

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4

A Bill

SENATE BILL 538

5 By: Senator G. Leding
6

For An Act To Be Entitled

8 AN ACT TO CREATE A PUBLIC HOUSE PERMIT FOR THE ON-
9 PREMISES CONSUMPTION OF ALCOHOLIC BEVERAGES; AND FOR
10 OTHER PURPOSES.
11

Subtitle

12
13 TO CREATE A PUBLIC HOUSE PERMIT FOR THE
14 ON-PREMISES CONSUMPTION OF ALCOHOLIC
15 BEVERAGES.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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21 SECTION 1. Arkansas Code § 3-3-210(b)(4), concerning the sale of
22 alcoholic beverages on Sunday or early weekday mornings, is amended to read
23 as follows:

24 (4) The vote of the majority of the electors against the off-
25 premises sale of alcoholic beverages on Sunday has no effect on sales of
26 mixed drinks in hotels, ~~and~~ restaurants, and public houses as authorized by §
27 3-9-215 or § 3-9-216 or any other ~~on-premises consumption permitted outlet~~
28 outlet permitted for on-premises consumption.
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30 SECTION 2. Arkansas Code § 3-9-202, defining terms for entities
31 engaged in the on-premises consumption of alcoholic beverages, is amended to
32 add an additional subdivision to read as follows:

33 (17) "Public house" means an individual, partnership, limited
34 liability company, or corporation that is primarily engaged in the business
35 of the sale of alcoholic beverages for on-premises consumption.
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1 SECTION 3. Arkansas Code § 3-9-210(a), concerning applications to sell
 2 alcoholic beverages on-premises, is amended to read as follows:

3 (a)(1) Any hotel, ~~or~~ restaurant, or public house as defined in § 3-9-
 4 202 desiring to sell alcoholic beverages for on-premises consumption shall
 5 make application to the Director of the Alcoholic Beverage Control Division
 6 for a permit upon forms prescribed and furnished by the director and in
 7 accordance with the rules ~~and regulations~~ of the Alcoholic Beverage Control
 8 Board.

9 (2)(A) If the hotel, ~~or~~ restaurant, or public house is owned by
 10 a partnership, whether regular or limited, a nonpartner manager or operator
 11 may be issued the permit provided that he or she meets the other
 12 qualifications required by this section.

13 (B) The failure of one (1) or more partners to be
 14 residents of this state shall not be grounds for denial of the permit.
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16 SECTION 4. Arkansas Code § 3-9-210(c), concerning applications to sell
 17 alcoholic beverages on-premises, is amended to read as follows:

18 (c) The board shall ~~have authority to~~ require an applicant, under
 19 oath, to disclose the following information:

20 (1) The name of the applicant;

21 (2) Location of the hotel, ~~or~~ restaurant, or public house;

22 (3) Sufficient data to establish that the applicant meets the
 23 requirements of § 3-9-202;

24 (4) The names and addresses of all owners of the hotel, ~~or~~
 25 restaurant, or public house;

26 (5) That the applicant is a citizen or resident alien of the
 27 United States and a resident of Arkansas on the date of application, and if a
 28 corporation, duly qualified to do business in this state;

29 (6) That neither the applicant nor any person to be employed in
 30 the serving of beverages authorized ~~herein shall be~~ in this subchapter is a
 31 person who has been convicted within five (5) years of the date of his or her
 32 employment of any violation of the laws against possession, sale,
 33 manufacture, or transportation of intoxicating liquor, or convicted of a
 34 felony;

35 (7) That the manager or operator of the hotel, ~~or~~ restaurant, or
 36 public house seeking the permit is of good moral character and not a

1 convicted felon; and

2 (8) Such other relevant information as may be required.

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4 SECTION 5. Arkansas Code § 3-9-212(a), concerning the permit fees to
5 sell alcoholic beverages for on-premises consumption, is amended to read as
6 follows:

7 (a) Each application for a permit to sell alcoholic beverages for on-
8 premises consumption shall be accompanied by a permit fee in the following
9 applicable amount:

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11	Hotel, having fewer than 100 rooms	\$750
12	Hotel, having 100 or more rooms	1,500
13	Restaurant, having a seating capacity of less	
14	than 100 persons	750
15	Restaurant, having a seating capacity of 100	
16	or more persons	1,500
17	Large meeting or attendance facility as	
18	defined in § 3-9-202(16)(B)	2,500
19	<u>Public house</u>	<u>2,500</u>

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21 SECTION 6. Arkansas Code § 3-9-215 is amended to read as follows:

22 3-9-215. Authorization of Sunday sales on December 31.

23 When a Sunday falls on December 31 of any year, licensed restaurants,
24 ~~and~~ hotels, and public houses authorized to sell alcoholic beverages under §
25 3-3-210 may automatically sell alcoholic beverages for on-premises
26 consumption between the hours of 10:00 a.m. on Sunday and 2:00 a.m. on the
27 following Monday unless the city, town, or county establishes by ordinance a
28 lesser period of time within which alcoholic beverages may be sold for on-
29 premises consumption by the licensed restaurants, ~~and~~ hotels, and public
30 houses.

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32 SECTION 7. Arkansas Code § 3-9-229 is amended to read as follows:

33 3-9-229. Collection of taxes.

34 (a) The Secretary of the Department of Finance and Administration may
35 assess and collect delinquent state and local taxes from the owner or owners
36 of the hotel, ~~or~~ restaurant, or public house, file claims for unpaid taxes

1 against bonds or other security required to be posted by the permittee, and
2 enforce liens against assets held by the owner or owners.

3 (b) The Alcoholic Beverage Control Division may suspend or refuse to
4 renew a permit held by a nonpartner if the hotel, ~~or~~ restaurant, or public
5 house owner fails to remit state taxes.

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7 SECTION 8. Arkansas Code Title 3, Chapter 9, Subchapter 2, is amended
8 to add an additional section to read as follows:

9 3-9-242. Public houses – Qualifications for permit.

10 The Alcoholic Beverage Control Division shall not issue a public house
11 permit until the applicant:

12 (1) Provides proof that the applicant has obtained a sales tax
13 permit from the Revenue Division of the Department of Finance and
14 Administration;

15 (2) Receives approval of the public house’s intended premises by
16 the Department of Health; and

17 (3) Provides proof of general liability insurance providing
18 coverage in an amount of no less than five hundred thousand dollars
19 (\$500,000).

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