TITLE 4 REVIEW | Summary of Changes, SB 76 (2017-2018) to New Bill SB 52 (2019)

Summary of Updates

Note: Several other bills passed in 2018 making changes to Title 4. None of the changes were incompatible with the intent or individual recommendations in the comprehensive bill. Where noted below, the bill has been updated to reflect current law.

There were also several minor language changes included in the new version, not specified here as they are not policy changes. (Example: changing phrase "arbitrary and or capricious," or "land use law ordinance or regulation."

| Bill Citation | Previous Version (SB 76, 30 th Legislature) | New Version (SB 52, 31 st Legislature) |
|---|--|---|
| New 04.06.005 | Not in previous version. | Adds new section at beginning of Title 4 establishing intent of alcohol control in the public interest and for a well-regulated industry. |
| 04.06.090 | ABC Board recommended as "lead agency" for alcohol education efforts. | Adjusted language such that the the board plans and coordinates with agencies and nonprofit organizations that also focus on alcohol education; clarifies that the board has primary responsibility for education about Title 4 and associated regulations, for various audiences. |
| 04.06.090 | ABC Board review license fees in statute + fees in regs at least every 10 years. | ABC Board review fees at least every 5 years (somewhat more frequently). |
| 04.09.020, - 030, -040 | Brewery, Winery, Distillery manufacturer license fees set at \$1,500. | Manufacturer fees reduced to \$1,250. Brewery, Winery, Distillery r <u>etail</u> licenses remain at \$1,250. Total fee: \$2,500 |
| 04.09.050, 04.09.320, 04.11.450 See 04.11. | Adjusts volume limits by product and alcohol content: cider below 8.5% ABV can be served at same amounts as beer. | Further clarification of limits for cider above and below 8.5% ABV; adds mead below 8.5% ABV; clarifies how a business serving higher- and lower-ABV products should count the per-customer per-day sales limits. Uses same structure as Package Store Sampling Endorsement: sets limits per category but allows customer to purchase a mix, not to exceed alcohol equivalent of any one |
| 04.09.330, 04.09.410 | Language about distillery mixed drinks not addressed in previous bill; passed in SB 45. | category. Adds conforming language confirming distilleries can serve mixed drinks in retail tasting room. |
| 04.09.340 , 04.11.400(d) | Language about existing roadhouses not addressed in previous bill; passed in SB 45. | Adds conforming language for BDL Tourism, for renewal of existing licenses. |
| 04.09.490 | Latest version included lower volume limits for package store sampling: 6 oz beer, 3 oz wine, .75 oz spirits. | Restored sampling limits to original stakeholder recommendations, and consistent with Manufacturer Sampling Endorsement: 12 oz beer, 6 oz wine, 1.5 oz spirits. |
| 04.09.670 | Tasting event permit allows Manufacturer or Package Store to partner with BDL (bar) to host event showcasing products made or sold by partner license. | Removes Manufacturers from this permit, they can host events onsite under existing rules; allows Package Store to host event on own premises. For both license types, hosting an event offsite requires Catering Permit via BDL. |
| 04.09.690 | Conditional Contractor's Permit biennial fee: \$1,200 (same as current law). | Increased biennial fee to \$1,250, consistent with proposed fee increases to \$1,250 for several other licenses. |
| 04.11.030 | Not in previous version. | Extends timeline for board and license holder to address a transfer of ownership due to death of a licensee from 90 to 180 days. |

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|--------------------------|--|--|
| 04.11.330 | Not in previous version | Clarifies that the board can deny license renewal if a licensee has not paid taxes, fees or other penalties to state or local government (current law only addresses taxes). |
| 04.11.420 | Not in previous version. | Clarifies that while the board may deny a new license or transfer of location if a local zoning ordinance prohibits that use, a licensed business that existed prior to a zoning change that made it non- conforming can still be renewed. |
| 04.11.480 | Not in previous version. | Clarifies that for licenses within more than one local government (i.e., within an incorporated city that is also within a borough), each entity can submit a separate protest on an application. |
| 04.11.510(b), (c) | Not in previous version. | For informal conferences, allowed in Title 4 prior to a licensee initiates an appeal under the Administrative Procedures Act for suspension, revocation, or denial of renewal of a license: adds a 15- day time limit for licensee to request informal conference; adds requirement for director to respond and hold conference within 15 days; outlines process for informal or formal conference with the board, which can be held at next regularly scheduled board meeting or via calling a special board meeting. These time limits can be waived in writing by both parties. |
| 39.50.200(b) | Adds Marijuana Control Board (MCB) to the list of boards subject to rules regarding financial disclosures of its members. | Concern that referencing a separate regulatory board violates the single subject rule. The MCB is also supported by AMCO; the ABC Board is already subject to this rule. |
| (Sec. 164) Transition | Not in previous version. | Adds to transition provisions that ABC Board / AMCO can begin sending new applications and collecting new license fees for licenses beginning or renewing 1/1/2021, to allow transition to new licensing and fee system. |
| (Sec 170) Transition | Primary effective date for the bill: January 1, 2020. Some provisions effective immediately to allow for transition period. | Changes primary effective date to January 1, 2021; allows ABC Board, AMCO and licensees at least ~18 months transition. Other effective dates updated accordingly to reflect new timeframe in 2019 session. |