

House Engrossed

FILED
MICHELE REAGAN
SECRETARY OF STATE

State of Arizona
House of Representatives
Fifty-second Legislature
Second Regular Session
2016

CHAPTER 184

HOUSE BILL 2215

AN ACT

AMENDING SECTION 4-209, ARIZONA REVISED STATUTES; RELATING TO LIQUOR LICENSES
AND CONTROL.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 4-209, Arizona Revised Statutes, is amended to
3 read:

4 4-209. Fees for license, application, issuance, renewal and
5 transfer; late renewal penalty; seasonal operation;
6 surcharges

7 A. A fee shall accompany an application for an original license or
8 transfer of a license, or in case of renewal, shall be paid in advance.
9 Every license expires annually, except that a license may be renewed for a
10 two-year period pursuant to subsection M of this section if no compliance
11 penalties have been issued to that location during the year before the
12 renewal. A licensee who fails to renew the license on or before the due date
13 shall pay a penalty of one hundred fifty dollars which the licensee shall pay
14 with the renewal fee. A license renewal that is deposited, properly
15 addressed and postage prepaid in an official depository of the United States
16 mail on or before the due date shall be deemed filed and received by the
17 department on the date shown by the postmark or other official mark of the
18 United States postal service stamped on the envelope. If the due date falls
19 on a Saturday, Sunday or other legal holiday, the renewal shall be considered
20 timely if it is received by the department on the next business day. The
21 director may waive a late renewal penalty if good cause is shown by the
22 licensee. A licensee who fails to renew the license on or before the due
23 date may not sell, purchase or otherwise deal in spirituous liquor until the
24 license is renewed. A license that is not renewed within sixty days after
25 the due date is deemed terminated. The director may renew the terminated
26 license if good cause is shown by the licensee. An application fee for an
27 original license or the transfer of a license shall be one hundred dollars,
28 which shall be retained by this state.

29 B. Issuance fees for original licenses shall be:

30 1. For an in-state producer's license, to manufacture or produce
31 spirituous liquor in this state, one thousand five hundred dollars.

32 2. Except as provided in paragraph 15 of this subsection, for an
33 out-of-state producer's, exporter's, importer's or rectifier's license, two
34 hundred dollars.

35 3. For a microbrewery license, three hundred dollars.

36 4. For a wholesaler's license, to sell spirituous liquors, one
37 thousand five hundred dollars.

38 5. For a government license issued in the name of a state agency,
39 state commission, state board, county, city, town, community college or state
40 university or the national guard, one hundred dollars.

41 6. For a bar license, which is an on-sale retailer's license to sell
42 all spirituous liquors primarily by individual portions and in the original
43 containers, one thousand five hundred dollars.

- 1 7. For a beer and wine bar license, which is an on-sale retailer's
2 license to sell beer and wine primarily by individual portions and in the
3 original containers, one thousand five hundred dollars.
- 4 8. For a conveyance license issued to an operating railroad company,
5 to sell all spirituous liquors in individual portions or in the original
6 containers on all passenger trains operated by the railroad company, or to an
7 operating airline company, to sell or serve spirituous liquors solely in
8 individual portions on all passenger planes operated by the airline company,
9 or to a boat operating in the waters of this state, to sell all spirituous
10 liquors in individual portions or in the original containers for consumption
11 on the boat, one thousand five hundred dollars.
- 12 9. For a liquor store license, which is an off-sale retailer's license
13 to sell all spirituous liquors, one thousand five hundred dollars.
- 14 10. For a beer and wine store license, which is an off-sale retailer's
15 license to sell beer and wine, one thousand five hundred dollars.
- 16 11. For a hotel-motel license issued as such, to sell and serve
17 spirituous liquors solely for consumption on the licensed premises of the
18 hotel or motel, one thousand five hundred dollars.
- 19 12. For a restaurant license issued as such, to sell and serve
20 spirituous liquors solely for consumption on the licensed premises of the
21 restaurant, one thousand five hundred dollars.
- 22 13. For a farm winery license, one hundred dollars. The director may
23 charge a licensed farm winery a fee pursuant to section 4-205.04, subsection
24 ~~D, E or F~~ L.
- 25 14. For a club license issued in the name of a bona fide club
26 qualified under this title to sell all spirituous liquors on-sale, one
27 thousand dollars.
- 28 15. For an out-of-state winery that sells not more than two hundred
29 forty gallons of wine in this state in a calendar year, twenty-five dollars.
- 30 16. The department may charge a fee for a craft distiller license.
- 31 C. The department may issue licenses with staggered renewal dates to
32 distribute the renewal workload as uniformly as practicable throughout the
33 twelve months of the calendar year. If a license is issued less than six
34 months before the scheduled renewal date of the license, as provided by the
35 department's staggered license renewal system, one-half of the annual license
36 fee shall be charged.
- 37 D. The annual fees for licenses shall be:
- 38 1. For an in-state producer's license, to manufacture or produce
39 spirituous liquors in this state, three hundred fifty dollars.
- 40 2. Except as provided in paragraph 15 of this subsection; for an
41 out-of-state producer's, exporter's, importer's or rectifier's license, fifty
42 dollars.
- 43 3. For a microbrewery license, three hundred dollars.
- 44 4. For a wholesaler's license, to sell spirituous liquors, two hundred
45 fifty dollars.

1 5. For a government license issued to a county, city or town,
2 community college or state university or the national guard, one hundred
3 dollars.

4 6. For a bar license, which is an on-sale retailer's license to sell
5 all spirituous liquors primarily by individual portions and in the original
6 containers, one hundred fifty dollars.

7 7. For a beer and wine bar license, which is an on-sale retailer's
8 license to sell beer and wine primarily by individual portions and in the
9 original containers, seventy-five dollars.

10 8. For a conveyance license issued to an operating railroad company,
11 to sell all spirituous liquors in individual portions or in the original
12 containers on all passenger trains operated by the railroad company, or to an
13 operating airline company, to sell or serve spirituous liquors solely in
14 individual portions on all passenger planes operated by the airline company,
15 or to a boat operating in the waters of this state, to sell all spirituous
16 liquor in individual portions or in the original containers for consumption
17 on the boat, two hundred twenty-five dollars.

18 9. For a liquor store license, which is an off-sale retailer's license
19 to sell all spirituous liquors, fifty dollars.

20 10. For a beer and wine store license, which is an off-sale retailer's
21 license to sell beer and wine, fifty dollars.

22 11. For a hotel-motel license issued as such, to sell and serve
23 spirituous liquors solely for consumption on the licensed premises of the
24 hotel or motel, five hundred dollars.

25 12. For a restaurant license issued as such, to sell and serve
26 spirituous liquors solely for consumption on the licensed premises of the
27 restaurant, five hundred dollars, and for a restaurant license that is
28 permitted to continue operating as a restaurant pursuant to section 4-213,
29 subsection E, an additional amount established by the director. The
30 department shall transfer this amount to the state treasurer for deposit in
31 the state general fund.

32 13. For a farm winery license, one hundred dollars. The director may
33 charge a licensed farm winery an annual fee pursuant to section 4-205.04,
34 subsection ~~D, E or F~~ L.

35 14. For a club license issued in the name of a bona fide club
36 qualified under this title to sell all spirituous liquors on-sale, one
37 hundred fifty dollars.

38 15. For an out-of-state winery that sells not more than two hundred
39 forty gallons of wine in this state in a calendar year, twenty-five dollars.

40 16. The director may charge a fee for the annual renewal of a craft
41 distiller license.

42 E. Where the business of an on-sale retail licensee is seasonal, not
43 extending over periods of more than six months in any calendar year, the
44 licensee may designate the periods of operation, and a license may be granted

1 for those periods only, on payment of one-half of the fee prescribed in
2 subsection D of this section.

3 F. Transfer fees from person to person for licenses transferred
4 pursuant to section 4-203, subsection C shall be three hundred dollars.

5 G. Transfer fees from location to location, as provided for in section
6 4-203, shall be one hundred dollars.

7 H. Assignment fees for a change of agent, as provided for in section
8 4-202, subsection C, shall be one hundred dollars, except that where a
9 licensee holds multiple licenses the assignment fee for the first license
10 shall be one hundred dollars and the assignment fee for all remaining
11 licenses transferred to the same agent shall be fifty dollars each, except
12 that the aggregate assignment fees shall in no event exceed one thousand
13 dollars.

14 I. No fee shall be charged by the department for an assignment of a
15 liquor license in probate or an assignment pursuant to the provisions of a
16 will or pursuant to a judicial decree in a domestic relations proceeding
17 ~~which~~ THAT assigns ownership of a business ~~which~~ THAT includes a spirituous
18 liquor license to one of the parties in the proceeding. In the case of
19 nontransferable licenses no fee shall be charged by the department for the
20 issuance of a license for a licensed business pursuant to a transfer of the
21 business in probate or pursuant to the provisions of a will or pursuant to a
22 judicial decree in a domestic relations proceeding ~~which~~ THAT assigns
23 ownership of the business to one of the parties in the proceeding.

24 J. The director shall assess a surcharge of thirty dollars on all
25 licenses prescribed in subsection D, paragraphs 6, 7 and 12 of this section.
26 Monies from the surcharge shall be used by the department exclusively for the
27 costs of an auditor and support staff to review compliance by applicants and
28 licensees with the requirements of section 4-205.02, subsection E. The
29 department shall assess the surcharge as part of the annual license renewal
30 fee.

31 K. The director shall assess a surcharge of thirty-five dollars on all
32 licenses prescribed in this section. Monies from the surcharge shall be used
33 by the department exclusively for the costs of an enforcement program to
34 investigate licensees who have been the subject of multiple complaints to the
35 department. The enforcement program shall respond to complaints against
36 licensees by neighborhood associations, by neighborhood civic groups and from
37 municipal and county governments. The department shall assess the surcharge
38 as part of the annual license renewal fee.

39 L. The director shall assess a surcharge of twenty dollars on all
40 licenses prescribed in subsection D, paragraphs 11 and 12 of this section and
41 thirty-five dollars on all other licenses prescribed in this section. Monies
42 from the surcharge and from surcharges imposed pursuant to subsection K of
43 this section shall be used by the department exclusively for the costs of a
44 neighborhood association interaction and liquor enforcement management unit.
45 The unit shall respond to complaints from neighborhood associations,

1 neighborhood civic groups and local governing authorities regarding liquor
2 violations. The director shall report the unit's activities AND THE USE OF
3 MONIES FROM THE SURCHARGE OR SURCHARGES IMPOSED PURSUANT TO SUBSECTION K OF
4 THIS SECTION to the board at each board meeting or as the board may direct.

5 M. Licenses may be renewed every two years with payment of license
6 fees that are twice the amount designated in subsection D of this section and
7 other applicable fees. Licensees renewing every two years must comply with
8 annual reporting requirements. The director may adopt reasonable rules to
9 permit licensees to renew every two years.

APPROVED BY THE GOVERNOR MAY 11, 2016.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 11, 2016.

Passed the House February 29, 2016

Passed the Senate May 6, 2016

by the following vote: 36 Ayes,

by the following vote: 28 Ayes,

23 Nays, 1 Not Voting

0 Nays, 2 Not Voting

[Signature]
Speaker of the House
 Pro Tempore

[Signature]
President of the Senate

[Signature]
Chief Clerk of the House

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

6 day of May, 2016

at 8:18 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 11th day of

May

at 9:39 o'clock A. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 12 day of May, 2016

at 9:08 o'clock A M.

[Signature]
Secretary of State

H.B. 2215