ARKANSAS REGISTER



Proposed Rule Cover Sheet

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Name of Department Department of Finance and Administration
Agency or Division Name Alcoholic Beverage Control
Other Subdivision or Department, If Applicable
Previous Agency Name, If Applicable
Contact Person Doralee Chandler
Contact E-mail doralee.chandler@dfa.arkansas.gov
Contact Phone 501-682-1105
Name of Rule Retailer to Purchase Only from Permitted Wholesaler Rule 3.7
Newspaper Name Arkansas Democrate Gazette

Date of Publishing October 17, 2021 thru October 19, 2021

Location and Time of Public Meeting 1515 West 7th Street, 5th Floor, 9:00 am

Final Date for Public Comment November 17, 2021

MARKUP COPY

Section 3.7 *Retailer to Purchase Only From Permitted Wholesaler.* Persons holding a permit to sell controlled beverages at retail shall purchase such beverages allowed by the permit only from persons holding a permit to sell beverages at wholesale. *Provided*, persons holding a permit to sell controlled beverages at retail may purchase such beverages from a permitted manufacturer or distiller under the provisions of Section 2.85(2) and A.C.A. § 3-4-602.

SUMMARY OF SUBSTANTIVE CHANGES

Act 706 of 2021 modifies Ark. Code Ann. §3-4-602 to allow a distiller to self-distribute to licensed retailers.

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FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT DFA			
DIVISION Alcoholic Beve	erage Control		
PERSON COMPLETING THIS S	TATEMENT Doralee Chandler		
TELEPHONE 501-682-1105	FAX <u>501-682-2221</u> EMAIL: <u>Doral</u>	lee.Chandler@dfa.ar	kansas.gov
To comply with Ark. Code Ann. § 2 file two copies with the questionnair	25-15-204(e), please complete the followin re and proposed rules.	g Financial Impact S	Statement and
SHORT TITLE OF THIS RULE	Retailer to Purchase Only From Permitte Rule 3.7)	ed Wholesaler (Title	3, Subtitle C,
1. Does this proposed, amended, or	r repealed rule have a financial impact?	Yes	No 🖂
Is the rule based on the best reas economic, or other evidence and for, consequences of, and alterna	sonably obtainable scientific, technical, information available concerning the need atives to the rule?	d Yes x	No 🗌
3. In consideration of the alternative the agency to be the least costly	ves to this rule, was this rule determined by rule considered?	Yes x	No 🗌
If an agency is proposing a more	e costly rule, please state the following:		
(a) How the additional benefit	s of the more costly rule justify its addition	nal cost;	
(b) The reason for adoption of	the more costly rule;		
(c) Whether the more costly ruplease explain; and;	ale is based on the interests of public health	n, safety, or welfare,	and if so,
(d) Whether the reason is with	in the scope of the agency's statutory author	ority; and if so, pleas	se explain.
4. If the purpose of this rule is to imp	plement a federal rule or regulation, please sta	ate the following: N/a	A
	ent the federal rule or regulation?		
Current Fiscal Year	Next Fiscal Year		
General Revenue Federal Funds Cash Funds Special Revenue Other (Identify)	Federal Funds Cash Funds Special Revenue		
Total 0	Total	0	

Current Fiscal Y	<u>ear</u>	Next Fiscal Year	
General Revenue Federal Funds		General Revenue	
Cash Funds		Cool F 1	
Special Revenue		Special Revenue	
Other (Identify)		Other (Identify)	
Total	0	Total	0
oposed, amended, or affected. urrent Fiscal Year	repealed rule? Identif	year to any private individual, entity fy the entity(ies) subject to the prop	osed rule and explain how they
		\$ _0	
0		Next Fiscal Year \$ 0	·
With respect to the obligation of at leas entity, private busin	st one hundred thousan ness, state government,	\$ 0 Questions #5 and #6 above, is there and dollars (\$100,000) per year to a p	a new or increased cost or
With respect to the obligation of at lease entity, private busir	st one hundred thousan ness, state government,	\$ 0 Questions #5 and #6 above, is there a	a new or increased cost or
With respect to the obligation of at leas entity, private busin more of those entiti	st one hundred thousanness, state government, les combined?	\$ 0 Questions #5 and #6 above, is there and dollars (\$100,000) per year to a position, county government, municipal government, muni	a new or increased cost or private individual, private vernment, or to two (2) or
With respect to the obligation of at leas entity, private busing more of those entition. If YES, the agency filing the financial in the second control of	is required by Ark. Co	\$ 0 Questions #5 and #6 above, is there and dollars (\$100,000) per year to a position county government, municipal government,	a new or increased cost or private individual, private vernment, or to two (2) or x
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With respect to the obligation of at lease entity, private busing more of those entition. If YES, the agency filing the financial is with the financial in (1) a statement of the (2) the problem the rule is required (3) a description of (a) justifies the obligation of (b) the problem the rule is required (5).	is required by Ark. Compact statement. The impact statement and shape rule's basis and purpagency seeks to address by statute; the factual evidence the agency's need for the show the benefits of the statement and shape rule's how the benefits of the statement and shape rule's how the benefits of the statement and shape rule's basis and purpagency seeks to address by statute;	\$ 0 Questions #5 and #6 above, is there and dollars (\$100,000) per year to a position of the county government, municipal governmen	a new or increased cost or private individual, private vernment, or to two (2) or x viritten findings at the time of altaneously following:

- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.