

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

As Engrossed: H4/7/25

A Bill

SENATE BILL 523

5 By: Senator Irvin
6 By: Representative Dalby
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW REGARDING ALCOHOLIC
10 BEVERAGES; TO REMOVE THE REQUIREMENT THAT A PRIVATE
11 CLUB BE A NONPROFIT ORGANIZATION; AND FOR OTHER
12 PURPOSES.
13
14

Subtitle

15 TO AMEND THE LAW REGARDING ALCOHOLIC
16 BEVERAGES; AND TO REMOVE THE REQUIREMENT
17 THAT A PRIVATE CLUB BE A NONPROFIT
18 ORGANIZATION.
19
20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
22

23 SECTION 1. *DO NOT CODIFY. Legislative findings.*

24 The General Assembly finds that:

25 (1) The regulatory framework governing private clubs in this state
26 needs to be modernized to reflect evolving economic realities;

27 (2) Permitting flexibility in business structures can enhance
28 efficiency and economic viability and encourage broader investment and
29 growth;

30 (3) Allowing private clubs in dry counties to operate through diverse
31 business entities, including without limitation corporations, partnerships,
32 and limited liability companies, will foster competitive fairness, stimulate
33 local economic development, and attract increased investment by offering
34 businesses greater operational flexibility; and

35 (4) Permitting private clubs in dry counties to function through any
36 legally recognized business entity structure, including without limitation



1 corporations, partnerships, limited liability companies, or sole
 2 proprietorships, aligns regulatory practices with modern business practices
 3 and enhances the state's overall economic competitiveness.

4
 5 SECTION 2. Arkansas Code § 3-4-108(b), concerning the selling of
 6 alcoholic beverages with a food purchase by a private club, is amended to
 7 read as follows:

8 (b) A private club holding a valid alcoholic beverage permit may serve
 9 alcoholic beverages in a sealed container during legal operating hours
 10 directly to a ~~member or a guest of a member of the private club~~ who is
 11 twenty-one (21) years of age or older along with the purchase of a meal as
 12 defined in § 3-9-202:

- 13 (1) At the point of sale to be consumed off-premises;
 14 (2) At the drive-through to be consumed off-premises;
 15 (3) At the curbside to be consumed off-premises; or
 16 (4) Delivered to a consumer at a location off-premises.

17
 18 SECTION 3. Arkansas Code § 3-4-405(a)(18)-(20), concerning certain
 19 actions by private clubs that are Class C permit violations, are repealed.

20 ~~(18) Failure to maintain membership books or properly maintain~~
 21 ~~guestbooks by a private club;~~

22 ~~(19) Allowing an unauthorized guest in a private club;~~

23 ~~(20) Dispensing to nonmembers or nonguests by a private club;~~

24
 25 SECTION 4. Arkansas Code § 3-5-1901(7), concerning the definition of a
 26 microbrewery-restaurant private club" under the law regarding microbrewery-
 27 restaurant private club permits, is amended to read as follows:

28 (7) "Microbrewery-restaurant private club" means a nonprofit
 29 organization, corporation, partnership, limited liability company, or sole-
 30 proprietorship organized and existing or authorized to do business under the
 31 laws of this state that+

32 ~~(A) Is is both a microbrewery and a restaurant;~~

33 ~~(B) Has members, which are not directly or indirectly~~
 34 ~~benefitted by the entity's net revenues;~~

35 ~~(C) Exists for some common recreational, social,~~
 36 ~~patriotic, political, national, benevolent, athletic, community hospitality,~~

1 ~~professional association, entertainment, or other object or purpose other~~
2 ~~than the consumption of alcoholic beverages; and~~

3 ~~(D) Has existed for at least one (1) year;~~

4
5 SECTION 5. Arkansas Code § 3-5-1902 is amended to read as follows:

6 3-5-1902. Microbrewery-restaurant private club.

7 (a) A microbrewery-restaurant private club applicant shall be an
8 entity organized and existing or authorized to do business under the laws of
9 this state before applying for a microbrewery-restaurant private club permit
10 as prescribed in this subchapter.

11 ~~(b) The net revenues of the microbrewery-restaurant private club shall~~
12 ~~not directly or indirectly benefit its members, except for the payment of~~
13 ~~bona fide expenses of the microbrewery-restaurant private club's operations.~~

14 ~~(c) Activities at the microbrewery-restaurant private club shall be~~
15 ~~conducted for some common recreational, social, patriotic, political,~~
16 ~~national, benevolent, athletic, community hospitality, professional~~
17 ~~association, entertainment, or other object or purpose and not solely for the~~
18 ~~consumption of alcoholic beverages.~~

19 ~~(d)(1) At the time of application for a microbrewery-restaurant~~
20 ~~private club permit, the entity shall own or lease, be the holder of a buy-~~
21 ~~sell agreement or offer and acceptance, or have an option to lease a~~
22 ~~building, property, or space for the reasonable comfort and accommodation of~~
23 ~~its members and the families and guests of its members.~~

24 ~~(2) The microbrewery-restaurant private club shall restrict the~~
25 ~~use of club facilities to its members and the families and guests of its~~
26 ~~members.~~

27 ~~(e) For purposes of this subchapter, a person is a member of the~~
28 ~~microbrewery-restaurant private club only upon ordering an alcoholic beverage~~
29 ~~as defined in § 3-5-1901.~~

30 ~~(f)(c)~~ If the entity holding a microbrewery-restaurant private club
31 permit additionally holds another alcoholic beverage permit, the hours of
32 operation authorized for the microbrewery-restaurant private club apply to
33 all permits of the entity.

34
35 SECTION 6. Arkansas Code § 3-5-1904(a)(4) and (5), concerning the
36 selling and serving certain alcoholic beverages on-premises by the holder of

1 a microbrewery-restaurant private club permit are amended to read as follows:

2 (4) Sell on the premises beer, malt beverage, or hard cider
3 manufactured by the microbrewery-restaurant private club or commonly owned
4 facility to a ~~member~~ guest for on-premises consumption during legal operating
5 hours;

6 (5) Serve to a ~~member~~ guest on-premises complimentary samples of
7 beer, malt beverages, or hard cider produced by the microbrewery-restaurant
8 private club;

9

10 SECTION 7. Arkansas Code § 3-5-1904(e)(3), concerning advertising of a
11 social function by a microbrewery-restaurant private club, is amended to read
12 as follows:

13 (3) The advertising for the social function shall be preceded by
14 ~~the words "Notice to Members" and~~ the name of the club or organization
15 sponsoring the social activity.

16

17 SECTION 8. Arkansas Code § 3-5-1905(a), concerning sales prohibited by
18 a microbrewery-restaurant private club, is amended to read as follows:

19 (a) A microbrewery-restaurant private club permitted under this
20 subchapter shall not sell alcoholic beverages either by the package or by the
21 drink to a guest+

22 ~~(1) Nonmember for on-premises or off-premises consumption; or~~

23 ~~(2) Member for off-premises consumption.~~

24

25 SECTION 9. Arkansas Code § 3-5-1906(1), concerning the permit fee for
26 a microbrewery-restaurant private club, is amended to read as follows:

27 (1) Pay the applicable city or county permit fees and barrelogage
28 or taxes and shall pay a state permitting fee to the Alcoholic Beverage
29 Control Division of seven hundred fifty dollars (\$750) per fiscal year to
30 manufacture and sell to ~~members~~ guests its beer, malt beverages, and hard
31 cider for on-premises consumption and to sell to ~~members~~ guests other beer,
32 malt beverages, hard cider, and spirituous liquor purchased from a permitted
33 retailer for on-premises consumption;

34

35 SECTION 10. Arkansas Code § 3-5-1907(a)(3), concerning the information
36 required for an application of an applicant that is reapplying for a

1 microbrewery-restaurant private club permit within two (2) years of denial,
2 is amended to read as follows:

3 (3) The petition on which the signatures are obtained under this
4 section shall state clearly that the purpose of the petition is to obtain an
5 alcoholic beverage permit for a microbrewery-restaurant private club and to
6 serve alcoholic beverages to ~~members~~ guests.

7

8 *SECTION 11. Arkansas Code § 3-9-202(14), as amended by Acts 2025, No. 421, §*
9 *3, concerning the definition of a private club, is amended to read as*
10 *follows:*

11 (14)(A)(i) ~~“Private club” means, except as provided in~~
12 ~~subdivision (14)(D) of this section, a nonprofit corporation, sole-~~
13 ~~proprietorship, corporation, partnership, or limited liability company~~
14 ~~organized and existing or authorized to do business under the laws of this~~
15 ~~state, no part of the net revenues of which shall inure directly or~~
16 ~~indirectly to the benefit of any of its members or any other individual,~~
17 ~~except for the payment of bona fide expenses of the club’s operations, and~~
18 ~~which is conducted for some common recreational, social, patriotic,~~
19 ~~political, national, benevolent, athletic, community hospitality,~~
20 ~~professional association, entertainment, or other nonprofit object or purpose~~
21 ~~other than the consumption of alcoholic beverages.~~

22 (ii) ~~The nonprofit corporation shall have been in~~
23 ~~existence for a period of not less than one (1) year before applying for a~~
24 ~~permit, as prescribed in this subchapter.~~

25 (iii) ~~At the time of application for the permit, the~~
26 ~~nonprofit corporation must have not fewer than one hundred (100) members and~~
27 ~~at the time of application must own or lease, be the holder of a buy-sell~~
28 ~~agreement or offer and acceptance, or have an option to lease a building,~~
29 ~~property, or space therein for the reasonable comfort and accommodation of~~
30 ~~its members and their families and guests and restrict the use of club~~
31 ~~facilities to those persons.~~

32 (B) ~~For purposes of this subdivision (14), a person shall~~
33 ~~be required to become a member of the private club in any wet area of the~~
34 ~~state only upon ordering an alcoholic beverage as defined under subdivision~~
35 ~~(1) of this section.~~

36 (C) ~~Furthermore, where the business entity that holds a~~

~~private club permit additionally holds a retail beer permit, retail wine for consumption on the premises permit, or cafe or restaurant wine permit, the hours of operation authorized for the private club shall likewise apply to all permits of the business entity.~~

~~(D) A corporation, partnership, individual, or limited liability company applying for a hotel, restaurant, or large event facility private club permit under § 3-9-221(a)(3)(B) is not required to form a nonprofit corporation but shall otherwise comply with all requirements of § 3-9-240;~~

SECTION 12. Arkansas Code § 3-9-221, as amended by Acts 2025, No. 421, § 3, is amended to read as follows:

3-9-221. Private clubs – Exception from alcoholic beverage laws.

(a) The General Assembly recognizes that:

~~(1) Many individuals in this state serve mixed drinks containing alcoholic beverages to their friends and guests in the privacy of their homes and, in addition, that many individuals associated together in private nonprofit corporations established for fraternal, patriotic, recreational, political, social, or other mutual purposes as authorized by law, established not for pecuniary gain, have provided for their mutual convenience and for the preparation and serving to themselves and their guests mixed drinks prepared from alcoholic beverages owned by the members individually or in common under a so-called “locker”, “pool”, or “revolving fund” system;~~

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

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

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

~~(C) Many of the host communities have individuals who have associated together in private nonprofit corporations established for recreational, social, community hospitality, professional association,~~

1 ~~entertainment, or other mutual purposes established, not for pecuniary gain,~~
 2 ~~but for their mutual convenience and to provide for the preparation and~~
 3 ~~serving to themselves and their guests mixed drinks prepared from alcoholic~~
 4 ~~beverages owned by the members individually or in common under a so-called~~
 5 ~~locker, pool, or revolving fund system; and~~

6 ~~(3)(A)(i)(1)(A)~~ There are a number of counties or
 7 parts of counties where the public retail sale of intoxicating liquors has
 8 not been approved by the voters.

9 ~~(ii)(B)~~ However, within those counties or parts of
 10 counties there are significant developments of tourism facilities and large-
 11 event facilities that promote the economic development of the state; i

12 ~~(B)(2)~~ To ensure that tourism and large-event facilities
 13 as well as other associated activities are allowed to exist to promote the
 14 economic development in the state, a new hotel, ~~restaurant,~~ or large-event
 15 facility private club permit, for use in those places where the public retail
 16 sale of intoxicating liquors is not authorized, should be created; i

17 ~~(G)(3)~~ These permits are necessary so that persons
 18 visiting hotels, ~~restaurants,~~ or large-event facilities in these areas will
 19 be able to enjoy the amenities that a person might find in other states; i

20 ~~(D)(4)~~ This additional permit will enhance the experience
 21 of going to hotels, ~~restaurants,~~ or large-event facilities that may display
 22 items of historic interest, contain extensive art collections, or host
 23 musical or dramatic presentations; and

24 ~~(E)(5)~~ Further, since the counties or parts of counties in
 25 which these hotels, ~~restaurants,~~ or large-event facilities will be located do
 26 not allow the open public retail sale of intoxicating liquors, the hotel
 27 facilities, ~~restaurants,~~ or large-event facilities should be allowed to offer
 28 alcoholic beverages to guests.

29 (b)(1) In order to clarify the alcoholic beverage control laws of this
 30 state and to regulate and prohibit the sale of alcoholic beverages in
 31 violation of the provisions of this subchapter and other applicable alcoholic
 32 beverage control laws of this state, the General Assembly determines that the
 33 preparation, mixing, and serving of mixed drinks, beer, and wine for
 34 consumption only on the premises of a private club as defined in ~~§ 3-9-~~
 35 ~~202(14)~~ § 3-9-202 by the members thereof and their guests and the making of a
 36 charge for such services shall not be deemed to be a sale or be in violation

1 of any law of this state prohibiting the manufacture, sale, barter, loan, or
2 giving away of intoxicating liquor whenever:

3 (A) ~~The~~ If the private club permittee is a nonprofit
4 organization, the alcoholic beverages, beer, and wine ~~so consumed have been~~
5 may be furnished or drawn from private stocks thereof belonging to ~~such~~ the
6 members, individually or in common under a so-called locker, pool, or
7 revolving fund system ~~and are~~ that is replenished only at the expense of ~~such~~
8 the members; and

9 (B) The private club has acquired a permit from the
10 Alcoholic Beverage Control Board, in ~~such~~ the form as the board may
11 appropriately determine.

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

20 (B) Persons attending the event may purchase alcoholic
21 beverages from the private club ~~shall be deemed guests of the private club,~~
22 ~~and the club may serve the alcoholic beverages to the guests for cash.~~

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

25 (c) In order to clarify the alcoholic beverage control laws of this
26 state and to regulate and prohibit the sale of alcoholic beverages in
27 violation of the provisions of this subchapter and other applicable alcoholic
28 beverage control laws of this state, the General Assembly determines that the
29 preparation, mixing, and serving of wine and beer for consumption only by the
30 lodging guests on the premises of a bed and breakfast private club as defined
31 in ~~§ 3-9-202(2)~~ § 3-9-202 and the making of a charge for ~~such~~ the services
32 shall not be deemed to be a sale or to be in violation of any law of this
33 state prohibiting the manufacture, sale, barter, loan, or giving away of
34 intoxicating liquor whenever:

35 (1) ~~The wine and beer so consumed have been furnished or drawn~~
36 ~~from private stocks belonging to an owner of the bed and breakfast private~~

1 ~~club and are replenished only at the expense of such owner;~~

2 ~~(2)~~ The wine and beer consumed must have been purchased in an
3 Arkansas licensed retail alcoholic beverage store, as authorized by the
4 director;

5 ~~(3)~~(2) The average annual volume of wine and beer consumed shall
6 not exceed three gallons (3 gals.) per month per guest room; and

7 ~~(4)~~(3) The bed and breakfast private club has acquired a permit
8 from the board in such form as the board may appropriately determine.

9
10 SECTION 13. Arkansas Code § 3-9-222(c)(3), as amended by Acts 2025,
11 No. 421, § 4, concerning the contents of the notice required to be published
12 by an applicant for a private club permit, is amended to read as follows:

13 (3) The notice shall give the names of the managing agent ~~and~~
14 ~~the nonprofit corporation or, in the case of a bed and breakfast private~~
15 ~~club,~~ the name of the business owner, and shall state:

16 (A) ~~That the manager, or in the case of a bed and~~
17 ~~breakfast private club or a hotel, restaurant, or large event facility~~
18 ~~private club,~~ the owner, at least one (1) partner, or the majority
19 stockholder is a citizen of Arkansas;

20 (B) That he or she is of good moral character;

21 (C) That he or she has never been convicted of a felony or
22 had a license to sell or dispense alcoholic beverages revoked within the five
23 (5) years preceding the date of the notice; and

24 (D) That he or she has never been convicted of violating
25 the laws of this state or of any other state governing the sale or dispensing
26 of alcoholic beverages.

27
28 SECTION 14. Arkansas Code § 3-9-223(b), concerning a supplemental tax
29 on gross receipts for private clubs, is amended to read as follows:

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

36 (2) In addition to the tax levied under subdivision (b)(1) of

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

6
7 SECTION 15. Arkansas Code § 3-9-223(e), concerning the passing on of
8 taxes prescribed on a private club, is amended to read as follows:

9 (e) The taxes herein prescribed may be passed on to the members or
10 guests.

11
12 SECTION 16. Arkansas Code § 3-9-224 is repealed.

13 ~~3-9-224. Private clubs—Sales prohibited.~~

14 ~~(a) No private club permitted hereunder shall sell alcoholic beverages~~
15 ~~either by the package or drink.~~

16 ~~(b) Alcoholic beverages, beer, and wine owned by members may be stored~~
17 ~~on the premises of the club.~~

18 ~~(c) If any permittee shall sell, barter, loan, or give away any~~
19 ~~intoxicating liquor in violation of this subchapter or other alcoholic~~
20 ~~beverage control laws of this state, the permit of the club shall be revoked.~~

21
22 SECTION 17. Arkansas Code § 3-9-226(b)(2), concerning the prohibition
23 on advertising or promoting the consumption of alcoholic beverages by private
24 clubs, is amended to read as follows:

25 (2) The prohibition on advertising or promoting the consumption
26 of alcoholic beverages under subdivision (b)(1) of this section does not
27 require a private club to block visibility through the private club's
28 windows, ~~or~~ doors, or barriers to prevent the general public from viewing
29 patrons consuming alcoholic beverages, including without limitation through
30 the use of window tinting.

31
32 SECTION 18. Arkansas Code § 3-9-226(c)(3), concerning the requirement
33 that advertising by a private club for a social function contain a "notice to
34 members", is repealed.

35 ~~(3) The advertising for the social function shall be preceded by~~
36 ~~the words "Notice to Members" and the name of the club or organization~~

1 ~~sponsoring such social activity.~~

2
3 SECTION 19. Arkansas Code § 3-9-226, concerning advertising by a
4 private club, is amended to add an additional subdivision to read as follows:

5 (d) This section shall not apply to a private club permit holder
6 operating under substantially the same trade name in both wet and dry
7 territories provided that the advertising is:

8 (1) Not directed exclusively toward a dry territory; and

9 (2) Otherwise compliant with applicable law.

10
11 SECTION 20. Arkansas Code § 3-9-240, as amended by Acts 2025, No. 421,
12 § 5, is amended to read as follows:

13 3-9-240. ~~Hotel, restaurant, or large-event facility private club~~
14 ~~permit.~~

15 (a)(1) ~~An application for a hotel, restaurant, or large-event facility~~
16 ~~private club permit shall be in writing and shall provide information~~
17 ~~concerning the applicant for the hotel, restaurant, or large-event facility~~
18 ~~private club permit and the premises to be used by the applicant as the~~
19 ~~Director of the Alcoholic Beverage Control Division requires.~~

20 (2) ~~A hotel, restaurant, or large-event facility private club~~
21 ~~permit may be issued only in a county or a territory of a county that does~~
22 ~~not allow the public retail sale of intoxicating liquors as provided under §~~
23 ~~3-8-201.~~

24 (3) ~~A hotel, restaurant, or large-event facility private club~~
25 ~~permit may be issued to a corporation, partnership, individual, or limited~~
26 ~~liability company.~~

27 (b) ~~The application for a hotel, restaurant, or large-event facility~~
28 ~~private club permit shall be accompanied by a check or money order for the~~
29 ~~amount required by this section for the hotel, restaurant, or large-event~~
30 ~~facility private club permit.~~

31 (c) ~~A hotel, restaurant, or large-event facility private club permit~~
32 ~~application shall contain a description of the premises permitted and provide~~
33 ~~proof that the space has at least:~~

34 (1) ~~Eighty (80) lodging rooms and five thousand square feet~~
35 ~~(5,000 sq. ft.) of public meeting, banquet, or restaurant space from a hotel;~~
36 or

1 (2) Ten thousand square feet (10,000 sq. ft.) of interior or
2 exterior public meeting, banquet, exhibit hall, or restaurant space from a
3 large-event facility; ~~or~~

4 ~~(3) Seating capacity for not fewer than one hundred (100) people~~
5 ~~in the restaurant that otherwise complies with the requirements of § 3-9-~~
6 ~~202(16).~~

7 (d) If the director grants an application for a hotel, ~~restaurant,~~ or
8 large-event facility private club permit, he or she shall issue a hotel,
9 ~~restaurant,~~ or large-event facility private club permit in a form as
10 determined by the rules of the Alcoholic Beverage Control Division.

11 (e)(1) A hotel, ~~restaurant,~~ or large-event facility private club
12 permit authorizes the dispensing, service, and consumption of alcoholic
13 beverages by and to guests on the premises of a hotel, ~~restaurant,~~ or large-
14 event facility for on-premises consumption.

15 (2) The areas of a hotel, ~~restaurant,~~ or large-event facility
16 that may be utilized by a hotel, ~~restaurant,~~ or large-event facility private
17 club permittee for purposes of a hotel, ~~restaurant,~~ or large-event facility
18 private club permit include without limitation:

- 19 (A) Sleeping rooms;
- 20 (B) Pool-side bars;
- 21 (C) Banquet facilities;
- 22 (D) Restaurants;
- 23 (E) Lobbies;
- 24 (F) Exhibit halls;
- 25 (G) Patios; and
- 26 (H) Outdoor gardens.

27 (3) Guests of the hotel or large-event facility private club
28 permittee that holds a hotel, ~~restaurant,~~ or large-event facility private
29 club permit may move from one area to another area designated under
30 subdivision (e)(2) of this section while consuming alcoholic beverages.

31 (f)(1) A person must be a guest of the hotel, ~~restaurant,~~ or large-
32 event facility private club permittee to consume or possess alcoholic
33 beverages dispensed by the hotel, ~~restaurant,~~ or large-event facility private
34 club permittee.

35 (2) Persons under twenty-one (21) years of age may be allowed on
36 the premises of the hotel, ~~restaurant,~~ or large-event facility private club

1 permittee.

2 (3)(A) A hotel holding a hotel, ~~restaurant~~, or large-event
3 facility private club permit under this section may use room service to serve
4 the alcoholic beverage.

5 (B) The hotel holding a hotel, ~~restaurant~~, or large-event
6 facility private club permit may stock a sleeping room with alcoholic
7 beverages, and the hotel or large-event facility private club permittee
8 through the hotel's employees shall inventory the alcoholic beverages in the
9 sleeping room.

10 (C) Sleeping rooms that are solely occupied by persons
11 twenty (20) years of age and under shall not receive alcoholic beverages
12 through room service or be stocked with alcoholic beverages.

13 (g)(1)(A) For a hotel ~~and a restaurant~~, the application and renewal
14 fee for a hotel, ~~restaurant~~, or large-event facility private club permit is
15 one thousand five hundred dollars (\$1,500) per year payable on or before June
16 30 of each calendar year for the fiscal year beginning July 1.

17 (B) In an area in which the sale of intoxicating liquor
18 has not been authorized by local option as provided under § 3-8-201 et seq.,
19 the application for a hotel, ~~restaurant~~, or large-event facility private club
20 permit shall be accompanied by an additional application fee of one thousand
21 five hundred dollars (\$1,500).

22 (2) The application and renewal fee for a large-event facility
23 for a hotel, ~~restaurant~~, or large-event facility private club permit is two
24 thousand five hundred dollars (\$2,500) per year payable on or before June 30
25 of each calendar year for the fiscal year beginning July 1.

26 (h) The director shall promulgate rules to enforce this section.
27

28 SECTION 21. DO NOT CODIFY. Transitional language.

29 (a) Upon the effective date of this act, a private club permit
30 currently held by a nonprofit corporation shall, upon written request by the
31 board of directors of the nonprofit corporation to the Alcoholic Beverage
32 Control Division and the Alcoholic Beverage Control Enforcement Division, be
33 transferred to a corporation, partnership, individual, or limited liability
34 company organized and existing under or authorized to do business under the
35 laws of this state operating at the same location.

36 (b) The successor entity and the entity's owners under a transfer

1 under subsection (a) of this section shall comply with all applicable private
2 club permit application procedures under existing law, except that a new
3 private club permit fee or application fee shall not be required.

4 (c) Upon approval of a transfer to the new entity, the board of
5 directors of a nonprofit corporation holding a private club permit may
6 transfer all assets of the nonprofit corporation, including without
7 limitation all alcoholic beverage inventories, equipment, and property, to
8 the successor business entity identified under subsection (a) of this
9 section.

10 (d) For a period of five (5) years from the effective date of this
11 act, the Secretary of State shall waive all fees associated with the
12 dissolution of nonprofit corporations currently holding private club permits
13 that become unnecessary due to the transfer authorized by this act.

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15 */s/Irvin*
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