

State of Arkansas  
76th General Assembly  
Regular Session, 1987  
By: Representative Todd

HOUSE BILL 1982

"AN ACT TO RESTRICT THE NUMBER OF PERMITS IN ARKANSAS TO SELL BEER AT RETAIL IN COUNTIES ALLOWING SUCH SALES; TO CREATE A QUOTA SYSTEM FOR SUCH PERMITS WITHIN SUCH COUNTIES; TO EXEMPT PRIVATE CLUBS AND RESTAURANTS/HOTELS/MOTELS WITH ON-PREMISE BEER PERMITS; TO CREATE A METHOD OF SELECTION FOR APPROVAL OF APPLICATION; AND FOR OTHER PURPOSES."

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

SECTION 1. (a) It is hereby declared to be the public policy of the State that the number of permits in this State authorizing the sale of beer at retail shall be restricted, and the Alcoholic Beverage Control Board is hereby empowered to determine whether public convenience and advantage will be prompted by issuing such permits, by increasing or decreasing the number thereof; and in order to further carry out the policy hereinbefore declared the number of permits so issued shall be restricted. The Alcoholic Beverage Control Board is further given the discretion to determine the number of permits to be granted in each county of this State or within the corporate limits of any municipality of this State to determine the location thereof, and the person or persons to whom they shall be issued, under the following conditions:

(1) The number of permits allowing the sale of beer at retail in any county or political subdivision(s) thereof which permits such sale shall not exceed a ratio of one permit for every one thousand two hundred fifty (1250) population residing in that county or subdivision(s). Population of the area involved shall be determined by the most recent population figures established in a census by the Bureau of U.S. Census of the Department of Commerce or other appropriate governmental subdivision. In the event that such census population figures decline in a given county or political subdivision(s)

thereof, no existing permits shall be canceled or revoked for such reason, and the quota ratio shall not be applied thereto until the population in such county or subdivision thereof reaches a number equalling or approximating one permit to every one thousand two hundred fifty (1250) population therein, nor shall any new permit issue therein until such population warrants.

(2) New permits which may be issued in a county or subdivision(s) thereof following a regular census shall be issued under the following restrictions:

(a) Additional permits may be issued on a ratio of one for every additional one thousand two hundred fifty (1250) population within the area.

(b) Any qualified applicant pursuant to section 1 of Act 244 of 1943, as amended, may apply for such permit.

(c) Application for new permits will be accepted by the Alcoholic Beverage Control Division after the publication of new census figures if such applications are warranted within a county or subdivision(s) thereof. When it has been determined that new applications are appropriate, the Alcoholic Beverage Control Division shall notify the public at large by legal notice that it will be accepting such application for a particular county or political subdivision(s) thereof. Applications will then be accepted from such affected area beginning thirty (30) days after the date of publication and no applications will be accepted after ninety (90) days of the publication date. All applications received from the affected area will then be processed and set for a Board Meeting, said Board Meeting not to be earlier than one hundred fifty (150) days after the publication of the legal notice specified in this paragraph, nor later than one hundred eighty (180) days after said publication.

(d) No later than fifteen (15) days prior to said hearing each applicant for a new permit, or his agent, will be allowed to draw a number between one (1) and a number equal to the number of applicants having files. Such drawing will be conducted by the Director of the Alcoholic Beverage Control Division. Position numbers may not be assigned or transferred.

(e) At the said meeting the applications will be heard in order of the numbers drawn. There will only be as many applications heard as will equal the number of new permits allowed in said county or subdivision(s) thereof. If the Board finds that an applicant is qualified and that his or her proposed premises meets the public convenience and advantage of the area

in question, then in that event the application will be approved. No such permit will issue earlier than thirty days subsequent to such determination or until such time as the Board determines it is necessary for final adjudication in the Arkansas Courts, of any appeals arising out of such determinations, whichever is longer. If the Board has denied an application and said decision is not appealed or is upheld on appeal, then additional hearings will be held according to numbers already assigned in accordance with this Section.

(3) (a) If it is determined that a county or political subdivision thereof is entitled to additional permits when warranted by a census, the Board will announce prior to the last date for applications the number of new permits, if any, which may be issued therein.

(b) In the event that such regular census population figures decline in a given county or political subdivision thereof, no existing permits shall be canceled or revoked for such reason, and the quota ratio shall not be applied thereto until the population in such county or political subdivision thereof reaches a number equalling one permit to every one thousand two hundred fifty (1250) population therein, nor shall any new permit issue therein until such population warrants.

(c) No transfer of locations from one county to another county shall be allowed.

(d) In the event that any holder of a permit for the sale of beer at retail surrenders a permit in a county or municipality thereof where the ratio no longer meets the one to one thousand two hundred fifty (1250) requirement, no new applications will be accepted until that ratio is re-established at an approved census.

(4) (a) Within thirty (30) days after the effective date of this Act, the Board shall make a determination of which counties or municipalities have fewer permits to sell beer at retail than the quota ratio established herein allows.

(b) In those counties or subdivisions thereof having a number of permits equal to or less than the established quota herein, no additional permits shall issue until population within the area warrants such new permits under this quota system.

(c) In counties or political subdivisions thereof allowing the sale of beer at retail which have a ratio higher than the established quota ratio herein, the Board will begin to accept applications. Such applications

must be made as provided in Act 7 of the Extraordinary Session of 1933, as amended, and Act 244 of 1943, as amended, and any successor acts thereto, for new permit applications.

(5) Nothing in this Act shall be construed as to divest any permit holder holding such permit at the effective date of this Act, regardless of the quota ratio, of his permit. In counties, or municipalities, which have a ratio lower than the quota ratio established herein such permit holder shall be allowed to continue under Section 3(b) above.

(6) In calculating the quota ratio of permits per county or political subdivision, those establishments with on-premise beer permits which also have private club permits or motel/hotel or restaurant permits issued under Act 132 of 1969, as amended, shall be excluded for purposes of calculating the total number of permits. Establishments with private club permits or motel/hotel or restaurant permits are hereby exempt from the provisions of this Act.

SECTION 2. All laws and parts of laws in conflict with this Act are hereby repealed.

