

1 State of Arkansas  
2 91st General Assembly  
3 Regular Session, 2017  
4

# A Bill

HOUSE BILL 1872

5 By: Representative C. Fite  
6

## For An Act To Be Entitled

8 AN ACT TO CREATE THE EQUALIZE ARKANSAS NATIVE WINE  
9 GRANTS ACT; AND FOR OTHER PURPOSES.  
10

### Subtitle

11 TO CREATE THE EQUALIZE ARKANSAS NATIVE  
12 WINE GRANTS ACT.  
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16  
17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
18

19 SECTION 1. Arkansas Code § 3-5-904 is amended to read as follows:  
20 3-5-904. Eligibility.

21 (a)(1) Only those wineries actively involved in the sale of wine as an  
22 Arkansas-bonded winery for at least five (5) years or that have a federal  
23 license and are licensed by the State of Arkansas as of January 1, 2003,  
24 ~~shall be~~ are eligible to receive grants under the provisions of this  
25 subchapter.

26 (2) A winery is not eligible under subdivision (a)(1) of this  
27 section if the winery has more than one (1) wine license for one (1)  
28 production facility.

29 (b)(1) Only those wineries located in this state ~~which that~~ use not  
30 less than seventy-five percent (75%) of Arkansas-grown and Arkansas-produced  
31 grapes, fruits, berries, or vegetables for producing wine ~~shall be~~ are  
32 eligible to receive grants under ~~the provisions of~~ this subchapter.

33 (2) Wine imported from outside this state shall not be included  
34 in a calculation for eligibility under subdivision (b)(1) of this section.

35 (c) However, in any year in which there are losses in production of  
36 Arkansas-grown grapes, fruits, berries, or vegetables used in the production



1 of wine resulting from droughts, floods, tornadoes, extreme weather  
 2 conditions, or other natural causes, the percentage of Arkansas-grown and  
 3 Arkansas-produced grapes, fruits, berries, or vegetables used in producing  
 4 wine, as required in this subchapter, shall be reduced in the proportion of  
 5 the losses in production of the products as determined and set forth in a  
 6 disaster relief order issued by the Director of the Department of Finance and  
 7 Administration prepared under the same procedures as set forth in the Native  
 8 Wine Industry Disaster Relief Act, ~~§§ 3-5-405 [repealed]~~ and 3-5-801 et seq.

9 (d) A person who violates this subchapter is permanently ineligible  
 10 for a grant under this subchapter.

11  
 12 SECTION 2. Arkansas Code § 3-5-907(b), concerning the amounts  
 13 available under the native wine grant program, is amended to read as follows:

14 (b)(1) Grant funds awarded shall be distributed equally to each winery  
 15 at a base amount not to exceed twenty-five thousand dollars (\$25,000), with  
 16 any remaining balance of the grant to be divided among each grantee according  
 17 to the same ratio as the wine taxes paid in the previous calendar year by the  
 18 grantee, as determined by the Chief Fiscal Officer of the State.

19 (2) Under this subchapter, a winery shall not receive more than:

20 (A) Fifty thousand dollars (\$50,000) in a calendar year;

21 or

22 (B) A cumulative total of six million dollars (\$6,000,000)  
 23 for the life of the winery.