

State of Arizona
Department of Liquor Licenses and Control

HB2002
July 29, 2010

The Department of Liquor Licenses and Control (DLLC) procedures outlined in this document are offered to the liquor industry as a courtesy and are not to be construed as legal advice, or otherwise restrict DLLC from exercising any of its contractual or legal rights or authority. Please consult your legal counsel regarding Title 4 and A.A.C. Title 19 interpretation.

Based on new legislation introduced in HB2002, Alan Everett, DLLC's Director, has approved the following procedures for agency implementation effective July 29, 2010.

1) The following liquor license combinations may be "stacked" (multiple, active liquor licenses in one location):

- 7 (beer & wine bar) and 10 (beer & wine store) licenses
- 7 (beer & wine bar) and 9 (liquor store) or 9S (liquor store with sampling privileges) licenses
- 7 (beer & wine bar) and 12 (restaurant) licenses

The liquor license application has been revised, dated July 2010, to allow applicants to submit a single application for multiple licenses.

Fees will be based on the number of licenses per application, not by the number of applications submitted. For example, when two licenses are applied for on a single application, two non-refundable application fees will be charged. Fees will apply to interim permits, transfer of ownership/location, and all other multiple transactions submitted on a single application.

For display in a conspicuous, public area, one (1) liquor licenses will be issued per license series.

Reference A.R.S.§4-206.01(G), (H), (I), (K) and A.R.S.§4-261.01

2) Off-sale liquor sales for series 6 (bar) and 7 (beer & wine bar) licenses shall not exceed 10% of on-sale retail liquor sales per license/location. It is the responsibility of the licensee to provide verification upon request.

Reference A.R.S.§4-206.01(F)

3) A “stacked” series 7/10 (beer & wine bar/beer & wine store) license requires: 1) liquor purchased for on-premise sampling to be purchased by the establishment under the series 7 (beer and wine bar) license; and b) liquor purchased for off-sale consumption to be purchased by the establishment under the series 10 (beer and wine store) license. It is the responsibility of the licensee to provide verification upon request.

Reference A.R.S.§4-206.01(K)

4) Series 9 (liquor store) license applicants may apply for unlimited sampling privileges by completing the *Liquor Store Sampling Privileges* form.

The *Liquor Store Sampling Privileges* form will require approval from local governing bodies; therefore the 105 day issuance timeframe will apply. Upon approval of an *Liquor Store Sampling Privileges* form, a new license with a “series 9S” designation will be issued to the licensee for display in a conspicuous, public area.

The “series 9S” sampling privileges are not transferrable. Upon owner or location transfer of a series 9 (liquor store) license, all sampling privileges cease and the new owner of the series 9 (liquor store) license must apply for sampling privileges.

“Series 9S” (liquor store with sampling privileges) licensees are required to comply with sampling regulations detailed in **A.R.S.§4-206.01(J), 1 - 8**. All other sampling may be conducted upon approval of a DLLC Sampling Request form, and compliance with **A.R.S.§4-243(B)** and **R19-1-228** is required.

Reference A.R.S.§4-206.01(J)

5) Beginning July 29, 2010 and **prior to January 1, 2011**, series 6 (bar) licenses which are **issued and actively used primarily for off-sale purposes** may be exchanged for a series 9 (liquor store) license. Verification of off-sale receipts, when required prior to transfer, will be the responsibility of the licensee. A series 6 (bar) to series 9 (liquor store) license exchange will not require application. No fees will be charged for this exchange.

If you require further clarification, please contact Lee Hill at 602-364-1936 or lee.hill@azliquor.gov