

Stricken language would be deleted from and underlined language would be added to present law.

1 State of Arkansas *As Engrossed: H3/12/13 H3/26/13*

2 89th General Assembly

# A Bill

3 Regular Session, 2013

HOUSE BILL 1480

4

5 By: Representative Broadway

6

7

## 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.

14

15

16

## Subtitle

17

18

19

20

21

22

23

24

25

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

26

27

28

29

SECTION 1. Arkansas Code § 3-2-403, concerning the registration of brands and labels of spirituous and vinous liquor, is amended to read as follows:

30

31

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

32

33

34

(a) As used in this section, "brand label" means the label carrying the distinctive design of a brand name of a spirituous liquor or vinous liquor.

35

36

(b)(1) Every manufacturer, importer, or producer of spirituous and 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 Alcohol and Tobacco Tax and Trade Bureau Certificate of Label Approval  
3 for each brand of spirituous and vinous beverages and the brand label  
4 extension of each brand of spirituous and vinous beverages to be shipped for  
5 the first time by the shipper into or within the state and shall designate in  
6 the application for registration one (1) licensed liquor wholesaler in the  
7 state, who shall be the exclusive distributor of such brand or label within  
8 the state. Such designated wholesaler shall be initially approved by the  
9 Director of the Alcoholic Beverage Control Division and shall not be changed  
10 or initially disapproved except for good cause, and the director shall  
11 determine good cause after a hearing pursuant to the provisions set out in  
12 this 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13 which have subsequently been withdrawn from distribution in this state shall  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 (2) A brand label and a brand label extension shall be registered by  
17 the supplier before the first shipment of each brand label and brand label  
18 extension into or within the state on or after July 1, 2013.

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

23 (d) The registration of a brand label and a brand label extension  
24 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 (e) Each Alcohol and Tobacco Tax and Trade Bureau Certificate of Label  
31 Approval submitted for registration shall be accompanied by a registration  
32 fee of fifteen dollars (\$15.00) payable by check, cash, money order, or  
33 electronic payment.

34 (f) The registration shall be renewed annually.

35 (g) The division shall promulgate rules to administer and implement  
36 this section.

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

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

5 (a) As used in this section:

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

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

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

17 (4) "Vinous" means the fermented juices of fruits or a mixture  
18 containing the fermented juices of fruits, containing more than five percent  
19 (5%) and not more than twenty-one percent (21%) alcohol by weight.

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

23 (2) The application shall:

24 (A) Be in writing;

25 (B) Be verified; and

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

29 (3) The application shall be accompanied by a permit fee of  
30 fifty dollars (\$50.00) payable by cash, check, money order, or electronic  
31 payment.

32 (4) The permit may be renewed annually.

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

35 (c) A supplier shall not sell a spirituous liquor or a vinous liquor  
36 to a wholesaler, distributor, or to any other person who is not legally

1 authorized to receive, possess, transport, distribute, or sell a spirituous  
2 liquor or a vinous liquor under this chapter.

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

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

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

8 (3) Export out of the state.

9  
10 SECTION 3. Arkansas Code Title 19, Chapter 6, Subchapter 8, is amended  
11 to add an additional section to read as follows:

12 19-6-819. Alcoholic Beverage Control Fund.

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

16 (b)(1) The registration fee of fifteen dollars (\$15.00) for each brand  
17 label and brand label size collected under § 3-2-403 shall be deposited into  
18 the State Treasury to the credit of the fund as special revenues.

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

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

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

24 (2) Promote alcohol safety awareness; and

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

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

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

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

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

6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36

*/s/Broadaway*