor or vinous liquor.



1           **(b)** Every manufacturer, importer, or producer of spirituous and vinous  
2 beverages, as defined by § 3-1-102, doing business in the State of Arkansas  
3 shall submit to the Alcoholic Beverage Control Division one (1) label for  
4 each brand of spirituous and vinous beverages to be shipped for the first  
5 time by the shipper into or within the state and shall designate in the  
6 application for registration one (1) licensed liquor wholesaler in the state,  
7 who shall be the exclusive distributor of such brand or label within the  
8 state. Such designated wholesaler shall be initially approved by the Director  
9 of the Alcoholic Beverage Control Division and shall not be changed or  
10 initially disapproved except for good cause, and the director shall determine  
11 good cause after a hearing pursuant to the provisions set out in this  
12 subchapter. Any brands or labels previously registered in this state and  
13 which have subsequently been withdrawn from distribution in this state shall  
14 be treated in the same manner as the initial registration of brands or labels  
15 and are subject to the provisions of this section.

16           **(c)(1)** A supplier of a spirituous liquor or vinous liquor shall  
17 register with the division the sizes of the brand label.

18           **(2)** The brand label size shall be registered by the supplier  
19 before the first shipment of each size of the brand label into or within the  
20 state on or after July 1, 2013.

21           **(d)** A copy of the Alcohol and Tobacco Tax and Trade Bureau Certificate  
22 of Label Approval for each brand label and brand label size shall be  
23 submitted with the registration of each brand label and brand label size.

24           **(e)** The registration of a brand label and brand label size shall:

25           **(1)** Be in writing or electronically submitted as prescribed by  
26 the Director of the Alcoholic Beverage Control Division;

27           **(2)** Be verified if it is submitted in writing; and

28           **(3)** Set forth information as the Director of the Alcoholic  
29 Beverage Control Division requires.

30           **(f)** The registration of the brand label and each brand label size  
31 shall be accompanied by a registration fee of twenty-five dollars (\$25.00)  
32 per brand label size, payable by check, cash, or money order.

33           **(g)** The registration shall be renewed annually.

34           **(h)** The division shall promulgate rules to administer and implement  
35 this section.

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1 SECTION 2. Arkansas Code Title 3, Chapter 4, Subchapter 6, is amended  
2 to add an additional section to read as follows:

3 3-4-608. Spirituous liquor – Vinous liquor – Supplier registration.

4 (a) As used in this section:

5 (1) "Small farm wine" means the wine produced by a wine-making  
6 business that produces two hundred fifty thousand (250,000) gallons of wine  
7 or less per year, the alcohol content of which is not less than one-half  
8 percent (0.5%) and not more than twenty-one percent (21%);

9 (2) "Spirituous" means a liquor distilled from the fermented  
10 juices of grain, fruits, or vegetables and containing more than twenty-one  
11 percent (21%) alcohol by weight, or any other liquids containing more than  
12 twenty-one percent (21%) alcohol by weight;

13 (3) "Supplier" means an in-state or out-of-state manufacturer,  
14 distiller, rectifier, brewer, importer, or producer of spirituous liquor or  
15 vinous liquor; and

16 (4) "Vinous" means the fermented juices of fruits or a mixture  
17 containing the fermented juices of fruits, containing more than five percent  
18 (5%) and not more than twenty-one percent (21%) alcohol by weight.

19 (b)(1) A supplier of a spirituous or vinous beverage, excluding small  
20 farm wine, shall file an application with the Alcoholic Beverage Control  
21 Division for a permit.

22 (2) The application shall:

23 (A) Be in writing;

24 (B) Be verified; and

25 (C) Set forth the information in detail as the Director of  
26 the Alcoholic Beverage Control Division requires concerning the applicant for  
27 the permit and premises to be used.

28 (3) The application shall be accompanied by a permit fee of  
29 three hundred dollars (\$300) payable by cash, check, or money order.

30 (4) The permit may be renewed annually.

31 (5) If the director grants the application, he or she shall  
32 issue a permit in the form required by the rules established by the division.

33 (c) A supplier shall not sell a spirituous liquor or a vinous liquor  
34 to a wholesaler, distributor, or to any other person who is not legally  
35 authorized to receive, possess, transport, distribute, or sell a spirituous  
36 liquor or a vinous liquor under this chapter.

1       (d) Under the rules adopted by the director, a supplier may:

2               (1) Sell, deliver, or transport to a wholesaler, distributor, or  
3 rectifier;

4               (2) Ship into the state to a wholesaler, distributor, or  
5 rectifier; and

6               (3) Export out of the state.

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8       SECTION 3. Arkansas Code § 3-5-1602 is amended to add an additional  
9 subdivision as follows:

10       (e) A manufacturer, importer, or producer of small farm wine, as  
11 defined under § 3-4-608, doing business in the state shall submit to the  
12 Alcoholic Beverage Control Division one (1) label for each brand to be  
13 shipped into the state or produced in the state for distribution in the  
14 state.

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16       SECTION 4. Arkansas Code Title 19, Chapter 6, Subchapter 8, is amended  
17 to add an additional section to read as follows:

18       19-6-819. Alcoholic Beverage Control Fund.

19       (a) There is created on the books of the Treasurer of State, the  
20 Auditor of State, and the Chief Fiscal Officer of the State a special revenue  
21 fund to be known as the "Alcoholic Beverage Control Fund".

22       (b)(1) The registration fee of twenty-five dollar (\$25) for each brand  
23 label and brand label size collected under § 3-2-403 shall be deposited into  
24 the State Treasury to the credit of the fund as special revenues.

25       (2) The fund also shall consist of any other revenues as may be  
26 authorized by law.

27       (c) The Alcoholic Beverage Control Division shall use the fund to:

28               (1) Educate alcoholic beverage servers and law enforcement  
29 personnel regarding state law and the division's rules;

30               (2) Promote alcohol safety awareness; and

31               (3) Enforce state law and the division's rules regarding  
32 underage drinking.

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34       SECTION 5. EMERGENCY CLAUSE. It is found and determined by the  
35 General Assembly of the State of Arkansas that a supplier of an alcoholic  
36 beverage is not required to file an application with the Alcoholic Beverage

1 Control Division each calendar year; that suppliers should be required to  
2 register with the division each calendar year; and that the division's yearly  
3 registration period begins on April 1. Therefore, an emergency is declared  
4 to exist and this act being immediately necessary for the preservation of the  
5 public peace, health, and safety shall become effective on:

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

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

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

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