

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 265

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE RAUSCHER

Introduced: 1/24/18

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the renewal of a license involving alcoholic beverages; and relating
2 to the issuance, renewal, or transfer of ownership of a beverage dispensary license or a
3 restaurant or eating place license."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 04.11.330(a) is amended to read:

6 (a) An application requesting renewal of a license shall be denied if

7 (1) the board finds, after review of all relevant information, that
8 renewal of the license would not be in the best interests of the public;

9 (2) the license has been revoked for any cause;

10 (3) the applicant has not operated the licensed premises for at least **240**
11 **hours** [30 EIGHT-HOUR DAYS] during each of the two preceding calendar years,
12 unless the board determines that the licensed premises are under construction or
13 cannot be operated through no fault of the applicant;

14 (4) the board finds that issuance of an existing license under

1 AS 04.11.400(d) has not encouraged tourist trade;

2 (5) the requirements of AS 04.11.420 - 04.11.450 relating to zoning,
3 ownership of the license, and financing of the licensee have not been met;

4 (6) renewal of the license would violate the restrictions pertaining to
5 the particular license under this title or the license has been operated in violation of a
6 condition or restriction imposed by the board;

7 (7) renewal of the license is prohibited under this title as a result of an
8 election conducted under AS 04.11.507;

9 (8) the application has not been completed in accordance with
10 AS 04.11.270; or

11 (9) the license was issued under AS 04.11.400(g), and the board finds
12 that the public convenience does not require renewal.

13 * **Sec. 2.** AS 04.11.400(a) is amended to read:

14 (a) Except as provided in (d) - (k) of this section, a new license may not be
15 issued and the board may prohibit relocation of an existing license

16 (1) outside an established village, incorporated city, unified
17 municipality, or organized borough if, after the issuance or relocation, there would be
18 (A) more than one restaurant or eating place license for each 1,500 population or
19 fraction of that population, or (B) more than one license of each other type, including
20 licenses that have been issued under (d), [OR] (e), or (o) of this section, for each 3,000
21 population or fraction of that population, in a radius of five miles of the licensed
22 premises, excluding the populations of established villages, incorporated cities, unified
23 municipalities, and organized boroughs that are wholly or partly included within the
24 radius;

25 (2) inside an established village, incorporated city, or unified
26 municipality if, after the issuance or relocation, there would be inside the established
27 village, incorporated city, or unified municipality

28 (A) more than one restaurant or eating place license for each
29 1,500 population or fraction of that population; or

30 (B) more than one license of each other type, including licenses
31 that have been issued under (d), [OR] (e), or (o) of this section, for each 3,000

1 population or fraction of that population;

2 (3) inside an organized borough but outside an established village or
3 incorporated city located within the borough if, after the issuance or relocation, there
4 would be inside the borough, but outside the established villages and incorporated
5 cities located within the borough,

6 (A) more than one restaurant or eating place license for each
7 1,500 population or fraction of that population; or

8 (B) more than one license of each other type, including licenses
9 that have been issued under (d), [OR] (e), or (o) of this section, for each 3,000
10 population or fraction of that population excluding the population of those
11 established villages that have adopted a local option under AS 04.11.491(b)(1),
12 (3), or (4), and excluding the population of incorporated cities located within
13 the organized borough.

14 * **Sec. 3.** AS 04.11.400(d) is amended to read:

15 (d) The board may approve the issuance [OR TRANSFER OF OWNERSHIP]
16 of a new beverage dispensary or restaurant or eating place license without regard to
17 (a) of this section if it appears that the issuance [OR TRANSFER] will encourage the
18 tourist trade by encouraging the construction or improvement of

19 (1) a hotel, motel, resort, or similar business relating to the tourist trade
20 with a dining facility on the licensed premises or [HAVING] kitchen facilities in a
21 majority of its rental rooms and at least a minimum number of rental rooms required
22 according to the population of the [ESTABLISHED VILLAGE,] incorporated city,
23 unified municipality, or population area established under (a) of this section in which
24 the facility will be located, as follows:

25 (A) 10 rental rooms if the population is less than 1,501;

26 (B) 20 rental rooms if the population is 1,501 - 2,500;

27 (C) 25 rental rooms if the population is 2,501 - 5,000;

28 (D) 30 rental rooms if the population is 5,001 - 15,000;

29 (E) 35 rental rooms if the population is 15,001 - 25,000;

30 (F) 40 rental rooms if the population is 25,001 - 50,000; and

31 (G) 50 rental rooms if the population is greater than 50,000;

1 [OR]

2 (2) an airport terminal; or

3 **(3) a roadhouse, lodge, inn, or similar business that**

4 **(A) has 10 rental rooms or fewer;**

5 **(B) serves food or drink to tourists and the traveling public;**

6 **(C) is located on a road designated under 23 U.S.C. 162**

7 **(National Scenic Byways Program); and**

8 **(D) is located more than 25 miles outside the boundary**

9 **limits of an incorporated city or unified municipality.**

10 * **Sec. 4.** AS 04.11.400 is amended by adding a new subsection to read:

11 (o) The board may approve the renewal or transfer of ownership of a beverage
 12 dispensary or restaurant or eating place license issued under (d) of this section. If the
 13 holder of a beverage dispensary or restaurant or eating place license issued under
 14 (d)(1) of this section operates, on the licensed premises, a hotel, motel, resort, or
 15 similar business relating to the tourist trade, the board may approve the renewal or
 16 transfer of ownership of the license only if the hotel, motel, resort, or similar business

17 (1) has a dining facility on the licensed premises or kitchen facilities in
 18 a majority of its rental rooms; and

19 (2) maintains at least the minimum number of rental rooms that were
 20 required at the time of initial licensure.