

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

A Bill

HOUSE BILL 1455

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

For An Act To Be Entitled

8
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 A PRIVATE
12 CLUB TO ENTER INTO AN OPERATING AGREEMENT WITH
13 ANOTHER PERMIT HOLDER FOR THE MANAGEMENT AND
14 OPERATION OF THE PRIVATE CLUB; AND FOR OTHER
15 PURPOSES.
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Subtitle

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19 TO AUTHORIZE A PRIVATE CLUB TO PURCHASE
20 ALCOHOLIC BEVERAGES FROM WHOLESALERS;
21 AND TO AUTHORIZE A PRIVATE CLUB TO ENTER
22 INTO AN OPERATING AGREEMENT WITH ANOTHER
23 PERMIT HOLDER FOR THE MANAGEMENT AND
24 OPERATION OF THE PRIVATE CLUB.
25

26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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28 SECTION 1. Arkansas Code § 3-4-405(a)(21), concerning Class C permit
29 violations, is amended to read as follows:

30 (21) Unauthorized purchasing by a private club from other than a
31 retailer or wholesaler as provided in § 3-9-221;
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33 SECTION 2. Arkansas Code § 3-9-221(a) and (b), concerning the private
34 club exception from alcoholic beverage laws, are amended to read as follows:

35 (a) The General Assembly recognizes that:

36 (1) Many individuals in this state serve mixed drinks containing



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

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

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

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

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

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

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

34 (B) To ensure that tourism and large-event facilities as
35 well as other associated activities are allowed to exist to promote the
36 economic development in the state, a new hotel or large-event facility

1 private club permit, for use in those places where the public retail sale of
2 intoxicating liquors is not authorized, should be created.

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

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

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

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

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

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

1 ~~members; and~~

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

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

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

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

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

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

25 (d) A private club may enter into an operating agreement with another
 26 permit holder for the management and operation of the private club.

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

31 (b)(1) In addition, there is levied a supplemental tax of ten percent
 32 (10%) upon the gross proceeds or gross receipts derived by the private club
 33 from the charges to members for the preparation and serving of mixed drinks
 34 or for the cooling and serving of beer and wine, ~~drawn from the private~~
 35 ~~stocks of the members~~ as provided in § 3-9-221, for consumption only on the
 36 premises where served.

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

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