



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Department of Commerce, Community,
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
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February 26, 2018

Laura Murray
Senior Paralegal
Alaska Airlines
PO Box 68900
Seattle, WA 98168-0900

Via Email to laura.murray@alaskaair.com

Re: Alaska Airlines, Inc. Liquor Licenses Renewal

Dear Ms. Murray:

I am in receipt of your February 16, 2018, letter where you state you will only provide Form AB-08a and fingerprint cards for four officers of your corporation. You appear to refuse to provide the records release forms and fingerprint cards for over twenty vice presidents.

AS 04.11.295 requires that an applicant for issuance of a license submit fingerprints for a national criminal history record check. Section (b) defines "applicant" as all individuals whose names and addresses are required to be provided with an application under AS 04.11.260.

AS 04.11.260(b) states that a corporation applying for a license shall provide the names and addresses of the president, vice-president, secretary, managing officer, and all stockholders who own 10 percent or more of the stock in the corporation.

AS 04.11.270 states that an application for renewal of a license must include the information required for a new license under AS 04.11.260.

I acknowledge that these requirements have not been implemented in the past and Alaska Airlines, Inc., has been permitted to renew its licenses without providing the information required by statute. I do not believe that Alaska Airlines has been "specifically exempt" from these requirements. If you have documentation of a specific exemption, I would appreciate it if you would share that with me.

Lack of proper implementation of the statutes in the past does not mean that the statutes should not be properly enforced now. In fact, AS 04.11.537, Application of precedent, specifically states that the board "need not conform to or distinguish its decision from any action it has taken in the past on applications presenting similar facts, but may instead base its decision only on the particular facts before it."

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With all other elements of your application corrected, the outstanding matter is the records release forms and fingerprint cards and fees for the numerous vice-presidents. You were informed of this requirement of statute on December 29, 2017, almost two months ago.

Before February 28, 2018, I will issue temporary licenses for the Alaska Airlines licenses (#s 1, 11, 12, 13, 15, 16, 17, 18, 20, 21, 1417, 1522, 1523, 1627, 1650, 1651, 1683, 1684, 1921, 1981, and 4423). The renewal applications for these licenses will be brought to the board at the next meeting, on April 3, 2018, in Nome. If you provide the required records release forms and fingerprint cards and fees by close of business on March 16, 2018, which is the cut-off date for information to be provided to the board in their pre-meeting packets, I will recommend approval of the renewal of your licenses. If not, I will recommend the license renewals be denied.

Because you have not provided the documentation required for a complete renewal application by the required deadline, you are assessed a late fee of \$500 per license, totaling \$10,500. AS 04.11.270(b)(3) states, "a renewal application filed after December 31 is delinquent and must be accompanied by a \$500 penalty fee." I have no authority to waive the penalty fee.

In addition, I would like to remind you of AS 04.11.050, which requires corporations holding a license to report any change in its corporate officers or in the membership of its board of directors within 10 days of the change in officers or directors, in writing in duplicate. You could be excepted from this requirement if Alaska Airlines, Inc., is required by law to file periodic reports with the United States Securities and Exchange Commission. If that is the case, please submit documentation of that requirement.

Please feel free to contact me if you have any questions.

Sincerely,



Erika McConnell
Director

CC: Harriet Dinegar, Assistant Attorney General