

ALASKA STATE LEGISLATURE



SENATOR PETER MICCICHE
SENATE DISTRICT O

Letters of Support

As of February 10, 2021

Senate Bill 9: Alcoholic Beverages; Alcohol Regulation

**Alaska CHARR
Brewers Guild of Alaska
Matsu Health Foundation
Matsu Health Foundation - Resolution of Support
Recover Alaska
Alaska Peace Officers Association
Setfree Alaska
Alaska Mental Health Trust Authority
ABADA-AMHB**



Alaska Cabaret, Hotel, Restaurant, and Retailers Association
1503 W. 31st Avenue, Suite 102
Anchorage, AK 99503
Office (907) 274-8133
www.alaskacharr.com

February 8, 2021

Dear Honorable Members of the 32nd Alaska State Legislature:

Senate Bill 9 (SB 9) is a product of nearly a decade of robust and earnest stakeholder engagement, that includes substantive improvements to state alcohol laws (Title 04) for all groups at the table – public health, public safety, state and municipal regulatory bodies, and all three tiers of the alcohol industry. The Alaska Cabaret, Hotel, Restaurant, and Retailers Association (CHARR) has been involved in this process since its inception as the leading trade association for hospitality businesses in the state of Alaska and representing over 800 diverse members of the hospitality industry statewide.

Alaska CHARR and the Brewers Guild of Alaska spent the 2019 summer and fall meeting to discuss the sections in previous legislative iterations of the Title 04 update that included the most contentious issues between our organizations' members. In January 2020, we reached consensus on provisions that would clarify entertainment activities, operating hours, and language to enhance and protect a positive and balanced alcohol industry moving forward. SB 9 captures the compromises and tireless work of the diverse stakeholders and Sen. Peter Micciche.

You have undoubtedly seen and felt the impacts of the COVID-19 pandemic on hospitality business owners and employees in your communities and across the state. Hospitality industry respondents of a late-2020 survey reported the following alarming statistics:

- Year-over-year sales were down an average of 72% from 2019, yet operating costs have increased.
- Businesses only had an average of 47% of their normal employee count working.
- 76% of respondents did not believe their businesses could survive more than a year under current conditions and/or restrictions.

With the news that cruise ships will likely not return to Alaska during 2021, hospitality businesses, employees, and their communities are facing continuing and significant economic hardships. By passing SB 9, you will streamline and modernize archaic procedures while enacting vital updates that will aid Alaska's second largest industry in its recovery and revitalization. Alaska CHARR – representing the retail tier of Alaska's alcohol industry – offers our full support of SB 9.

Thank you for your consideration.

Respectfully,

Sarah D. Oates
President & CEO, Alaska CHARR
soates@alaskacharr.com

February 9, 2021

Senator Peter Micciche
State Capital Room 508
Juneau, AK 99801
Sent via email

Re: Support for Senate Bill 9

Dear Senator Micciche,

The Alaska Mental Health Trust Authority supports SB9, representing revisions to Title 4 of the Alaska Statutes regulating alcohol. SB9 is the product of a nine-year effort to improve the structure, organization, and policies associated with Title 4.

The Trust has been an active partner during the multi-year Title 4 reform effort, along with a multitude of partners representing the alcohol industry, public health, and public safety. We are committed to this legislation as we see in it many public health benefits that directly impact the health and wellness of all Alaskans – and more specifically for beneficiaries of the Mental Health Trust. In addition to health-related impacts, alcohol abuse and over-consumption is costly to our state, a 2019 [report](#) commissioned by the Trust clearly outlines those economic impacts of alcohol misuse - upwards of \$2.4 billion annually.

Title 4 is outdated as it currently stands, and does not create a clear and consistent framework for alcohol regulation. The Trust engaged in Title 4 reform early, recognizing that improving the statutes will have a positive impact on public health. Limiting youth access to alcohol and controlling online alcohol sales are included in this bill and are examples of positive public health impacts. We also see value in better defining Alaska's alcohol laws, creating a clear framework that is easier to understand, comply with, and enforce.

SB9 creates a rational regulatory structure for our states licensing system and promotes responsible alcohol use – all while simultaneously supporting a fair business environment. Further, the bill represents the thoughtful, transparent, and stakeholder-driven process that contributed to the final recommendations included in the legislation. The proposed updates to Title 4 have garnered unprecedented support of the public health community, the public safety community, as well as the alcohol industry.

We very much appreciate your leadership on this important legislation.

Sincerely,



Michael K. Abbott,
Chief Executive Officer
The Alaska Mental Health Trust Authority



February 1st, 2021

Dear Honorable Members of the Alaska State Legislature:

As many of you may be aware, stakeholders from public health, law enforcement, the legislature, non-profits, the tourism industry, the hospitality industry, beverage wholesalers and craft beverage manufacturers have been working for 9 years to modernize Title IV, the title that governs alcohol laws in the State of Alaska. The current Title IV statutes are outdated and patched together from 40 years of piecemeal modification.

Stakeholders from across the state have worked tirelessly to help craft legislation to best meet the needs of both public health and the alcohol industry. Senate Bill 9 achieves this goal. Senate Bill 9 helps reduce the harms of alcohol in our communities while improving commerce and modernizing Alaska's laws to better meet the evolving demands of residents and visitors alike. While SB 9 is not perfect for the Brewer's Guild of Alaska, it is the product of compromise and consensus among all parties who committed tens of thousands of hours on the project. The Brewer's Guild of Alaska fully supports Senate Bill 9 as introduced.

If we can provide any other information to you or your staff please let the Brewer's Guild of Alaska know. Passing Senate Bill 9 is a measure the government can take in the near term to help save our businesses, employees, and the communities we serve. We appreciate your consideration and all you are doing in these difficult times.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lee Ellis", is written over a light blue horizontal line.

Lee Ellis
Board President, Brewer's Guild of Alaska

BREWERS GUILD OF ALASKA

PO Box 242411
Anchorage, AK 99524
www.brewersguildofalaska.org

Lee Ellis *BGA President*
(907) 748-5427
lee@midnightsunbrewing.com



February 5, 2021

Senator Peter Micciche
Alaska State Capitol
Juneau, Alaska 99801
Sent via email

Dear Senator Micciche,

On behalf of the Mat-Su Health Foundation and its Board of Directors, I am writing to express support for SB 9: Alcoholic Beverage Control.

The Mat-Su Health Foundation (MSHF) shares ownership in Mat-Su Regional Medical Center and invests its profits from that partnership back into the community in order to improve the health and wellness of Alaskans living in the Mat-Su. The Mat-Su Health Foundation and its community partners conducted a Community Health Needs Assessment, which included data analysis, public polling and 24 community forums. Alcohol and substance abuse was ranked as the number one health issue in Mat-Su. In follow up research, we asked our local police captains, what is the number one substance problem? Their response was “alcohol, alcohol, alcohol.” The number one reason Mat-Su residents visit our local hospital’s emergency department for behavioral health needs is alcohol-related disorders. Alcohol is a major factor in many crimes committed in Alaska, including domestic violence and child maltreatment. Having a well-regulated alcohol industry that understands and follows the laws is part of the solution.

Revisions to Alaska’s alcohol laws can help correct some of these problems. Title 4 is recognized to be in many ways outdated, confusing or otherwise ineffective in carrying out the intent of the statutes. Much of the chapter has not been updated since 1980. Over time, incremental updates and changing trends have reduced the effectiveness of Title 4. The systematic redraft of Title 4 which is SB 9 will help the ABC Board carry out its mission, and it will benefit organizations and individuals whose work, community or business is affected by alcoholic beverage laws and regulations. The Mat-Su Health Foundation is particularly interested in the public health aspects of SB 9:

- SB 9 helps prevent underage drinking. The bill requires keg registration, and it gives the state additional tools for controlling online alcohol sales. Alaska is one of the only states with no regulation of Internet sales of alcohol.
- SB 9 supports better enforcement of alcohol laws, as well as more education to businesses and communities about following the laws and operating responsibly.
- SB 9 holds businesses with alcohol sales licenses immediately accountable if an employee serves a minor or overserves someone who is already intoxicated.
- SB 9 adjusts penalties by reducing penalties for minor violations to increase the likelihood they will be consistently enforced, while maintaining strict penalties for serious crimes.

The Mat-Su Health Foundation supports the significant multi-year effort of the stakeholder group that has been involved in SB 9. Almost nine years of work has gone into crafting this legislation. It made it as far as being scheduled for a floor vote before the COVID-19 pandemic disrupted everything. Now the time is right once again, and we look forward to the passage of SB 9 for the benefit all Alaskans.

Sincerely,

President and Chief Executive Officer



2/8/2021

To members of the Senate Labor and Commerce Committee:

I am asking you to support Senate Bill 52, which would revise Title 4 of the Alaska Statutes regulating alcohol beverages. This bill is the product of a nearly nine-year process initiated by the Alcoholic Beverage Control (ABC) Board to engage a diverse group of more than 120 stakeholders across the state to determine how to improve the structure, organization, specific policies and associated implementation issues in Title 4, Alaska's statutes regarding regulation and control of alcoholic beverages in the state.

Title 4 is recognized to be in many ways outdated, confusing or otherwise ineffective in carrying out the intent of the statutes. Much of the chapter has not been updated since 1980. Over time, incremental updates and changing trends have reduced the effectiveness of Title 4. This systematic redraft of Title 4 will help the ABC Board carry out its mission and will benefit organizations and individuals whose work, community or business is affected by alcoholic beverage laws and regulations.

The proposed revisions in SB 52 are a comprehensive package of inter-related proposals to improve the overall system of alcohol regulation in Alaska. They will:

- Make Title 4 a clear and consistent framework used by licensees, the ABC Board and law enforcement;
- Increase effectiveness of Title 4 enforcement by improving the swiftness, proportionality and consistency of penalties;
- Increase licensee accountability before the ABC Board for Title 4 violations.

This package ensures that the Alcoholic Beverage Control Board fairly represents the interests of all Alaskans and will be a leader in alcohol education, policy, and regulation. It will promote a fair business climate and protect public health and safety by:

- Creating a rational regulatory structure for Alaska's alcohol licensing system;
- Limiting youth access to alcohol;
- Promoting responsible alcohol use and reduce the harms of overconsumption.

I urge you to support the significant multi-year effort of this statewide stakeholder group by voting in support of SB 52 and improving Title 4.

Sincerely,

A handwritten signature in black ink, appearing to read "Tiffany Hall", written over a light blue horizontal line.

Tiffany Hall
Executive Director

2/9/2021

Senator Micciche,

I am asking you to support Senate Bill 9 which would revise Title 4 of the Alaska Statutes regulating alcohol beverages. This bill is the product of an eight-year process initiated by the Alcoholic Beverage Control (ABC) Board to engage a diverse group of more than 120 stakeholders across the state to determine how to improve the structure, organization, specific policies and associated implementation issues in Title 4, Alaska's statutes regarding regulation and control of alcoholic beverages in the state.

Title 4 is recognized to be in many ways outdated, confusing or otherwise ineffective in carrying out the intent of the statutes. Much of the chapter has not been updated since 1980. Over time, incremental updates and changing trends have reduced the effectiveness of Title 4. This systematic redraft of Title 4 will help the ABC Board carry out its mission and will benefit organizations and individuals whose work, community or business is affected by alcoholic beverage laws and regulations.

The proposed revisions in SB 9 are a comprehensive package of inter-related proposals to improve the overall system of alcohol regulation in Alaska. They will:

- Make Title 4 a clear and consistent framework used by licensees, the ABC Board and law enforcement
- Increase effectiveness of Title 4 enforcement by improving the swiftness, proportionality, and consistency of penalties
- Increase licensee accountability before the ABC Board for Title 4 violations.

This package ensures that the Alcoholic Beverage Control Board fairly represents the interests of all Alaskans and will be a leader in alcohol education, policy, and regulation. It will promote a fair business climate and protect public health and safety by:

- Creating a rational regulatory structure for Alaska's alcohol licensing system
- Limiting youth access to alcohol
- Promoting responsible alcohol use and reduce the harms of overconsumption.

I urge you to support the significant multi-year effort of this statewide stakeholder group by voting in support of SB 9 and improving Title 4.

Sincerely,

A handwritten signature in black ink, appearing to read "Philip Licht".

Philip Licht
Executive Director Set Free Alaska



February 8, 2021

The Honorable Senator Micciche
Alaska State Senate

Dear Senator Micciche:

On behalf of the Alaska Peace Officers Association (APOA), I am writing to convey our support of SB9, "An Act relating to alcoholic beverages; relating to the regulation of manufacturers, wholesalers, and retailers of alcoholic beverages; relating to licenses, endorsements, and permits involving alcoholic beverages; relating to common carrier approval to transport or deliver alcoholic beverages; relating to the Alcoholic Beverage Control Board; relating to offenses involving alcoholic beverages; amending Rule 17(h), Alaska Rules of Minor Offense Procedure; and providing for an effective date."

The APOA supports the significant multi-year effort to update the statute and continued improvement of Title 4. Please contact the APOA office in Anchorage at 277-0515 if there is anything our organization can do to help with the passage of this bill. Thank you for your commitment and dedication to our state.

Sincerely,

Mark S. Pearson
State President
Alaska Peace Officers Association

PO Box 240106
Anchorage, AK 99524
apoa@gci.net
(907)277-0515

About APOA

The Alaska Peace Officers Association (APOA) is a dynamic, professional and non-partisan organization. Our membership consists of law enforcement, corrections, prosecutors, security professionals and others at the local, state and federal levels. APOA has served as a voice for peace officers and issues impacting the law enforcement profession for over half a century. We are one of the oldest and largest 501c(3) charitable, nonprofit organizations in Alaska. www.apoaonline.org

Resolution of Support for Senate Bill 9, Revisions to Title 4 of the Alaska Statutes

Whereas, Title 4 of the Alaska Statutes is the law regulating alcoholic beverages in the State of Alaska; and

Whereas, the AS 04.06.090 states that the Alcoholic Beverage Control Board “shall control the manufacture, barter, possession, and sale of alcoholic beverages in the state” and that the Board “is vested with the powers, duties and responsibilities necessary for the control of alcoholic beverages”; and

Whereas, Title 4 of the Alaska Statutes has not been substantially updated since 1980; and

Whereas, over 120 stakeholders and staff representing the alcohol industry, public health, local governments, and public safety spent over 13,000 hours of dedicated time over almost nine years to craft proposed revisions to Title 4; and

Whereas, in January 2021, Senate Bill 9 was introduced by Senator Peter Micciche for consideration in the 32nd Session of the Alaska Legislature;

Whereas, the recommendations in SB 9 will, *as a whole*, promote a fair business climate and protect public health and safety, create rational regulation for all tiers of the state’s alcohol industry, limit youth access to alcohol, and promote responsible alcohol use and reduce the harms of overconsumption; and

Whereas, SB 9 will, *as a whole*, benefit communities, businesses, and public health, safety and welfare; and

Whereas, SB 9 will benefit youth by ensuring that the penalty for underage drinking does not jeopardize a young person’s future, providing an incentive to seek needed alcohol education or treatment, and holding adults who supply alcohol to youth more accountable; and

Whereas, SB 9 will benefit businesses by making Title 4 easier to understand and comply with, protecting existing business investments, providing more flexibility for innovative business models, and restructuring penalties to be proportional to the seriousness of each violation; and

Whereas, SB 9 will benefit local governments by providing resources for education about Title 4 and new options for supporting economic development with tourism and hospitality; and

Whereas, SB 9 will benefit public health by preventing youth access to alcohol, preserving population limits on alcohol licenses and managing density of alcohol outlets, promoting responsible and moderate consumption at alcohol establishments and events, and regulating purchases of alcohol shipped directly to customers; and

Whereas, SB 9 will benefit public safety by providing resources for local education and enforcement, improving law enforcement’s ability to address violations of Title 4, and increasing availability of data about alcohol entering local option communities; and

Whereas, SB 9 will improve the ABC Board’s and agency staff’s ability to effectively administer and enforce Title 4 and its associated regulations; and

THEREFORE, BE IT RESOLVED THAT we, the undersigned on this date of February 5, 2021 support the recommendations of the Title 4 Review stakeholders and urge the Legislature to pass Senate Bill 9.

Organization	Mat-Su Health Foundation
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Community	Mat-Su
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Signature	
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Name	Elizabeth Ripley
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Title	President and CEO
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February 10, 2021

The Honorable Senator Peter Micciche
State Capitol Room 111
Juneau AK, 99801

RE: Senate Bill 9: Alcoholic Beverage Control, Alcohol Reg

Dear Senator Micciche,

The Advisory Board on Alcoholism and Drug Abuse (ABADA) and the Alaska Mental Health Board (AMHB) are statutorily charged with advising, planning, and coordinating behavioral health services and programs funded by the State of Alaska. The Boards are in full support of Senate Bill 9 and thank you for your continued leadership on this effort.

Improving the structure, organization, specific policies and associated implementation issues of Alaska's Title 4 statutes regarding the regulation and control of alcoholic beverages in the state is important because it allows the ABC Board to carry out its mission by improving public health and safety standards for alcohol consumption.

According to the 2019 Alaska Youth Risk Behavioral Health (YRBS) survey, 15.9% of Alaskan high school age youth taking the survey had their first drink of alcohol before the age of 13 and 12.4% reported they had engaged in binge drinking in the past 30 days. SB 9 will empower the ABC Board to limit youth access to alcohol which is an important step in reducing underage drinking.

Along with addressing youth consumption, the proposed revisions in SB 9 are a comprehensive package of inter-related proposals to improve the overall system of alcohol regulation in Alaska. They will:

- Make Title 4 a clear and consistent framework used by licensees, the ABC Board and law enforcement.
- Increase effectiveness of Title 4 enforcement by improving the swiftness, proportionality and consistency of penalties.
- Increase licensee accountability before the ABC Board for Title 4 violations.
- Create a rational regulatory structure for Alaska's alcohol licensing system.
- Promote responsible alcohol use and reduce the harms of overconsumption.

Thank you for this opportunity to support SB 9 and thank you for your sponsorship of this important bill.

Sincerely,

Beverly Schoonover
Executive Director