

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

A Bill

SENATE BILL 474

5 By: Senator K. Ingram
6 By: Representative Wright
7

For An Act To Be Entitled

9 AN ACT TO CREATE AN INDUSTRY STANDARD CONCERNING THE
10 DONATION OF ALCOHOLIC BEVERAGES; TO AMEND THE
11 RESTRICTIONS FOR HANDLING ALCOHOLIC BEVERAGES BY
12 PERSONS OVER EIGHTEEN (18) YEARS OF AGE BUT YOUNGER
13 THAN TWENTY-ONE (21) YEARS OF AGE; TO REPEAL THE
14 LIMITATION ON AND THE PENALTY FOR THE ALCOHOLIC
15 BEVERAGE CONTROL BOARD GRANTING OR TRANSFERRING A
16 RETAILER'S PERMIT DURING CERTAIN TIMES OF THE YEAR;
17 TO PERMIT A WHOLESALER OF BEER AND LIGHT WINE TO SELL
18 MALT LIQUOR TO A LIQUOR RETAILER; TO PERMIT A PRIVATE
19 CLUB TO ADVERTISE THE PRICE AND SERVICE OF ALCOHOLIC
20 BEVERAGES ON-PREMISES IN A COUNTY WHERE ITS VOTERS
21 HAVE AUTHORIZED THE SALE OF INTOXICATING LIQUOR; TO
22 REPEAL MISCELLANEOUS UNLAWFUL PRACTICES BY AN
23 ALCOHOLIC BEVERAGE PERMITTEE; TO MAKE TECHNICAL
24 CORRECTIONS; AND FOR OTHER PURPOSES.

Subtitle

28 TO CREATE A STANDARD CONCERNING ALCOHOL
29 DONATIONS; TO AMEND THE RULES FOR
30 HANDLING ALCOHOL; TO AMEND A PERMIT
31 REQUIREMENT; TO PERMIT THE SALE OF MALT
32 LIQUOR; TO PERMIT A CLUB TO ADVERTISE;
33 AND TO REPEAL AN UNLAWFUL PRACTICE.
34

35
36 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:



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

4 3-1-104. Industry member conduct – Donation of intoxicating liquor.

5 (a) As used in this section:

6 (1) "Industry member" means any one (1) or more of the
7 following:

8 (A) A distiller, manufacturer, importer, producer,
9 wholesaler, or distributor of intoxicating liquor that holds a valid and
10 appropriate permit issued by the Alcoholic Beverage Control Division;

11 (B) An agent of a distiller, manufacturer, importer,
12 producer, wholesaler, or distributor of intoxicating liquor, including
13 without limitation an employee, shareholder, owner, partner, corporate
14 officer, or director; or

15 (C) A business paid by a distiller, manufacturer,
16 importer, producer, wholesaler, or distributor of intoxicating liquor to
17 assist in targeting and promoting the sale of intoxicating liquor, including
18 without limitation an advertising agency or marketing firm; and

19 (2) "Retailer" means a person or business that:

20 (A) Is devoted wholly or partially to the sale of
21 intoxicating liquor at retail; and

22 (B) Holds a valid retailer's permit issued by the
23 division.

24 (b) An industry member or retailer may donate intoxicating liquor for
25 on-premises consumption at a function to a charitable or nonprofit
26 organization that does not have a permit to dispense intoxicating liquors if
27 the premises used by the nonprofit organization has a permit for on-premises
28 consumption of alcoholic beverages issued by the Director of the Alcoholic
29 Beverage Control Division, if a permit is required by applicable law.

30 (c) An industry member may provide keg-tapping equipment and hook-up
31 service to a charitable or nonprofit organization at a function.

32
33 SECTION 2. Arkansas Code § 3-3-204 is amended to read as follows:

34 3-3-204. Handling by minor.

35 (a) Except as provided in subsection (b) or (c) of this section, it
36 shall be is unlawful for any a wholesaler, retailer, or transporter of

1 alcoholic beverages to allow ~~any~~ an employee or any other person under
 2 twenty-one (21) years of age to have anything to do with the selling,
 3 transporting, or handling of ~~alcoholic beverages~~ an alcoholic beverage.

4 (b) With the written consent of a parent or guardian, ~~persons~~ a person
 5 eighteen (18) years of age and older may:

6 (1) Sell or otherwise handle beer and ~~cooking wines~~ wine at
 7 retail grocery establishments; or

8 (2) Be employed by a licensed liquor wholesaler or licensed beer
 9 wholesaler or by a licensed native winery to handle alcoholic beverages at
 10 the place of business of the licensed wholesaler or winery.

11 (c) ~~With the written consent of a parent or guardian, persons~~ A person
 12 nineteen (19) years of age and older may sell and handle alcoholic beverages
 13 at ~~an establishment~~ a restaurant, private club, hotel, or motel that is
 14 licensed for on-premises consumption of alcoholic beverages under ~~§ 3-9-~~
 15 ~~202(7) and (14) or § 3-9-301~~ this chapter.

16 (d)(1) ~~Anyone violating~~ A person who violates ~~the provisions of this~~
 17 ~~section shall be~~ is guilty of a violation and upon conviction shall be fined
 18 not less than ten dollars (\$10.00) nor more than one hundred dollars (\$100).

19 (2) The violation shall be grounds for suspension, cancellation,
 20 or revocation by the Director of the Alcoholic Beverage Control Division of
 21 any permit issued to the person by the director.

22
 23 SECTION 3. Arkansas Code § 3-4-204 is repealed.

24 ~~3-4-204. When permits may not be issued.~~

25 (a) ~~It shall be unlawful for the Alcoholic Beverage Control Board to~~
 26 ~~grant or authorize the granting of any new retailer's permit to sell and~~
 27 ~~dispense vinous or spirituous liquors for beverage purposes at retail, or to~~
 28 ~~authorize the transfer of any permit previously issued, at any time during~~
 29 ~~the last thirty (30) days of any even-numbered year and prior to January 15~~
 30 ~~of each odd-numbered year.~~

31 (b) ~~As used in this section, the term "retailer's permit" means any~~
 32 ~~permit issued pursuant to this chapter to sell or dispense vinous or~~
 33 ~~spirituous liquors for beverage purposes at retail.~~

34 (c) ~~Any violations of the provisions of this section by any members,~~
 35 ~~officers, or employees of the board shall be grounds for dismissal therefrom.~~
 36 ~~In addition, any violation shall be punished by a fine of not less than one~~

1 ~~thousand dollars (\$1,000) nor more than ten thousand dollars (\$10,000) and~~
 2 ~~imprisonment for not less than six (6) months nor more than one (1) year.~~

4 SECTION 4. Arkansas Code § 3-5-101 is amended to read as follows:

5 3-5-101. ~~Wholesalers~~ Wholesaler of beer and light wine may sell malt
 6 liquor.

7 ~~Any~~ A person, firm, or corporation having a permit to sell beer and
 8 light wine at wholesale shall be permitted to ~~handle and~~ sell to liquor
 9 retailers malt liquor containing greater than five percent (5%) of alcohol by
 10 weight.

12 SECTION 5. Arkansas Code § 3-9-226 is amended to read as follows:

13 3-9-226. Private clubs – Advertising.

14 (a) As used in this section "intoxicating liquor" means a beverage
 15 containing more than one-half of one percent (0.5%) of alcohol by weight.

16 ~~(a)(b)~~ (b) It shall be unlawful for ~~any~~ a private club, as defined by in §
 17 3-9-202~~(10)~~, to use the advertising media to promote the consumption and use
 18 of alcoholic beverages or to advertise or announce the price of service of
 19 alcoholic beverages for on-premises consumption in a county where its voters
 20 have not authorized the sale of intoxicating liquor in a local option
 21 election under Initiated Act No. 1 of 1942, as amended, §§ 3-8-201 – 3-8-203,
 22 and 3-8-205 – 3-8-209.

23 ~~(b)(c)(1) Private clubs~~ A private club, regardless of whether or not
 24 the voters in the county authorized the sale of intoxicating liquor in a
 25 local option election, shall be entitled to use the advertising media to
 26 advertise or announce social functions of general interest ~~such as~~ including
 27 without limitation:

28 (A) A ~~four-ball tournaments~~ golf tournament;

29 (B) A charity ~~balls~~ ball;

30 (C) An ~~entertainment~~ entertainment event; or

31 (D) ~~other~~ A similar activities activity.

32 (2) ~~occurring~~ The social function shall be held within the
 33 confines of club property.

34 (3) ~~when such~~ The advertising ~~or announcement is~~ for the social
 35 function shall be preceded by the words "Notice to Members" and the name of
 36 the club or organization sponsoring such social activity.

1
2 SECTION 5. Arkansas Code § 3-9-236(17), concerning miscellaneous
3 unlawful practices by an alcoholic beverage permit holder, is amended to read
4 as follows:

5 (17)(A) ~~Employ any a person in the serving of to serve an~~
6 ~~alcoholic beverages beverage~~ who has ~~been convicted~~ pleaded guilty or nolo
7 contendere to or has been found guilty of:

8 (i) ~~any A violation of the laws a law against~~
9 concerning possession, sale, manufacture, or transportation of intoxicating
10 liquor; or

11 (ii) ~~any crime involving moral turpitude; A felony~~
12 and is on probation or serving a suspended sentence as a result of the
13 felony, except as provided under subdivisions (17)(B) and (17)(C) of this
14 section.

15 (B) A person who has pleaded guilty or nolo contendere to
16 or has been found guilty of a felony and who is on probation or serving a
17 suspended sentence as a result of the felony may be employed by an on-premise
18 permittee if:

19 (i) The person works only in a kitchen; and

20 (ii) Alcoholic beverages are not served out of the
21 kitchen.

22 (C) A person who has pleaded guilty or nolo contendere to
23 or has been found guilty of a felony and who is not on probation or serving a
24 suspended sentence as a result of the felony may be employed by an on-premise
25 permittee in any capacity;