

# **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. 31<sup>st</sup> Avenue, Suite 102  
Anchorage, AK 99503  
Office (907) 274-8133  
[www.alaskacharr.com](http://www.alaskacharr.com)

February 8, 2021

Dear Honorable Members of the 32<sup>nd</sup> 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](mailto: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 1<sup>st</sup>, 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](http://www.brewersguildofalaska.org)

**Lee Ellis** *BGA President*  
(907) 748-5427  
[lee@midnightsunbrewing.com](mailto: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", is 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](mailto: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](http://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 32<sup>nd</sup> 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

# ***Alaska State Legislature***

Senator Lora Reinbold, Chairwoman  
Session: Capital Room 427  
Juneau, AK 99801  
(907) 465-3926



Senator Mike Shower, Vice Chair  
Senator Shelley Hughes  
Senator Robert Myers  
Senator Jesse Kiehl

## ***Senate Judiciary Committee***

### **Public Testimony SB9 Opposition Letters April 7, 2021**

**City of Palmer, John Moosey, City Manager**

**City of Wasilla, Mayor Glenda D. Ledford**

**Matanuska-Susitna Borough, Mayor Vern Halter and  
Michael Brown, Borough Manager**



**John Moosey  
City Manager**

City of Palmer  
231 W. Evergreen Ave.  
Palmer, Alaska 99645-6952  
(907) 761-1317  
E-mail: [jmoosey@palmerak.org](mailto:jmoosey@palmerak.org)  
[www.palmerak.org](http://www.palmerak.org)

February 17, 2021

Senator Shelley Hughes  
Alaska State Capitol  
Juneau, Alaska 99801-1182  
[Sen.Shelley.Hughes@akleg.gov](mailto:Sen.Shelley.Hughes@akleg.gov)

Representative DeLena Johnson  
Alaska State Capitol  
Juneau, Alaska 99801-1182  
[Rep.DeLena.Johnson@akleg.gov](mailto:Rep.DeLena.Johnson@akleg.gov)

RE: Opposition to Senate Bill 9

Dear Sen. Shelley Hughes and Rep. DeLena Johnson,

I am writing to express our concerns with Senate Bill 9. The current law in Alaska severely restricts business in the City of Palmer. Senate Bill 9 compounds this restriction.

The City of Palmer's population is 5,997 but we serve a community of 29,500. Unfortunately, the State has historically endorsed a system of winners and losers in the restaurant and brewery industry by allowing and supporting beverage license monopolies. The State continues to endorse the outdated regulations limiting alcohol licenses based on population numbers. It has created barriers to business and stunting economic growth.

Regulating the number of restaurants that can serve alcohol based on population is not protecting the safety and welfare of citizens. Municipalities have effective planning, zoning, and law enforcement to enforce guidelines.

Palmer is a gem. Please, put into place sensible regulations that will not hamper our community but give us the ability to prosper.

Sincerely Yours,

  
John Moosey  
City Manager

CC: City Councils



## MATANUSKA-SUSITNA BOROUGH

### Office of the Mayor

350 East Dahlia Avenue • Palmer, AK 99645

Phone (907) 861-8682 • Fax (907) 861-8669

[Vern.Halter@matsugov.us](mailto:Vern.Halter@matsugov.us)

February 23, 2021

*VIA EMAIL*

The Honorable David Wilson, District D  
The Honorable Mike Shower, District E  
The Honorable Shelley Hughes, District F  
The Honorable Christopher Kurka, District 7  
The Honorable Kevin McCabe, District 8

The Honorable George Rauscher, District 9  
The Honorable David Eastman, District 10  
The Honorable DeLena Johnson, District 11  
The Honorable Cathy Tilton, District 12

Re: Senate Bill 9

Dear Mat-Su Valley Senators and Representatives,

The Matanuska-Susitna Borough Assembly recently passed Resolution Serial No. 21-017 with accompanying Informational Memorandum No. 21-040 in support of changes to state law to allow for more local control over alcohol beverage licensing. At a minimum, municipalities, including the Matanuska-Susitna Borough, should have the option to determine the appropriate number and types of alcoholic beverage licenses and permits in their communities. The Resolution and Informational Memorandum are attached to this letter.

The current version of SB 9 does not provide for maximum local control. Critically, the population limits contained in AS 04.11.400(a) remain and other population limits are proposed to be adopted on a statewide basis without regard to the local concerns, local conditions, and local preferences. Moreover, types of licenses and endorsements are locked in stone by proposals found in SB 9 without the ability of local governments to expand beyond them.

Also, a thoughtful consideration of the petition process of the proposed AS 04.11.405 reveals that it does little to help. The proposal grants the ability of a few privileged and unique municipalities (at the expense of all others who are left out for no good reason) to petition the board for additional restaurant licenses only, and no other category of licenses. Under proposed AS 04.11.405(a) only the 18 first class cities and 11 home rule cities among the total of 147 cities in Alaska can petition for additional licenses. Worse, only 4 of Alaska's 19 boroughs can make such a petition. The Matanuska-Susitna Borough is ineligible to even make a request. The proposal contains additional limitation as to what characteristics a municipality must have to be

*Providing Outstanding Borough Services to the Matanuska-Susitna Community.*



able to be granted a license, thus further limiting the impression that the section advances local control in any meaningful way.

For the reasons in the Resolution, Informational Memorandum, and written above, the Matanuska-Susitna Borough opposes SB 9 as written. Further, the Matanuska-Susitna Borough opposes any changes to the current laws in Title 4 without a major overhaul and revision to allow the Matanuska-Susitna Borough to carry out its constitutionally mandated mission of maximum local self-government. At a minimum, the Matanuska-Susitna Borough should have the option to determine the appropriate number and types of alcoholic beverage licenses and permits in our communities.

Sincerely,



Vern Halter  
Mayor



Michael Brown  
Borough Manager

Attachments: Resolution Serial No. 21-017  
Informational Memorandum No. 21-040

cc: Borough Assembly  
John Harris

Adopted: 02/16/21

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 21-017**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY IN SUPPORT OF CHANGES TO STATE LAW TO ALLOW FOR MORE LOCAL CONTROL OVER ALCOHOL BEVERAGE LICENSING.

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WHEREAS, Article X of the Alaska State Constitution references the intent of "maximum local self-government"; and

WHEREAS, the issuance of alcohol beverage licenses and permits within organized municipalities in the state is regulated by Title 4 of the Alaska State Statutes; and

WHEREAS, under Alaska Statutes Title 4, local municipalities are provided the opportunity to object to the issuance or renewal of alcoholic beverage licenses and permits within their jurisdiction, but otherwise have no authority in the issuance, number or type of licenses or permits; and

WHEREAS, in stark contrast, marijuana regulations provide for maximum local self-government by giving local municipalities the authority to determine whether to allow marijuana establishments within its border, and if allowed, the number and types of establishments to be permitted; and

WHEREAS, the same level of local control is not afforded to municipalities when it comes to regulating alcoholic beverage licenses and permits under Alaska Statutes Title 4; and

WHEREAS, local control is the preferred method of regulating, controlling and managing socially affected economic issues; and

WHEREAS, providing a mechanism for municipalities to determine the appropriate number and types of alcoholic beverage licenses and permits within their community will provide for more effective regulation of licenses and permits across our vast and diverse state; and

WHEREAS, any arguments concerning the ability for local municipal control of alcoholic beverage licensing to be effective are specious because local control over marijuana (which remains illegal under federal law) has been effective in those municipalities which have decided to regulate marijuana; and

WHEREAS, current monopolistic and archaic regulations stifle economic development of any business where any part of that business models relies on alcohol sales; and

WHEREAS, the development of restaurants, retailers, and hotels and whether those businesses should have the ability to sell alcoholic beverages should be a matter of local control which can be addressed, licensed, and adjusted as needed within municipalities across Alaska; and

WHEREAS, either delegating the power to municipalities, or providing a mechanism for municipalities to determine the appropriate number and types of alcoholic beverage licenses and permits within their community, will provide for more effective



regulation of licenses and permits across our vast and diverse state.

NOW, THEREFORE, BE IT RESOLVED, the Matanuska-Susitna Borough supports changes to state law to allow for more local control over alcohol beverage licensing.

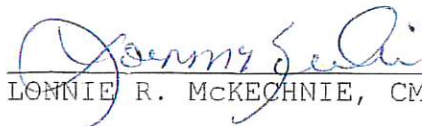
BE IT FURTHER RESOLVED, at a minimum, municipalities should have the option to able to determine the appropriate number and types of alcoholic beverage licenses and permits in their communities.

ADOPTED by the Matanuska-Susitna Borough Assembly this 16 day of February, 2021.



VERN HALTER, Borough Mayor

ATTEST:



LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

PASSED UNANIMOUSLY: Hale, Nowers, McKee, Yundt, Tew, Sumner, and Boeve

SUBJECT: A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY IN SUPPORT OF CHANGES TO STATE LAW TO ALLOW FOR MORE LOCAL CONTROL OVER ALCOHOL BEVERAGE LICENSING.

AGENDA OF: February 16, 2021

Assembly Action:

*approved under the consent agenda. 2-16-21 KBJ*

MANAGER RECOMMENDATION: Present to the Assembly for consideration.

APPROVED BY MICHAEL BROWN, BOROUGH MANAGER:

*WB*

Route To:	Department/Individual	Initials	Remarks
	Originator	NS	For Assemblymembers Yundt and Sumner
	Borough Attorney	<i>NS</i>	
	Borough Clerk	<i>Ym 2/16/21</i>	<i>KBJ</i>

ATTACHMENT(S): Fiscal Note: YES \_\_\_\_\_ NO X  
Resolution Serial No. 21-017 (3 pp)

SUMMARY STATEMENT: This resolution is sponsored by Assemblymembers Yundt and Sumner.

Article X of the Alaska State Constitution references the intent of maximum local self-government. Under State law, local municipalities have some control over alcoholic beverage licensing. Indeed, localities can vote themselves "dry" or "damp" in addition to having no restrictions at all. While municipalities can take actions limiting the licensing of alcohol within their jurisdictions, there is no concurrent ability for local governments to determine whether to allow for more alcoholic beverage licenses in their municipalities.

Under Alaska Statutes Title 4, the number and types of alcohol beverage licenses and permits allowed within a municipality is largely based upon population. The current structure does not provide any mechanism to allow municipalities to participate in determining the appropriate number and types of license and permits with their community.

In stark contrast, marijuana regulations provide for maximum local self-government by giving local municipalities the authority to determine whether to allow marijuana establishments within its border, and if allowed, the number and types of establishments to be permitted. The same level of local control is not afforded to municipalities when it comes to regulating alcoholic beverage licenses and permits under Alaska Statutes Title 4.

Local control is the preferred method of regulating, controlling and managing socially affected economic issues. Just as the number of alcohol licenses in the State of Alaska should not be set by those in Washington DC, the number of alcohol licenses in the Matanuska-Susitna Borough should not be set by those in Juneau. Current monopolistic and archaic regulations stifle economic development of any business where any part of that business models relies on alcohol sales. The development of restaurants, retailers, and hotels and whether those businesses should have the ability to sell alcoholic beverages should be a matter of local control which can be addressed, licensed, and adjusted as needed within municipalities across Alaska. Either delegating the power, or providing a mechanism for municipalities to determine the appropriate number and types of alcoholic beverage licenses and permits within their community, will provide for more effective regulation of licenses and permits across our vast and diverse state.

Finally, any arguments concerning the ability for local municipal control of alcoholic beverage licensing to be effective are specious. Local control over marijuana (which remains illegal under federal law) has been effective in those municipalities which have decided to regulate marijuana. There is not a rampant and uncontrolled spread of marijuana establishments operating illegally against local regulations. There is also not a failure of enforcement and operators simply running amok in the face of local regulations. The same will happen with local control of alcohol.

The proposed resolution supports changes to state law to allow for more local control over alcoholic beverage licensing. At a minimum, municipalities should have the option to able to determine the appropriate number and types of alcoholic beverage licenses and permits in their communities.

**RECOMMENDATION OF ADMINISTRATION:** Adoption of resolution.





# CITY OF WASILLA

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**MAYOR GLENDA D. LEDFORD**

290 E. Herning Avenue

Wasilla, AK 99654-7091

Phone: (907) 373-9055

Fax: (907) 373-9096

March 9, 2021

The Honorable David Wilson, District D  
The Honorable Mike Shower, District E  
The Honorable Shelley Hughes, District F  
The Honorable Christopher Kurka, District 7  
The Honorable Kevin McCabe, District 8

The Honorable George Rauscher, District 9  
The Honorable David Eastman, District 10  
The Honorable DeLena Johnson, District 11  
The Honorable Cathy Tilton, District 12

*VIA EMAIL*

**RE: Senate Bill 9**

Dear Mat-Su Valley Senators and Representatives,

Senate Bill 9 as currently proposed will not promote a fair business climate while trying to safeguard public health and safety in an already overburdened statewide system. In the Governor's vision for Alaska, he refers to economic development with less government administration. We agree fully with the Governor, allow local government to control alcohol in their respected jurisdictions.

In 2014 with the legalization of Marijuana, the statutes enacted by Ballot Measure 2 contemplated the creation of a strong regulatory framework established by a state agency with local governments tasked with implementing the regulations. Senate Bill 9 could mirror the statute and enact the same regulatory framework allowing Cities, Boroughs, and Home Rule Cities with Police Powers and zoning to invoke local control.

Additionally, the existing version of Senate Bill 9 does not provide for maximum local control. The population restrictions contained in AS 04.11.400(a) continue and additional population limits are proposed to be adopted on a statewide foundation without respect to local conditions, concerns, and preferences. Controlling licenses based on population limits, and managing density of alcohol outlets thorough these means, significantly limits the flexibility for innovative new business models, and/or tangible benefits for local governments.

The proposed AS 04.11.405 permits limited privileged and distinctive municipalities to petition the board for additional restaurant licenses only, and no other category of licenses. Under proposed AS 04.11.405(a) merely a few first-class cities and home rule cities among the total of 147 cities in Alaska can petition for additional licenses. Moreover, the proposal contains additional limitations as to what characteristics a municipality must have in order to be granted a license; further regulating the notion that the section advances local control.

As the sixth largest city in Alaska, the City of Wasilla is the economic epicenter of the Matanuska-Susitna Borough. Combined statistics from Department of Transportation, Mat-Su Convention & Visitors Bureau, and the Alaska Visitor Statistics Program demonstrate over 110,000 individuals/consumers frequent our city. Under proposed Senate Bill 9 our city would never be able to offer our community additional fine dining or shopping choices because companies/restaurants who desire to do business in the valley such as Applebee's; TGI Fridays; Chili's; Fat Ptarmigan; Snow City Café; Simon & Seafort's; Benihana; Cattle Company; Yes Bistro; Glacier Brew House; Olive Garden; Buffalo Wild Wings; Ginger; Orso; Sullivan's; Outback Steakhouse; Seven Glaciers; Everett's; Haute Quarter Grill; Club Paris; Moose's Tooth; Jen's; The Pubhouse; Gallo's Mexican Restaurant; The Rustic Goat; Shushi & Sushi; Spenard Roadhouse; Humpy's; Kinley's Restaurant & Grill; and South Restaurant; and most imperatively Costco, whose business would critically enhance food security in an emergency and disaster situation, **would not be able to acquire the licensing under the proposed bill**; additionally exemplifying how Senate Bill 9 as currently proposed will adversely affect all first-class and Home Rule cities in a much greater economic capacity.

It is with upmost respect; the City of Wasilla implores the reconsideration of the current proposed Senate Bill 9 enactment noting revision specific considerations with regard to economic growth and development and community impact and local control for future opportunities.

For these reasons, the City of Wasilla opposes Senate Bill 9 as written. The City should have the option to determine the quantity and categories of alcoholic beverage licenses and permits in our community.

Your kind attention in this imperative matter is greatly appreciated. Should you have questions please feel free to contact our office.

Respectfully,



Mayor Glenda D. Ledford  
City of Wasilla

Cc: file

Wasilla City Council