

ALASKA STATE LEGISLATURE



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SENATE DISTRICT O

SB 9: Alcoholic Beverages; Alcohol Regulation **SPONSOR STATEMENT** **version B** **2/2/2021**

SB 9 modernizes the Title 4 statutes governing the Alcoholic Beverage Control Board (board). The bill allows the board to function more efficiently as they regulate the alcohol industry in a manner that promotes public safety and health, while supporting the alcohol industry's continued growth and viability in today's current economic climate.

This bill is the product of a nine-year, unprecedented collaboration of over 100 stakeholders from a diverse group of alcohol industry representatives, public health and safety entities, local governments, and advocates for youth. More than 16,000 hours have been expended in various meetings and legislative time in the crafting of this legislation.

Stakeholders established shared goals as the foundation for developing recommendations:

- Promoting a fair business climate and protecting public health and safety.
- Creating rational regulation for all tiers of the state's alcohol industry.
- Limiting youth access to alcohol.
- Promoting responsible alcohol use and reduce the harms of overconsumption.
- Implementing without negative impacts on businesses and responsible operators.

The result is a reorganization that clearly defines the rights and obligations of licensees, restructures penalties for offenses in Title 4, and organizes the statutes in a logical, common-sense manner for all users of Title 4 statutes.

The bill requires that the director prepare an annual enforcement, education, training, and prevention budget and requires the board to review fees every five years. Penalty sections are amended to ensure consistent enforcement and just outcomes.

New statutory provisions retain the three-tier licensing system but create more flexibility for small manufacturers; create a new endorsement system to expand the boundaries of licensed businesses and accommodate special events; and modify the permitting system for clarity.

The bill also creates local control in community population limits, adds mechanisms to prevent underage access to alcohol, regulates common carriers who deliver alcohol and provides for a smooth transitional implementation period.

Through this comprehensive licensing structure, current license holders and prospective businesses will better understand activities allowed for each license type. Passage of SB 9 will provide clarity for licensees, local governments, law enforcement and the public, and will result in safer, more consistent and modernized regulation of Alaska's alcoholic beverage industry.