

REFERENCE TITLE: liquor licenses; bonds

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

HB 2499

Introduced by
Representative Nelson

AN ACT

AMENDING SECTION 4-202, ARIZONA REVISED STATUTES; RELATING TO SPIRITUOUS
LIQUOR LICENSES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 4-202, Arizona Revised Statutes, is amended to
3 read:

4 4-202. Qualifications of licensees; application; background
5 information; prior convictions

6 A. Every spirituous liquor licensee, other than a club licensee, a
7 corporation licensee, a limited liability company licensee or an out-of-state
8 licensee, shall be a citizen of the United States and a bona fide resident of
9 this state or a legal resident alien who is a bona fide resident of this
10 state. If a partnership, each partner shall be a citizen of the United
11 States and a bona fide resident of this state or a legal resident alien who
12 is a bona fide resident of this state, except that for a limited partnership
13 an individual general partner is required to meet the qualifications of an
14 individual licensee, a corporate general partner is required to meet the
15 qualifications of a corporate licensee and a limited partner is not required
16 to be a bona fide resident of this state. If a corporation or limited
17 liability company, it shall be a domestic corporation or a foreign
18 corporation or a limited liability company that has qualified to do business
19 in this state. A person shall hold a club license, corporation license,
20 limited liability company license, partnership license or out-of-state
21 license through an agent who shall be a natural person and meet the
22 qualifications for licensure, except that an agent for an out-of-state
23 license as specified in section 4-209, subsection B, paragraph 2 need not be
24 a resident of this state. For the purposes of this subsection, "agent" means
25 a person who is designated by an applicant or licensee to receive
26 communications from the department and to file documents and sign documents
27 for filing with the department on behalf of the applicant or licensee.

28 B. A person shall file an application for a spirituous liquor license
29 on a form prescribed by the director. **A PERSON WHO FILES AN APPLICATION FOR**
30 **A SPIRITUOUS LIQUOR LICENSE SHALL POST A BOND WITH THE DIRECTOR IN AN AMOUNT**
31 **DETERMINED BY THE DIRECTOR.** The director shall require any applicant and may
32 require any controlling person, other than a bank or licensed lending
33 institution, to furnish background information and to submit a full set of
34 fingerprints to the department. The department of liquor licenses and
35 control shall submit the fingerprints to the department of public safety for
36 the purpose of obtaining a state and federal criminal records check pursuant
37 to section 41-1750 and Public Law 92-544. The department of public safety
38 may exchange this fingerprint data with the federal bureau of
39 investigation. If a license is issued or transferred when fees are waived
40 pursuant to section 4-209, subsection I, no additional background check is
41 required if the person has already completed a background investigation in
42 connection with the continuing business.

43 C. Each applicant or licensee shall designate a person who shall be
44 responsible for managing the premises. The designated person may be the
45 applicant or licensee. The manager shall be a natural person and shall meet

1 all the requirements for licensure. The same person may be designated as the
2 manager for more than one premises owned by the same licensee. Notice of a
3 change in the manager shall be filed with the director within thirty days
4 after a change.

5 D. No license shall be issued to any person who, within one year
6 before application, has had a license revoked. No license shall be issued to
7 or renewed for any person who, within five years before application, has been
8 convicted of a felony, or convicted of an offense in another state that would
9 be a felony in this state. For a conviction of a corporation to be a basis
10 for a denial under the provisions of this section, the limitations that are
11 provided in section 4-210, subsection A, paragraph 8 shall apply. No
12 corporation shall have its annual license issued or renewed unless it has on
13 file with the department a list of its officers and directors and any
14 stockholders who own ten per cent or more of the corporation.

15 E. The department of liquor licenses and control shall receive
16 criminal history record information from the department of public safety for
17 applicants for employment with the department of liquor licenses and control
18 or for a license issued by the department of liquor licenses and control.

19 F. The department shall not issue or renew a license for any person
20 who on the request of the director fails to provide the department with
21 complete financial disclosure statements indicating all financial holdings of
22 the person or any other person in or relating to the license applied for,
23 including all cosignatories on financial holdings, land, buildings, leases or
24 other forms of indebtedness that the applicant has incurred or will incur.