

Department of Commerce, Community, and Economic Development

ALCOHOL AND MARIJUANA CONTROL OFFICE 550 West 7th Avenue, Suite 1600 Anchorage, AK 99501 Main: 907.269.0350

April 1, 2019

Senator Lora Reinbold, Chair Senate Labor and Commerce Committee Alaska State House Juneau, Alaska 99801

Dear Chair Reinbold:

In last Thursday's hearing on SB52, Senator Costello asked me to provide information on the time it takes to transfer a liquor license, as well as a list of licenses "in transition." In this letter, I attempt to explain the transfer process. Attached to this letter is a list of licenses that are currently in the transfer process and their status.

We advise on our website that applicants should plan for a 3 to 6 month application process, advice which applies to both new and transfer applications. Factors that affect the length of the process include the number of applications in AMCO's queue at any given time; the applicant's attention to any corrections needed to their application; the board meeting schedule; and the responsiveness of reviewing agencies, local governments, and creditors.

Our process is as follows: once a transfer application is submitted, the application is reviewed for compliance with AS 04 and 3 AAC 304 by a licensing examiner. If any corrections to the application are required, the applicant is sent an "incomplete letter" explaining the corrections needed and providing a deadline by which the corrections must be returned. Upon receiving a complete application, staff routes the complete application to the local government (if applicable), and to the Departments of Revenue and Labor and Workforce Development who review for tax and labor law compliance. If the transfer includes a change in location of the license, the application may be sent to the Department of Environmental Conservation and the State Fire Marshal, depending on whether or not the local government has jurisdiction over health and fire issues. In addition, the transferor must identify any creditors to whom they owe a debt, as the creditor must be satisfied either by payment of the debt or by security for payment of the debt before the license can be transferred (AS 04.11.360(4)).

A complete transfer application is added to the agenda of the next ABC Board meeting. If AMCO has not received a reply from all reviewers by the meeting, the transfer may be approved with delegation. This means that the board approves of the transfer as long as no protest or objection is received, and delegates the authority to the director to effectuate the transfer and issue a license to the transferee as soon as all reviewers have indicated they do not object. If a protest or objection is received by the office after the board has approved a transfer with delegation, the transfer application must be brought back to the board at the following meeting so that the protest or objection may be evaluated by the board in accordance with AS 04.11.470 and 04.11.480.

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Please note that a transferor may establish a security interest in the license through the transfer, which adds a bit more complication to the process. In that case, final recorded security interest documents must be submitted to AMCO after the board approves the transfer, before the transfer can be effectuated.

As you review the attached list of licenses which are in the transfer process, please keep the following in mind:

- Applications are reviewed for completeness by staff in the order in which they are received. Complete applications must be brought before the board within 90 days.
- Licenses may continue to operate (serve/sell alcohol) while in the process of being transferred.
- If the transferee (new owner) wishes to begin operating the license before the ABC Board has approved the change of ownership under AS 04.11.040, the transferor (old licensee) and transferee may enter into a management agreement in accordance with 3 AAC 304.980 which allows the transferee to operate the license although the transferor retains responsibility.
- The ABC Board usually meets five times per year, approximately every 2 ¹/₂ months.

I hope the information provided in this letter and attachment answers Senator Costello's question and helps the committee understand the alcohol license transfer process. I would be happy to answer follow-up or additional questions.

Sincerely,

Euha M'Connell

Erika McConnell Director

Cc: Julie Anderson, Commissioner, DCCED Suzanne Cunningham, Legislative Director, Governor's Office

License #	Business Name	License Type	Local Government	Application First Received Date	Incomplete Letter(s) Sent	Add. Info Received Date(s)	Deemed Completed Date	Board Meeting Date	Notes
			Fairbanks City		7/2/2018; 7/10/2018; 7/18/2018;	7/11/2018; 7/18/2018; 7/31/2018; 8/6/2018; 8/23/2018;			Awaiting final recorded security
3969	Tony's Sports Bar	Beverage Dispensary	Council	6/18/2018	8/28/2018	8/27/2018	9/7/2018	10/15/2018	interest documents
					7/2/2018; 7/10/2018;	7/11/2018; 7/18/2018; 7/31/2018; 8/6/2018;			
4222	The Cour	Boyorago Disponsory	Fairbanks City Council	6/18/2018	7/18/2018;	8/23/2018;	0/7/2018	10/15/2019	Awaiting final recorded security interest documents
4232	The Spur	Beverage Dispensary Beverage Dispensary -	Council	6/18/2018	8/28/2018	8/27/2018	9/7/2018	10/15/2018	Awaiting final recorded security
2184	Point Lodge Alaska	Tourism	Mat-Su	9/27/2018	10/5/2018	10/18/2018	10/18/2018	12/18/2018	interest documents
2104	YES International	Restaurant/Eating	Municipality of	572772010	10/30/2018; 11/20/2018;	10/10/2018; 11/27/2018; 10/23/2018;	10/10/2010	2/19/2019;	While in delegated status, protest and objection received; rescheduled
4528	Bistro	Place	Anchorage	10/19/2018	12/27/2018	12/27/2018	12/27/2018	4/29/2019	for next board meeting
904	Airport Pizzeria	Beverage Dispensary	City of Nome	10/31/2018	11/8/2018; 11/26/2018	11/21/2018; 11/26/2018; 11/28/2018	11/28/2018	12/18/2018	Awaiting approval of license renewal
3445	Hotel Alyeska	Beverage Dispensary - Tourism	Municipality of Anchorage	11/7/2018	11/20/2018	11/28/2018	11/28/2018	12/18/2018	Transfer to be effectuated on May 1 at request of licensee
3446	Seven Glaciers Lounge	Beverage Dispensary - Tourism	Municipality of Anchorage	11/7/2018	11/20/2018	11/28/2018	11/28/2018	12/18/2018	Transfer to be effectuated on May 1 at request of licensee
3447	Sitzmark Bar & Grill	Beverage Dispensary - Tourism/Duplicate	Municipality of Anchorage	11/7/2018	11/20/2018	11/28/2018	11/28/2018	12/18/2018	Transfer to be effectuated on May 1 at request of licensee
3449	The Sundry Shop at Alyeska	Package Store	Municipality of Anchorage	11/7/2018	11/20/2018	11/28/2018	11/28/2018	12/18/2018	Transfer to be effectuated on May 1 at request of licensee
5210	Sakura Asian Bistro	Beverage Dispensary - Tourism/Duplicate	Municipality of Anchorage	11/7/2018	11/20/2018	11/28/2018	11/28/2018	12/18/2018	Transfer to be effectuated on May 1 at request of licensee
5211	The Pond Café	Beverage Dispensary - Tourism/Duplicate	Municipality of Anchorage	11/7/2018	11/20/2018	11/28/2018	11/28/2018	12/18/2018	Transfer to be effectuated on May 1 at request of licensee
5466	Bore Tide Deli	Beverage Dispensary - Tourism/Duplicate	Municipality of Anchorage	11/7/2018	11/20/2018	11/28/2018	11/28/2018	12/18/2018	Transfer to be effectuated on May 1 at request of licensee

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LICENSE #	Dusiness Name		Government	Received Date	Letter(s) Sent	12/17/2018;	Date	Date	Notes
			Municipality of		12/14/2018;	12/21/2018;			
857	Mad Myrna's	Beverage Dispensary	Anchorage	11/13/2018	12/19/2018	12/24/2018	12/31/2018	2/19/2019	Awaiting background check
			Outside City		12/14/2018;	12/27/2018;			
1775	Mt View Grocery	Package Store	Limits	11/19/2018	12/31/2018	1/10/2019	1/10/2019	4/29/2019	Awaiting approval of license renewal
									Approved with delegation in
			Municipality of					2/19/2019;	February; protest received after Feb
795	Oaken Keg #0720	Package Store	Anchorage	12/6/2018	12/19/2018	1/2/2019	1/2/2019	4/29/2019	meeting
			Ketchikan		1/2/2019;				Contingent on receiving transfer
713	Cape Fox Lodge	Beverage Dispensary	Gateway Borough	12/7/2018	2/5/2019	1/30/2019			application for #2948
	Mountian High Pizza	Restaurant/Eating							Approved with delegation; waiting
4274	Pie	Place	Mat-Su Borough	12/7/2018	1/2/2019	1/24/2019	1/24/2019	2/19/2019	for creditor response
						2/12/19;			
					2/5/2019;	2/13/19;			
					3/8/19,	2/25/19;			
	Beachcomber Lodge		Petersberg		3/22/19;	3/22/19;			
100	LLC	Beverage Dispensary	Borough	12/27/2018	3/26/19	3/27/2019	3/27/2019	4/29/2019	
					1/30/2019;				
					2/4/2019;	2/1/2019;			
			Fairbanks North		2/6/2019;	2/5/2019;			
4597	Boon Dox Liquor	Package Store	Star Borough	12/31/2018	2/8/2019	2/8/2019	2/8/2019	4/29/2019	
4000		Beverage Dispensary -	Kenai Peninsula	12/24/2010	1/15/2019 (28	2/10/2019;	2/12/2010	4/20/2040	
1309	Anchor River Inn	Tourism	Borough	12/31/2018	days)	2/12/2019	2/13/2019	4/29/2019	
						2/6/2019;			
			Kanai Daninaula			2/8/2019;			
2212	Anchor Divor Inn	Dackage Store	Kenai Peninsula	12/21/2010	2/22/2010	2/9/2019;	2/12/2010	4/20/2010	
2313	Anchor River Inn	Package Store	Borough Fairbanks North	12/31/2018	2/23/2019	2/12/2019	2/13/2019	4/29/2019	
2105	Plue Loop	Roverage Dispenser		12/21/2019	1/29/2019; 2/4/2019	2/1/2019;	2/5/2010	4/29/2019	
3195	Blue Loon	Beverage Dispensary	Star Borough	12/31/2018		2/5/2019	2/5/2019	4/29/2019	
4834	Plue Loop	Beverage Dispensary - Duplicate	Fairbanks North	12/31/2018	1/29/2019;	2/1/2019; 2/5/2019	2/5/2019	4/29/2019	
4034	Blue Loon	Restaurant/Eating	Star Borough	12/31/2018	2/4/2019	2/3/2019	2/3/2019	4/29/2019	
1/50	Milano's Dizzaria	Place	City of Nome	1/7/2019	2/13/2019	2/14/2019	2/14/2010	4/20/2010	
1450	Milano's Pizzaria	FIALE	City of Nome	1/1/2013	2/13/2019	2/14/2019	2/14/2019	4/29/2019	

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						2/22/2019;			
					2/22/2019;	2/28/2019;			
			Kenai Peninsula		3/11/2019;	3/17/2019;			
867	Coldwater Market	Package Store	Borough	1/24/2019	3/20/2019	3/21/2019	3/21/2019	4/29/2019	
			Kenai Peninsula			2/28/2019;			
4747	Howling Wolf Brewpub	Beverage Dispensary	Borough	1/28/2019	2/26/2019	3/1/2019	3/1/2019	4/29/2019	
			Municipality of		2/26/2019;	2/28/2019;			
2535	Vitus Energy LLC	Package Store	Anchorage	2/1/2019	3/11/2019	3/11/2019	3/11/2019	4/29/2019	
		Restaurant/Eating	Municipality of						
5450	Denny's	Place	Anchorage	2/4/2019	3/6/2019				
		Restaurant/Eating							
1384	Bowl of Pho	Place	Juneau	2/7/2019	3/19/2019				
						3/15/2019;			
	Swiftwater Seafood	Restaurant/Eating			3/14/2019;	3/20/2019;			
2502	Café	Place	City of Whittier	2/12/2019	3/20/2019	3/26/2019			
2572	Gallo's Mexican	D	Municipality of	2/11/2010					
3572	Restaurant #2	Beverage Dispensary	Anchorage	2/14/2019					
2407	Silver Gulch Brewing	Dealers Chara	Fairbanks North	2/11/2010	2/10/2010				
3487	and Bottling Co.	Package Store	Star Borough	2/14/2019	3/19/2019				
626	Kenai Joe's Taphouse		City of Kanai	2/10/2010	2/22/2010				
626	LLC Oceanview Restaurant	Beverage Dispensary	City of Kenai	2/18/2019	3/22/2019				
4536		Beverage Dispensary	City of Ketchikan Matanuska	2/19/2019					
4362	Settlers Bay Lodge	Boyorago Dicponcary	Susitna Borough	2/20/2019					
4302	Settlers bay Louge	Beverage Dispensary	Fairbanks North	2/20/2019					
465	Vallata	Beverage Dispensary	Star Borough	2/26/2019					
405	vallata	Beverage Dispensary-	Matanuska	2/20/2015					
941	Swiss Alaska Inn, LLC	Tourisum	Susitna Borough	2/26/2019					
571		Restaurant/Eating	Municipality of	2,20,2015					
3558	Silvertip Grill	Place	Anchorage	3/6/2019					
			Kenai Peninsula	0, 0, 2020					
2795	Vitus Energy LLC	Package Store	Borough	3/11/2019					
			Kenai Peninsula	, ,					
1189	Vagabond Inn	Beverage Dispensary	Borough	3/14/2019					

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	Vagabond Inn Liquor		Kenai Peninsula						
1190	Store	Package Store	Borough	3/14/2019					
242	Clear Sky Lodge	Beverage Dispensary	Denali Borough	3/19/2019					
243	Clear Sky Lodge	Package Store	Denali Borough	3/19/2019					
	Revolving Sushi Bar	Restaurant/Eating	Municipality of						
5089	OEC	Place	Anchorage	3/20/2019					
			Fairbanks North						
1920	Salty's on 2nd	Beverage Dispensary	Star Borough	3/22/2019					
		Beverage Dispensary-	Matanuska						
1788	Latitude 62 Lodge	Tourisum	Susitna Borough	3/27/2019					