

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

As Engrossed: H3/12/13

# 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, "brand label" means the label carrying  
33 the distinctive design of a brand name of a spirituous liquor or vinous  
34 liquor.

35 (b)(1) Every manufacturer, importer, or producer of spirituous and  
36 vinous beverages, as defined by § 3-1-102, doing business in the State of



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12 *which have subsequently been withdrawn from distribution in this state shall*  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

15 *(2) A brand label and a brand label extension shall be registered by*  
16 *the supplier before the first shipment of each brand label and brand label*  
17 *extension into or within the state on or after July 1, 2013.*

18 *(c) A copy of the Alcohol and Tobacco Tax and Trade Bureau Certificate*  
19 *of Label Approval for each brand label and brand label extension shall be*  
20 *submitted with the registration of each brand label and brand label*  
21 *extension.*

22 *(d) The registration of a brand label and a brand label extension*  
23 *shall:*

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

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

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

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

32 *(f) The registration shall be renewed annually.*

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

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36 SECTION 2. Arkansas Code Title 3, Chapter 4, Subchapter 6, is amended

1 to add an additional section to read as follows:

2 3-4-608. Spirituous liquor – Vinous liquor – Supplier registration.

3 (a) As used in this section:

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

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

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

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

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

21 (2) The application shall:

22 (A) Be in writing;

23 (B) Be verified; and

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

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

29 (4) The permit may be renewed annually.

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

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

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

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

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

5           (3) Export out of the state.

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7           SECTION 3. Arkansas Code Title 19, Chapter 6, Subchapter 8, is amended  
8 to add an additional section to read as follows:

9           19-6-819. Alcoholic Beverage Control Fund.

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

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

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

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

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

21               (2) Promote alcohol safety awareness; and

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

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25          SECTION 4. EMERGENCY CLAUSE. It is found and determined by the  
26 General Assembly of the State of Arkansas that a supplier of an alcoholic  
27 beverage is not required to file an application with the Alcoholic Beverage  
28 Control Division each calendar year; that suppliers should be required to  
29 register with the division each calendar year; and that the division's yearly  
30 registration period begins on April 1. Therefore, an emergency is declared  
31 to exist and this act being immediately necessary for the preservation of the  
32 public peace, health, and safety shall become effective on:

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

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

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

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