

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

As Engrossed: H3/14/17

A Bill

HOUSE BILL 2151

5 By: Representative Penzo
6

For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW REGARDING RETAIL LIQUOR STORE
9 SAMPLING PERMITS; AND FOR OTHER PURPOSES.
10

Subtitle

11
12 TO AMEND THE LAW REGARDING RETAIL LIQUOR
13 STORE SAMPLING PERMITS.
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 *SECTION 1. Arkansas Code Title 3, Chapter 4, Subchapter 4, is amended*
20 *to add an additional section to read as follows:*

21 *3-4-408. Wholesaler authorized to extend credit.*

22 *(a) A wholesaler may extend credit on distilled spirits and wine sold*
23 *to a retail liquor permit holder for a period not to exceed thirty (30) days*
24 *from the date of invoice, with the date of invoice included in the total*
25 *number of days.*

26 *(b) When the thirty-day period under subsection (a) of this section*
27 *has passed without payment in full, sales or deliveries of distilled spirits*
28 *or wine shall not be made by a wholesaler to a retailer whose name appears on*
29 *the list of credit extended under subsection (a) of this section.*

30 *(c) Once payment in full has been made by the delinquent retailer to*
31 *the reporting wholesaler, the reporting wholesaler shall notify the Alcoholic*
32 *Beverage Control Division within twenty-four (24) hours that payment has been*
33 *made.*
34

35 *SECTION 2. Arkansas Code § 3-5-104(f)(1), concerning fees for wine*
36 *tasting events, is amended to read as follows:*



1 (f)(1) The Director of the Alcoholic Beverage Control Division may
2 issue a sampling permit if the applicant:

3 ~~(A) Is is~~ licensed by the director to sell wine, beer,
4 spirits, or any combination, at retail; ~~and~~

5 ~~(B) Pays a license fee of:~~

6 ~~(i) Five hundred dollars (\$500) for either a wine~~
7 ~~license, beer license, or spirits license; or~~

8 ~~(ii) One thousand dollars (\$1,000) for a combined~~
9 ~~wine, beer, and spirits license.~~

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11 SECTION 3. Arkansas Code § 3-5-203, concerning penalties for violating
12 the law regarding permits for beer and light wine, is amended to add an
13 additional subsection to read as follows:

14 (c) It is a violation of this chapter for anyone holding a permit
15 authorized under this chapter to sell at retail any wine or beer below the
16 cost to purchase the product from a wholesaler.

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18 SECTION 4. Arkansas Code § 3-5-1801, concerning definitions for wine
19 sales in grocery stores, is amended to read as follows:

20 3-5-1801. Definitions.

21 As used in this subchapter:

22 (1) "Basic cost of wine" means the invoice cost of wine to the
23 retailer in the quantity last purchased from the wholesaler at prices
24 generally available in the marketplace, absent any cash or other discounts,
25 incentives or concessions that are offered within or outside of this state,
26 to which shall be added the full face value of any taxes, freight or delivery
27 fees that may be required by any tax law of this state imposed upon wine
28 supplied to retailers now in effect or hereafter enacted, and any other taxes
29 or fees imposed by this title, if not already included by the wholesaler in
30 this price;

31 (2) "Cost of doing business by the retailer" means forty percent
32 (40%) of the basic cost of wine to the retailer;

33 (3) "Cost to the retailer" means the basic cost of wine to the
34 retailer plus the cost of wine to the retailer;

35 ~~(1)~~(4) "Grocery store" means a single physical establishment
36 that:

1 (A) Has an inventory of human-consumable items; and

2 (B) Is located in a wet territory;

3 ~~(2)~~(5) "Slotting allowance" means an allowance paid by a
4 manufacturer to a grocery store for making room for a product on the grocery
5 store's shelves; and

6 ~~(3)~~(6) "Wine" means port, wine, sherry wine, vermouth wine, or
7 other wines manufactured within or without the State of Arkansas, the
8 alcoholic content of which does not exceed twenty-one percent (21%).

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10 SECTION 5. Arkansas Code Title 3, Chapter 5, Subchapter 18, is amended
11 to add additional sections to read as follows:

12 3-5-1804. Below-cost sales prohibited.

13 A person holding a grocery store wine permit shall not sell wine below
14 the cost to the person.

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16 3-5-1805. Curbside service prohibited.

17 An employee, agent, or representative of a grocery store wine permittee
18 shall not deliver wine to the curbside or to a vehicle for pick up by a
19 purchaser.

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21 SECTION 6. DO NOT CODIFY. Effective date.

22 A grocery store wine permit under § 3-5-1801 et seq. shall not be
23 issued until July 1, 2019.

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/s/Penzo

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