

Stricken language would be deleted from and underlined language would be added to present law.

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

As Engrossed: H3/4/25

A Bill

HOUSE BILL 1455

5 By: Representative Pilkington
6 By: Senator J. Bryant
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW REGARDING PRIVATE CLUBS; TO
10 AUTHORIZE A PRIVATE CLUB TO PURCHASE ALCOHOLIC
11 BEVERAGES FROM WHOLESALERS; TO AUTHORIZE CERTAIN
12 PRIVATE CLUBS TO PURCHASE CERTAIN PRODUCTS DIRECTLY
13 FROM A SMALL BREWERY PERMIT HOLDER; AND FOR OTHER
14 PURPOSES.

Subtitle

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18 TO AUTHORIZE A PRIVATE CLUB TO PURCHASE
19 ALCOHOLIC BEVERAGES FROM WHOLESALERS;
20 AND TO AUTHORIZE CERTAIN PRIVATE CLUBS
21 TO PURCHASE CERTAIN PRODUCTS DIRECTLY
22 FROM A SMALL BREWERY PERMIT HOLDER.
23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
25

26 SECTION 1. Arkansas Code § 3-4-405(a)(21), concerning Class C permit
27 violations, is amended to read as follows:

28 (21) Unauthorized purchasing by a private club from other than a
29 retailer, small brewery permit holder, or wholesaler as provided in § 3-9-
30 221;
31

32 SECTION 2. Arkansas Code § 3-9-221(a) and (b), concerning the private
33 club exception from alcoholic beverage laws, are amended to read as follows:

34 (a) The General Assembly recognizes that:

35 (1) Many individuals in this state serve mixed drinks containing
36 alcoholic beverages to their friends and guests in the privacy of their homes



1 and, in addition, that many individuals associated together in private
2 nonprofit corporations established for fraternal, patriotic, recreational,
3 political, social, or other mutual purposes as authorized by law, established
4 not for pecuniary gain, have provided for their mutual convenience and for
5 the preparation and serving to themselves and their guests mixed drinks
6 prepared from alcoholic beverages ~~owned by the members individually or in~~
7 ~~common under a so-called "locker", "pool", or "revolving fund" system~~
8 lawfully purchased;

9 (2) Many individuals travel to this state to assemble at
10 regional meetings and conventions to associate with other individuals who are
11 members of professional and social organizations and that:

12 (A) Many of the restaurants and entertainment facilities
13 used for the meetings and conventions promote the hospitality of the host
14 communities where the restaurants, convention, and entertainment facilities
15 are located;

16 (B) Many of the host organizations plan to serve mixed
17 drinks containing alcoholic beverages to their friends and guests at these
18 meetings and while entertaining and dining during these conventions; and

19 (C) Many of the host communities have individuals who have
20 associated together in private nonprofit corporations established for
21 recreational, social, community hospitality, professional association,
22 entertainment, or other mutual purposes established, not for pecuniary gain,
23 but for their mutual convenience and to provide for the preparation and
24 serving to themselves and their guests mixed drinks prepared from alcoholic
25 beverages ~~owned by the members individually or in common under a so-called~~
26 ~~locker, pool, or revolving fund system~~ lawfully purchased; and

27 (3)(A)(i) That there are a number of counties or parts of
28 counties where the public retail sale of intoxicating liquors has not been
29 approved by the voters.

30 (ii) However, within those counties or parts of
31 counties there are significant developments of tourism facilities and large-
32 event facilities that promote the economic development of the state.

33 (B) To ensure that tourism and large-event facilities as
34 well as other associated activities are allowed to exist to promote the
35 economic development in the state, a new hotel or large-event facility
36 private club permit, for use in those places where the public retail sale of

1 intoxicating liquors is not authorized, should be created.

2 (C) These permits are necessary so that persons visiting
3 hotels or large-event facilities in these areas will be able to enjoy the
4 amenities that a person might find in other states.

5 (D) This additional permit will enhance the experience of
6 going to hotels or large-event facilities that may display items of historic
7 interest, contain extensive art collections, or host musical or dramatic
8 presentations.

9 (E)(i) Further, since the counties or parts of counties in
10 which these hotels or large-event facilities will be located do not allow the
11 open public retail sale of intoxicating liquors, the nonprofit corporations
12 that have been established to have the hotel facilities or the large-event
13 facilities should be allowed to offer alcoholic beverages to members of the
14 nonprofit corporations and their guests.

15 (ii) These nonprofit corporations have been
16 established for the purpose of operating a qualifying hotel or large-event
17 facility private club or other mutual purposes, not for pecuniary gain, but
18 for their mutual convenience and to provide for the preparation and serving
19 to the members and their guests alcoholic beverages ~~owned by the members~~
20 ~~individually or in common under a locker, pool, or revolving fund system~~
21 lawfully purchased.

22 (b)(1) In order to clarify the alcoholic beverage control laws of this
23 state and to regulate and prohibit the sale of alcoholic beverages in
24 violation of the provisions of this subchapter and other applicable alcoholic
25 beverage control laws of this state, the General Assembly determines that the
26 preparation, mixing, and serving of mixed drinks, beer, and wine for
27 consumption only on the premises of a private club as defined in § 3-9-
28 202(14) by the members thereof and their guests and the making of a charge
29 for such services shall not be deemed to be a sale or be in violation of any
30 law of this state prohibiting the manufacture, sale, barter, loan, or giving
31 away of intoxicating liquor whenever:

32 ~~(A) The alcoholic beverages, beer, and wine so consumed~~
33 ~~have been furnished or drawn from private stocks thereof belonging to such~~
34 ~~members, individually or in common under a so-called locker, pool, or~~
35 ~~revolving fund system and are replenished only at the expense of such~~
36 ~~members; and~~

1 ~~(B)~~ The private club has acquired a permit from the
2 Alcoholic Beverage Control Board, in such form as the board may appropriately
3 determine; and

4 (B) The private club purchases the alcoholic beverages,
5 beer, and wine consumed by its members from a licensed retailer or
6 wholesaler, including without limitation a small brewery wholesaler.

7 (2)(A) A private club may serve any alcoholic beverage ~~furnished~~
8 ~~or drawn~~ under the provisions of subdivision (b)(1) of this section on the
9 golf course on which the private club is located when the private club is
10 hosting a professional golf tournament or other charitable golf tournament
11 sponsored by a charitable organization described in 26 U.S.C. § 501(c)(3) and
12 the Director of the Alcoholic Beverage Control Division has been notified by
13 the private club at least sixty (60) calendar days prior to the beginning of
14 the event.

15 (B) Persons attending the event shall be deemed guests of
16 the private club, and the club may serve the alcoholic beverages to the
17 guests for cash.

18 (C) The director may promulgate rules he or she deems
19 necessary to implement this subdivision (b)(2).

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21 SECTION 3. Arkansas Code § 3-9-221, concerning private club exception
22 from alcoholic beverage laws, is amended to add an additional subsection to
23 read as follows:

24 (d) A private club located in an entertainment district may purchase
25 from a holder of a small brewery permit the alcoholic beverages brewed by the
26 small brewery permit holder if the private club located in the entertainment
27 district and the small brewery permit holder are parties to an exclusive
28 agreement.

29
30 SECTION 4. Arkansas Code § 3-9-223(b), concerning the supplemental tax
31 on gross proceeds or gross receipts derived by the private clubs, is amended
32 to read as follows:

33 (b)(1) In addition, there is levied a supplemental tax of ten percent
34 (10%) upon the gross proceeds or gross receipts derived by the private club
35 from the charges to members for the preparation and serving of mixed drinks
36 or for the cooling and serving of beer and wine, ~~drawn from the private~~

1 ~~stocks of the members~~ as provided in § 3-9-221, for consumption only on the
2 premises where served.

3 (2) In addition to the tax levied under subdivision (b)(1) of
4 this section, a supplemental tax of four percent (4%) is levied on the gross
5 proceeds or gross receipts derived by the private club from the charges to
6 members for the preparation and serving of mixed drinks ~~drawn from the~~
7 ~~private stocks of the members~~ as provided in § 3-9-221 for consumption only
8 on the premises where served.

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/s/Pilkington