

# Alaska Alcoholic Beverage Control (ABC) Board

TITLE 4 REVIEW



# Alaska Alcoholic Beverage Control (ABC) Board

## Mission Statement



“The board shall control the manufacture, barter, possession, and sale of alcoholic beverages in the state. The board is vested with the powers, duties and responsibilities necessary for the control of alcoholic beverages...”

*AS 04.06.090(a)*

# What is Title 4? Why is it important?

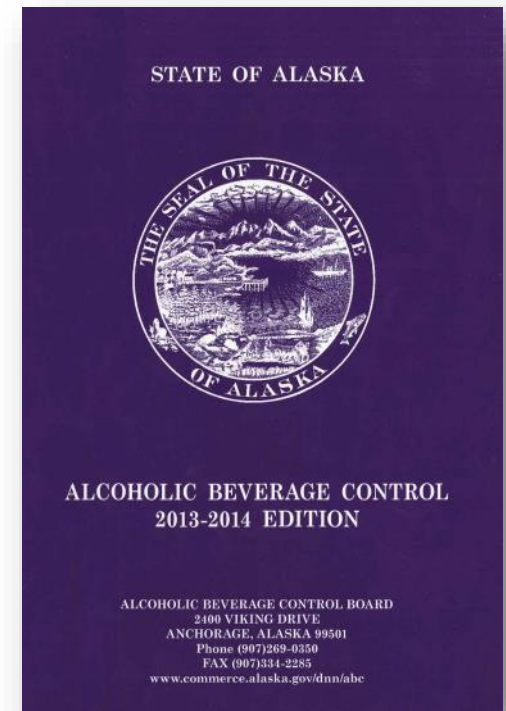
- Title 4 of the Alaska Statutes regulates alcoholic beverages.
- The Alcoholic Beverage Control Board, staff and law enforcement carry out these laws.



*Photo: Anchorage Daily News*

# Why review Title 4?

- Most of Title 4 has not been updated since 1980. The laws are outdated and confusing.
- A systematic review of Title 4 helps the Board carry out its mission and will benefit communities and businesses.



# Title 4 Review Process



More than 60 stakeholders and staff spent over 6,000 hours of dedicated time to craft these recommendations.

# Stakeholders



Youth



Public Health



Business



Public Safety



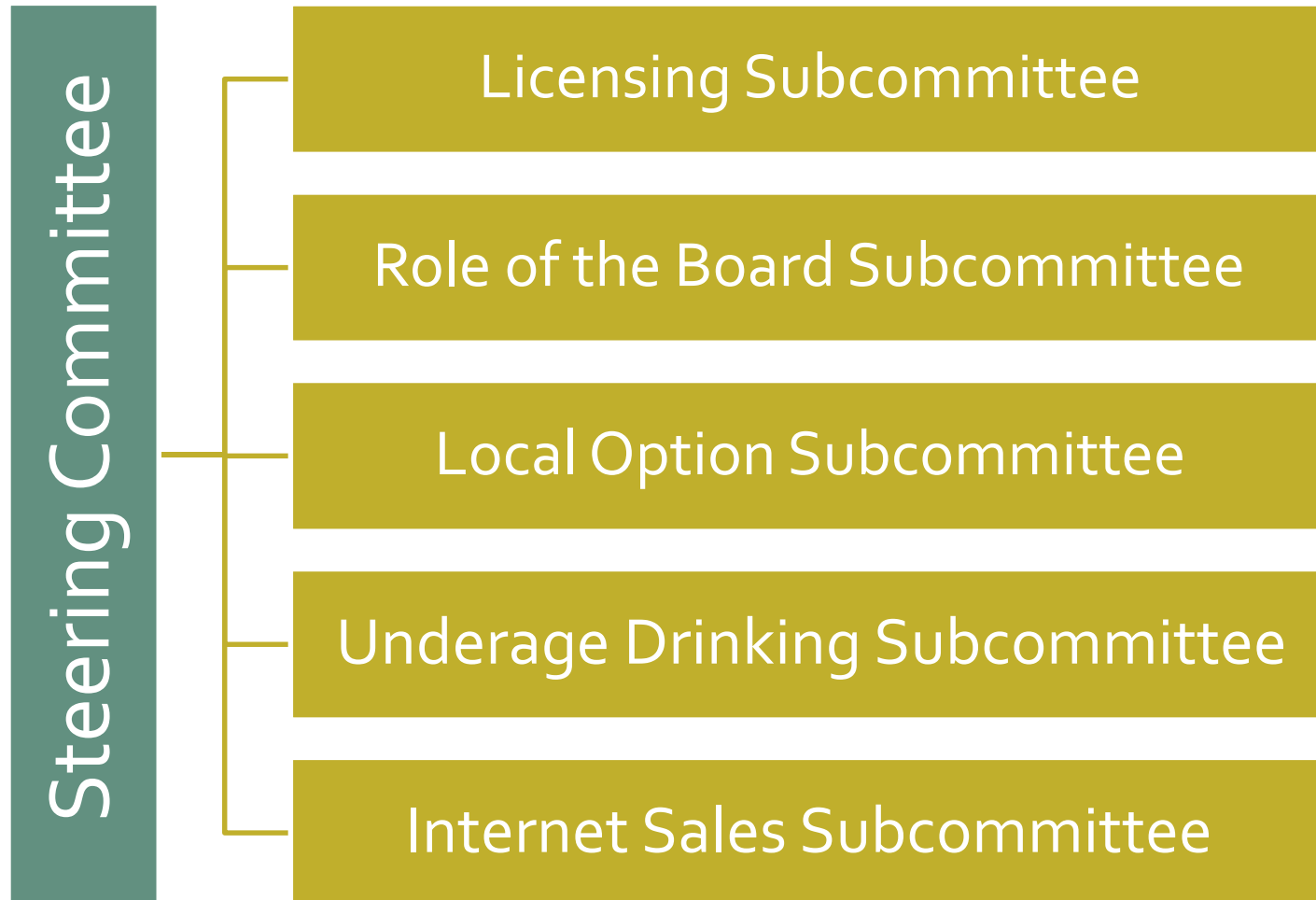
Rural Communities

- ABC Board
- Public Safety and Law Enforcement
- Industry
  - Wholesalers
  - Manufacturers
  - Retailers
- Public Health
  - Department of Health and Social Services
  - Alaska Mental Health Trust Authority
  - Rasmuson Foundation
- Community Advocates
- Local Governments

# About the Process

(and who was involved)

# Title 4 Review Process: Committees





# Steering Committee

Committee Member	Organization	Sector
Bob Klein <i>chair</i>	ABC Board	Industry Board Member
Cynthia Franklin	ABC Board	ABC Board Director/ Public Safety
L. Diane Casto	Alaska Division of Behavioral Health	Public Health
Ellen Ganley	ABC Board	Public Board Member
Jeff Jessee	Alaska Mental Health Trust Authority	Funding Partner/ Public Health
Chris Simon	Alaska Department of Education & Early Development	Education
Aleesha Towns-Bain	Rasmuson Foundation	Funding Partner

# Licensing Subcommittee

Committee Member	Organization	Sector
Jeff Jessee, <i>chair</i>	Alaska Mental Health Trust Authority	Funding Partner/Public Health
Cynthia Franklin <i>resource</i>	ABC Board	ABC Board Staff
Katie Baldwin Johnson	Alaska Mental Health Trust Authority	Public Health
Bob Beasley <i>resource</i>	ABC Board	ABC Board Staff
Glenn Brady	Silver Gulch Brewing	Licensee (Manuf., Retail)
Kate Burkhart	Advisory Board on Alcoholism and Drug Abuse	Public Health
George Gatter	Tony's Bar	Licensee (Retail)
Danna Grammer	Stellar Wines Distributing	Licensee (Wholesale)
Matt Jones	Bear Tooth / Broken Tooth Brewing	Licensee (Manuf., Retail)
Joel Kadarauch	Odom Corporation	Licensee (Wholesale)
Beth McEwen	City and Borough of Juneau	Local Government
Barb Miller	Midnight Sun Brewing	Licensee (Manuf.)
Sarah Oates	Alaska ABC Board	ABC Board Staff
Fred Odsen	Representing several license holders	Attorney for Licensees
Natasha Pineda	Alaska Mental Health Trust Authority	Public Health
Dick Rosston	Representing several license holders	Attorney for Licensees
Bob Winn	Consultant	Industry + Former Licensee

# Role of the ABC Board Subcommittee

Committee Member	Organization	Sector
Ellen Ganley, <i>chair</i>	ABC Board	Public Board Member
Aleesha Towns-Bain, <i>chair</i>	Rasmuson Foundation	Funding Partner
Cynthia Franklin <i>resource</i>	ABC Board	ABC Board Staff
Bob Beasley <i>resource</i>	ABC Board	ABC Board Staff
Dale Fox	Alaska CHARR	Industry
Jeff Jessee	Alaska Mental Health Trust Authority	Public Health
Beth McEwen	City and Borough of Juneau	Local Government
Amanda Moser	Municipality of Anchorage	Local Government
Sheri Musgrave	Alaska State Fair	Industry
Marny Rivera	UAA Justice Center	Education
Paul Thomas	Alaska Cache Liquor in Juneau	Industry
Kyle Wark	First Alaskans Institute	Public Policy

# Local Option Subcommittee

Committee Member	Organization	Sector
Chris Simon, <i>chair</i>	Alaska Dept. of Education and Early Development	Education
Jan Hill, <i>chair</i>	Alaska Native Health Board, SEARHC	Public Health
Cynthia Franklin <i>resource</i>	ABC Board	ABC Board Staff
Bob Beasley <i>resource</i>	ABC Board	ABC Board Staff
Kevin Blanchette	Alaska State Troopers ABADE	Public Safety
Dorcas Bloom	Retired Public Health, Nome	Public Health
Bobby Evans	ABC Board Member	Public Safety/Rural
James Hoelscher, 1st Sgt	VPSO, Hooper Bay	Public Safety
Walt Monegan	Public Safety (retired)	Public Safety
Susan Osborne	Licensee, Fairbanks	Industry
Elizabeth Slattery	Prosecutor	Public Safety
Chris Thompson, Lt	Alaska State Troopers ABADE	Public Safety
Kyle Wark	First Alaskans Institute	Tribes/Rural Alaska
Mike Williams	Rural member	Tribes/Rural Alaska

# Underage Drinking Subcommittee

Member	Organization	Sector
L. Diane Casto, <i>chair</i>	Alaska Division of Behavioral Health	Public Health
Cindy Franklin <i>resource</i>	ABC Board	ABC Board Staff
Bob Beasley <i>resource</i>	ABC Board	ABC Board Staff
Charlie Daniels	Volunteers of America - Alaska	Public Health
Joe Hamilton	ABC Board	Public Safety
Tony Henry	Anchorage Police Department	Public Safety
Rebecca Neagle	Sitnasuak Native Corporation	Tribal Corporation
Tony Newman	Division of Juvenile Justice	Public Health
Natasha Pineda	Alaska Mental Health Trust Authority	Public Health
Eric Pratt	Municipality of Anchorage Law Enforcement	Public Safety
Marny Rivera	UAA Justice Center	Education
Paul Thomas	Alaska Cache Liquor	Industry
Teri Tibbett	Advisory Board on Alcoholism and Drug Abuse	Public Health
Amber Willis	Alaska State Fair	Industry

# Internet Sales Subcommittee

Examined the issue of internet alcohol sales that bypass Alaska's alcohol regulation and taxation system.

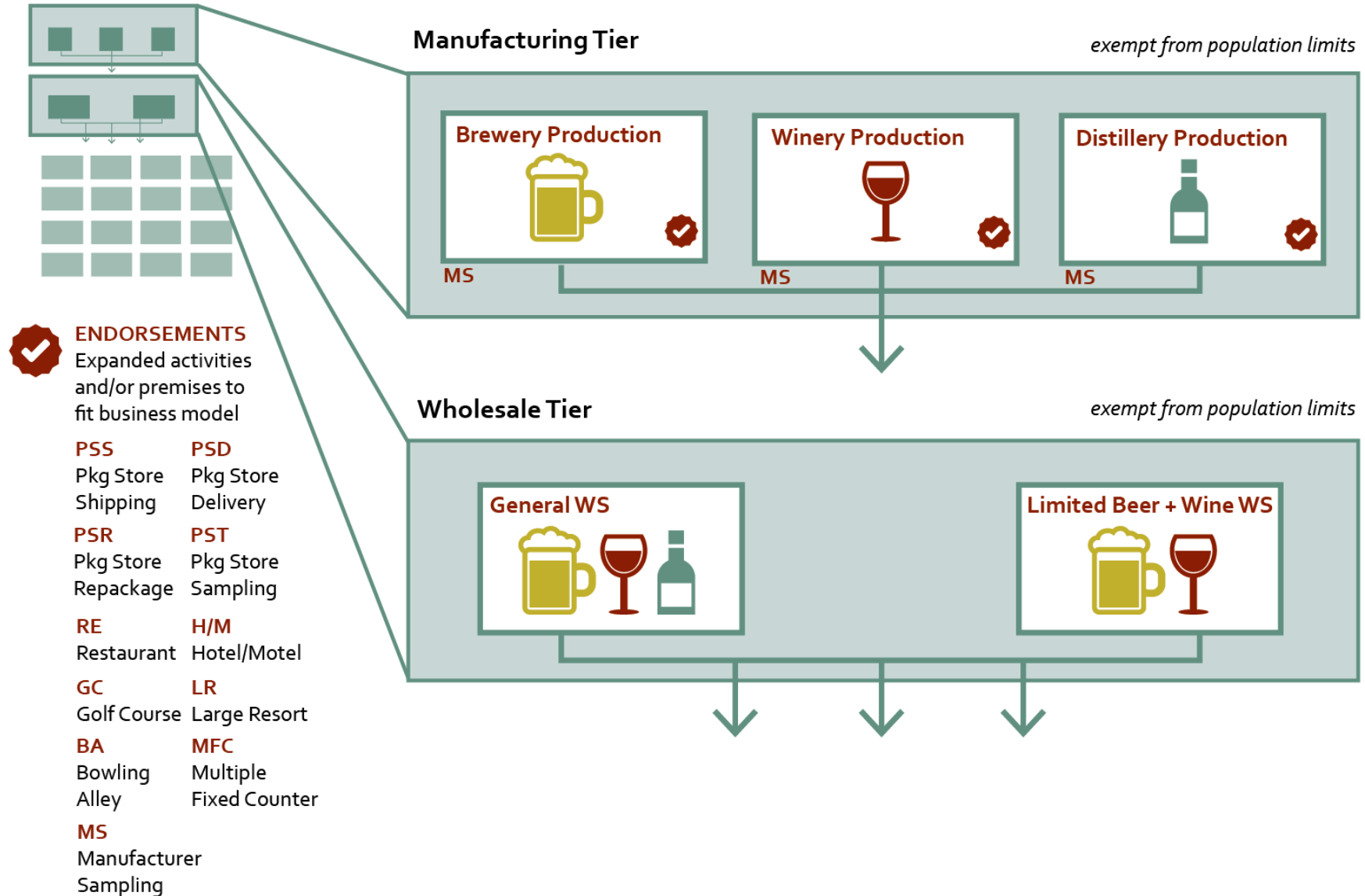
*Recommendations pending at this time, depending on proposed USPS policy change regarding its ban on shipping alcohol.*

Committee Member	Organization	Sector
Bob Klein <i>chair</i>	ABC Board Member	Industry Board Member
Cynthia Franklin <i>resource</i>	ABC Board	ABC Board Staff
Bob Beasley <i>resource</i>	ABC Board	ABC Board Staff
Natasha Pineda	Alaska Mental Health Trust Authority	Public Health

# Proposed 3-Tier System of Licenses + Endorsements

# Alaska's Liquor License System

Alaska's license system is based on the 3-tier system of alcohol regulation: separate entities **manufacture**, **distribute**, and **sell** alcohol to the public.





# Alaska's Liquor License System

Alaska's license system is based on the 3-tier system of alcohol regulation: separate entities **manufacture**, **distribute**, and **sell** alcohol to the public.

 **NEW LICENSE**  
Proposed new license in Title 4

## Retail Tier

### Community Level

*subject to population limits*

#### Beverage Dispensary



MFC RE BA GC H/M LR

#### Package Store



PSS PSD PSR PST

#### Common Carrier



#### Restaurant/Eating Place



RE

#### Golf Course



RE

#### Brewery Retail



#### Club



RE

#### Pub



RE

#### Winery Retail



#### Theater



#### Recreational Site



#### Distillery Retail



### ENDORSEMENTS

Expanded activities and/or premises to fit business model

#### PSS PSD

Pkg Store Pkg Store  
Shipping Delivery

#### PSR PST

Pkg Store Pkg Store  
Repackage Sampling

#### RE H/M

Restaurant Hotel/Motel

#### GC LR

Golf Course Large Resort

#### BA MFC

Bowling Multiple  
Alley Fixed Counter

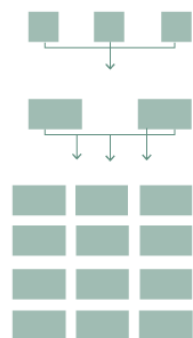
#### MS

Manufacturer  
Sampling

# Alaska's Liquor License System

Alaska's license system is based on the 3-tier system of alcohol regulation: separate entities **manufacture**, **distribute**, and **sell** alcohol to the public.

## Retail Tier



### ENDORSEMENTS

Expanded activities and/or premises to fit business model

<b>PSS</b>	<b>PSD</b>
Pkg Store Shipping	Pkg Store Delivery
<b>PSR</b>	<b>PST</b>
Pkg Store Repackage	Pkg Store Sampling
<b>RE</b>	<b>H/M</b>
Restaurant	Hotel/Motel
<b>GC</b>	<b>LR</b>
Golf Course	Large Resort
<b>BA</b>	<b>MFC</b>
Bowling Alley	Multiple Fixed Counter
<b>MS</b>	
Manufacturer Sampling	

### Tourism

*exempt from population limits*

#### Bev Dispensary Tourism



MFC RE BA GC H/M LR

#### Seasonal REPL Tourism



RE

#### Destination Resort



#### Outdoor Rec'n Lodge



### NEW LICENSE

Proposed new license in Title 4

### Proposed for Removal from Title 4

#### Brew Pub



#### Bottling Works



#### Public Convenience



# Recommendations by Committee

# Licensing Revisions

- Decrease the number of license types and simplifies the licensing system to achieve more consistent enforcement and adherence to state alcohol regulation.
- Update license fees to support the ABC budget; adjusts wholesale license fees and simplifies supplier reporting.
- Realign the system to better enforce population limits.
- Implement a system of endorsements and permits to provide flexibility without creating more license types.
- Bring all licenses, endorsements and permits into one place in statute, removes redundant or unused types.

# Role of the ABC Board Revisions

Ensure the ABC Board fairly represents the interests of all Alaskans and can lead in alcohol education, policy and control.

- Implement uniform police department reporting requirements; develop enforcement, education, and prevention plans directly connected to the matching funds.
- Allow data about alcohol purchases to be released (aggregated at the region or community level) for analysis and community self-assessment.
- Base the ABC Board budget on the activities and staffing needed to achieve the ABC Board's mission.
- Designate ABC Board seats to ensure representation by: 1 public health, 1 public safety, 2 industry and 1 rural public member; include Director's background in filling the designations.

# Underage Drinking Revisions

Reform underage drinking sanctions so that **adults who supply minors with alcohol are held to greater accountability.**

- Reduce the penalty for a licensee, agent or employee selling alcohol to a minor (Sec. 04.16.052) from a class A misdemeanor to a minor offense violation.
- Increase the consistency and certainty of administrative sanctions to licensees upon conviction of violating Sec. 04.16.052.
- Require statewide keg registration.

# Underage Drinking Revisions

Reform underage drinking sanctions so that **minors do not become criminals for making one poor decision.**

- Clarify required language on signs warning minors of the legal consequences of their entering licensed premises.
- Restore the minor consuming alcohol (MCA) offense to a true violation.

# Local Option Revisions

Strengthen local option laws and the ability to enforce them.

- Repeal local option 4, which bans sale and importation of alcohol, but not possession.
- Increase ABC budget for dedicated Title 4 enforcement staff.
- Increase the local option boundary from a 5-mile radius to a 10-mile radius from the village center.
- Increase the misdemeanor-level fines for bootlegging and imposes additional unit fines per container of alcohol.
- Make possession of homebrew ingredients and/or equipment with intent to produce alcohol illegal in all local option communities.



# Title 4 Revisions will help



Youth



Public Health



Business



Public Safety



Rural Communities

# Next Steps



Recommendations



Legislature



If passed,  
becomes law

The package of recommended Title 4 revisions will be sent to the Alaska State Legislature to formally adopt into law.

# For more information

Including a downloadable copy of the report, please contact the:

## **Alcoholic Beverage Control Board**

<http://commerce.state.ak.us/dnn/abc/Home>

Cynthia Franklin, Director

(907) 269-0350

[cynthia.franklin@alaska.gov](mailto:cynthia.franklin@alaska.gov)