

# Senate Bill 15, version A Sponsor Statement

"An Act relating to the sale of alcohol; relating to the posting of warning signs for alcoholic beverages; and providing for an effective date."

Senate Bill 15 amends existing statutes surrounding the sale and consumption of alcoholic beverages in our state. The bill not only streamlines our current laws but aims to promote responsible alcohol service, enhance employment opportunities for our youth, and ensure that individuals under 21 are adequately protected. Through the changes proposed in this bill, we clarify and improve the operational guidelines for restaurants, theaters, and seasonal establishments holding alcohol licenses.

#### Key provisions include:

- Allowing a person aged 18- 20 to be employed and serve alcohol in establishments such as restaurants, breweries, wineries, distilleries, hotels, motels, large resorts.
- Ensuring establishments that choose to employ those under 21 years of age adequately supervise those employees to prevent underage consumption.
- Expanding the ability of individuals aged 16 and older to enter restaurants and other licensed premises for dining, with protections to ensure minors are not inappropriately exposed to alcohol.
- Adjusting the service hours for alcohol in theater establishments, recognizing the
  evolving nature of entertainment venues and providing greater flexibility while
  maintaining public safety.
- Updating warning signs in alcohol-serving establishments to emphasize risks.

These common-sense reforms balance public safety with desires of the business community, reflecting our commitment to ensuring that alcohol consumption is managed responsibly in our communities while also providing protections, and increased job opportunities, for young Alaskans.

#### SENATE BILL NO. 15

# IN THE LEGISLATURE OF THE STATE OF ALASKA THIRTY-FOURTH LEGISLATURE - FIRST SESSION

#### BY SENATOR MERRICK

Introduced: 1/10/25 Referred: Prefiled

#### A BILL

#### FOR AN ACT ENTITLED

- 1 "An Act relating to the sale of alcohol; relating to the posting of warning signs for
- 2 alcoholic beverages; and providing for an effective date."
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
- **\* Section 1.** AS 04.09.210(c) is amended to read:
- 5 (c) The board may issue or renew a license under this section only if the
- 6 (1) board determines that
- 7 (A) the licensed premises is a bona fide restaurant as defined in
- 8 AS 04.21.080(b);
- 9 (B) there is supervision on the premises adequate to reasonably
- ensure that a person under 21 years of age will not obtain alcoholic beverages.
- unless the person is employed as permitted in AS 04.16.049(d); and
- 12 (C) it is unlikely that persons under 21 years of age not
- employed on the premises will enter and remain on the licensed premises for
- purposes other than dining; and

1	(2) sale and service of food and alcoholic beverages and any other					
2	business conducted on the licensed premises of the restaurant or eating place is under					
3	the sole control of the licensee.					
4	* Sec. 2. AS 04.09.210(d) is amended to read:					
5	(d) The board may authorize the holder of a restaurant or eating place license					
6	(1) to allow a person who is at least 16 years of age but under 21 years					
7	of age to enter and remain on the licensed premises for dining only;					
8	(2) to allow a person who is under 16 years of age to enter and remain					
9	on the licensed premises for dining only if					
10	(A) the person is accompanied by a person who is 21 years of					
11	age or older; and					
12	(B) the parent or guardian of the person consents to the person					
13	being on the licensed premises; and					
14	(3) subject to AS 04.16.049, to employ or permit the employment of a					
15	person who is at least 16 years of age but under 21 years of age on the licensed					
16	premises if the employer provides adequate supervision to ensure that an employee					
17	who is 16 or 17 years of age [THE PERSON] does not obtain alcoholic beverages.					
18	* Sec. 3. AS 04.09.250(c) is amended to read:					
19	(c) The holder of a theater license may sell or serve alcoholic beverages only					
20	in designated areas on the licensed premises and only for a period beginning two					
21	hours [ONE HOUR] before the event until one hour after the event [AND DURING					
22	INTERMISSIONS].					
23	* Sec. 4. AS 04.09.360(c) is amended to read:					
24	(c) The board may issue or renew a license under this section only if					
25	(1) the board determines that					
26	(A) the licensed premises is a bona fide restaurant as defined in					
27	AS 04.21.080(b);					
28	(B) there is supervision on the premises adequate to reasonably					
29	ensure that a person under 21 years of age will not obtain alcoholic beverages.					
30	except as provided under AS 04.16.049(d); and					
31	(C) it is unlikely that persons under 21 years of age not					

1	employed on the premises will enter and remain on the licensed premises for					
2	purposes other than dining; and					
3	(2) the sale and service of food and alcoholic beverages and any other					
4	business conducted on the licensed premises of the restaurant or eating place is under					
5	the sole control of the licensee.					
6	* Sec. 5. AS 04.09.360(f) is amended to read:					
7	(f) The board may authorize the holder of a seasonal restaurant or eating place					
8	tourism license					
9	(1) to allow a person who is at least 16 years of age but under 21 years					
10	of age to enter and remain on the licensed premises for dining only;					
11	(2) to allow a person who is under 16 years of age to enter and remain					
12	on the licensed premises for dining only if					
13	(A) the person is accompanied by a person who is 21 years of					
14	age or older; and					
15	(B) the parent or guardian of the person consents to the person					
16	being on the licensed premises; and					
17	(3) subject to AS 04.16.049, to employ or permit the employment of a					
18	person who is at least 16 years of age but under 21 years of age on the licensed					
19	premises if the employer provides adequate supervision to ensure that an employee					
20	who is 16 or 17 years of age [THE PERSON] does not obtain alcoholic beverages.					
21	* Sec. 6. AS 04.09.450(d) is amended to read:					
22	(d) The board may issue an endorsement under this section only if the board					
23	finds					
24	(1) that the establishment or portion of the establishment for which the					
25	endorsement is requested is a bona fide restaurant;					
26	(2) there is supervision on the premises adequate to reasonably ensure					
27	that a person under 21 years of age will not obtain alcoholic beverages, except as					
28	provided under AS 04.16.049(d); and					
29	(3) that it is unlikely that persons under 21 years of age not employed					
30	on the premises will enter and remain on the premises of the bona fide restaurant for					
31	purposes other than dining.					

1	" Sec. 7. AS 04.09.430(e) is amended to read.
2	(e) The board may authorize the holder of a license with a restaurant
3	endorsement
4	(1) to allow a person who is at least 16 years of age but under 21 years
5	of age to enter and remain on the licensed premises for dining only;
6	(2) to allow a person who is under 16 years of age to enter and remain
7	on the licensed premises for dining only if
8	(A) the person is accompanied by a person who is 21 years of
9	age or older; and
10	(B) the parent or guardian of the person consents to the person
11	being on the licensed premises; and
12	(3) subject to AS 04.16.049, to employ or permit the employment of a
13	person who is at least 16 years of age but under 21 years of age on the premises of the
14	bona fide restaurant if the employer provides adequate supervision to ensure that an
15	employee who is 16 or 17 years of age [THE PERSON] does not obtain alcoholic
16	beverages.
17	* <b>Sec. 8.</b> AS 04.16.049(d) is amended to read:
18	(d) Notwithstanding any other provision in this section and AS 04.16.050(a),
19	a person 18, 19, or 20 years of age may be employed within the licensed premises of a
20	brewery manufacturer, winery manufacturer, distillery manufacturer, hotel or
21	motel, large resort, golf course, general wholesaler, limited brewed beverage and wine
22	wholesaler, common carrier dispensary, outdoor recreation lodge, brewery retailer,
23	winery retailer, distillery retailer, or restaurant, may enter and remain within those
24	premises for the purpose of employment, and, other than for a business that offers
25	adult entertainment, [BUT] may [NOT], in the course of employment, sell, serve,
26	deliver, or dispense alcoholic beverages.
27	* <b>Sec. 9.</b> AS 04.16.049(h) is amended to read:
28	(h) Notwithstanding any other provision in this section, a person under 21
29	years of age may be present
30	(1) on the licensed premises of a
31	(A) common carrier dispensary, destination resort, or outdoor

1	recreation lodge for the purpose of travel, travel lodging, or outdoor recreation
2	activities provided by the licensee if the person is
3	(i) [(1)] at least 16 years of age; or
4	(ii) [(2)] under 16 years of age and a parent or legal
5	guardian of the underaged person consents:
6	(B) theater if the person is
7	(i) at least 16 years of age; or
8	(ii) under 16 years of age, is accompanied by a
9	person who is at least 21 years of age, and a parent or legal
10	guardian of the underaged person consents;
11	(2) in the areas of a licensed premises covered by a large resort
12	endorsement, but excluding the areas of the premises originally covered by the
13	licensee's beverage dispensary or beverage dispensary tourism license where
14	alcohol is being served, for the purpose of travel, travel lodging, or outdoor
15	recreation activities provided by the large resort if the person is
16	(A) at least 16 years of age; or
17	(B) under 16 years of age and a parent or legal guardian of
18	the underaged person consents.
19	* Sec. 10. AS 04.16.049 is amended by adding a new subsection to read:
20	(k) In this section, "business that offers adult entertainment" has the meaning
21	given in AS 23.10.350(f).
22	* Sec. 11. AS 04.16.052(a) is amended to read:
23	(a) A licensee or an agent or employee of the licensee may not with criminal
24	negligence
25	(1) allow another person to sell, barter, or give an alcoholic beverage
26	to a person under the age of 21 years within licensed premises, except as provided in
27	<b>AS 04.16.049(d)</b> ;
28	(2) allow a person under the age of 21 years to enter and remain within
29	licensed premises except as provided in AS 04.16.049;
30	(3) allow a person under the age of 21 years to consume an alcoholic
31	beverage within licensed premises;

1	(4) allow a person under the age of 21 years to sell or serve alcoholic
2	beverages, except as provided in AS 04.16.049(d);
3	(5) while working on licensed premises, furnish or deliver alcoholic

(5) while working on licensed premises, furnish or deliver alcoholic beverages to a person under the age of 21 years, except as provided in AS 04.16.049(d).

\* **Sec. 12.** AS 04.21.065(b) is amended to read:

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- (b) The warning signs required by (a) of this section must be at least 11 inches by 14 inches, and the lettering must be at least one-half inch high and in contrasting colors. The first sign must read, "WARNING: Alcohol use [DRINKING ALCOHOLIC BEVERAGES SUCH AS BEER, WINE, WINE COOLERS, AND DISTILLED SPIRITS OR SMOKING CIGARETTES] during pregnancy can cause birth defects. Alcohol use can cause cancer, including breast and colon cancers." The second sign must read, "WARNING: A person who provides alcoholic beverages to a person under 21 years of age, if convicted under AS 04.16.051, could be imprisoned for up to five years and fined up to \$50,000." The third sign must read, "WARNING: An unaccompanied person under 21 years of age who enters these premises in violation of law may, under AS 04.16.049(e), be civilly liable for damages of \$1,500." The license or permit holder shall display the first and second signs in a manner that would make them conspicuous to a person who will be purchasing or consuming alcoholic beverages or smoking cigarettes on the licensed or designated premises and shall conspicuously display the third sign at each door through which customers enter the licensed premises.
- 23 \* Sec. 13. AS 04.09.250(d) is repealed.
- \* **Sec. 14.** This Act takes effect July 1, 2025.



## Senate Bill 15, version A Sectional Analysis

"An Act relating to the sale of alcohol; relating to the posting of warning signs for alcoholic beverages; and providing for an effective date."

#### Section 1. Amends AS 04.09.210(c) - Restaurant or eating place license

Incorporates supervision of minor employees as a criteria of consideration when the board issues or renews a license.

#### Section 2. Amends AS 04.09.210(d) - Restaurant or eating place license

Authorizes the license holder to employ those aged 16 to 21 years but requires adequate supervision of employees who are 16 or 17 years of age, so they do not obtain alcoholic beverages.

#### Section 3. Amends AS 04.09.250(c) – Theater license

Expands the time period in which a theater license holder may sell or serve alcohol. Removes intermission language.

#### Section 4. Amends AS 04.09.360(c) – Seasonal restaurant or eating place tourism license

Repeat of Section 1 for the seasonal tourism license, incorporating supervision of minor employees as a criteria to be considered by the board during issuance or renewal of a license.

#### Section 5. Amends AS 04.09.360(f) – Seasonal restaurant or eating place tourism license

Repeat of Section 2 for the seasonal tourism license, authorizing 16–21-year-old employees, provided there is adequate supervision.

#### Section 6. Amends AS 04.09.450(d) – Restaurant endorsement

Repeat of Section 1 for the restaurant endorsement, incorporating supervision of minor employees as a criteria to be considered by the board during issuance or renewal of a license.

#### Section 7. Amends AS 04.09.450(e) – Restaurant endorsement

Repeat of Section 2 for the restaurant endorsement, authorizing 16–21-year-old employees, provided there is adequate supervision.

Section 8. Amends AS 04.16.049(d) – Access of persons under the age of 21 to licensed premises Allows those who are aged 18, 19, or 20 employed by a licensee to serve, sell, deliver, and dispense alcoholic beverages. Adds language to ensure that adult entertainment establishments are excluded.



#### Section 9. Amends AS 04.16.049(h) – Access of underage persons to licensed premises

Allows those aged 16 and over to be present unattended on the premises of a theater license holder or a large resort endorsement; those under 16 must be accompanied by a person who is at least 21 years of age, with the consent of their parent or legal guardian.

Section 10. Amends AS 04.16.049 – Access of persons under the age of 21 to licensed premises

Defines adult entertainment. These establishments may not take advantage of expanded employee allowances in Section 8.

# Section 11. Amends AS 04.16.052(a) – Furnishing of alcoholic beverages to underage persons by licensees

Allows licensees or an agent or employee of the license to allow another person to sell, barter, or give an alcoholic beverage to a person under the age of 21 years only under the provisions in AS 04.16.049(d).

#### Section 12. Amends 04.21.065(b) – Posting of warning signs

Replaces the signs currently on display at alcohol vendors with one that reads "WARNING: Alcohol use during pregnancy can cause birth defects. Alcohol use can cause cancer, including breast and colon cancers."

#### Section 13. Repeals AS 04.09.250(d) – Theatre license

This is the portion of the theater license statute regarding where alcohol can be sold, served, and consumed within the theatre. With updates in Section 9, this line is no longer necessary.

**Section 14.** Effective date of July 1, 2025



#### Fiscal Note State of Alaska Bill Version: **SB 15** 2025 Legislative Session Fiscal Note Number: () Publish Date: SB015-DCCED-AMCO-01-23-25 Identifier: Department: Department of Commerce, Community and Title: ALCOHOL: SALE, WARNING SIGNS **Economic Development** Sponsor: **MERRICK** Appropriation: Alcohol and Marijuana Control Office Requester: (S) LABOR & COMMERCE Alcohol and Marijuana Control Office Allocation: OMB Component Number: 3119 **Expenditures/Revenues** Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars) Included in FY2026 Governor's Appropriation FY2026 **Out-Year Cost Estimates** Requested Request **OPERATING EXPENDITURES** FY 2027 FY 2026 FY 2026 FY 2028 FY 2029 FY 2030 FY 2031 Personal Services Travel Services Commodities Capital Outlay **Grants & Benefits** Miscellaneous 0.0 0.0 0.0 0.0 0.0 0.0 0.0 **Total Operating** Fund Source (Operating Only) None Total 0.0 0.0 0.0 0.0 0.0 0.0 0.0 **Positions** Full-time Part-time Temporary Change in Revenues None 0.0 0.0 0.0 0.0 0.0 0.0 0.0 Total Estimated SUPPLEMENTAL (FY2025) cost: 0.0 (separate supplemental appropriation required) Estimated CAPITAL (FY2026) cost: 0.0 (separate capital appropriation required) Does the bill create or modify a new fund or account? No (Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section) **ASSOCIATED REGULATIONS** Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes 07/01/26 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:
<u> </u>

Not applicable, initial version.

Prepared By:	Lizzie Kubitz, Acting Director	Phone:	(907)269-1004
Division:	Alcohol and Marijuana Control Office	Date:	01/23/2025
Approved By:	Hannah Lager, Administrative Services Director	Date:	01/24/25
Agency:	Commerce Community and Economic Development		

Printed 1/24/2025 Page 1 of 2 Control Code: rMJvi

#### FISCAL NOTE ANALYSIS

#### STATE OF ALASKA 2025 LEGISLATIVE SESSION

BILL NO. SB 15

### Analysis

This bill allows individuals aged 18 through 20 to sell, serve, deliver, or dispense alcoholic beverages on certain licensed premises; removes supervision of individuals aged 18 through 20; and amends the warning sign requirements for alcoholic beverage licensed premises to require the posting of a warning that "Alcohol use can cause cancer, including breast and colon cancers."
If this legislation is adopted, the Alcohol and Marijuana Control Office (AMCO) will need to update the online licensing and case management systems and updating regulations. These changes will be incorporated into planned system updates and regulations packages.
AMCO prints required warning signs and provides them to alcoholic beverage licensees. If adopted, this bill would require AMCO to replace existing signs. In addition, AMCO will need to update and notice associated regulations. The cost of these changes will be absorbed by AMCO's existing authority.
The Alcohol and Marijuana Control Office does not anticipate fiscal impact from this legislation.

(Revised 9/6/24 OMB/LFD) Page 2 of 2



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

January 23, 2025

Dear Honorable Members of the 34<sup>th</sup> Alaska State Legislature:

I have served as President & CEO of the Alaska Cabaret, Hotel, Restaurant, and Retailers Association (commonly known as Alaska CHARR) since 2018. Alaska CHARR has over 700 members and represents over 2000 hospitality establishments that employ over 36,000 workers across Alaska communities.

Alaska's hospitality industry continues to face significant ongoing challenges to business operations, the greatest of which being ongoing and increasing labor shortages.

Currently, Alaska is one of only three states (along with Utah and Nevada) that requires a person to be 21 years of age or older to serve alcohol. Employers struggle to promote or retain quality employees who are 18-20 years of age because they are prohibited from serving alcohol or supervising other employees who serve or sell alcohol. Alaska is not competitive in this space, and our industry is experiencing an outmigration of young workers.

When I was in my late teens and early twenties, I attended college while serving and bartending in the Pacific Northwest. During summer breaks, I stayed in the Pacific Northwest rather than returning home to Alaska because I could make significantly more money as a server or manager – positions that I was prohibited by law from working in in my home state. In multiple years, I earned six figures by serving and bartending as a young adult outside of Alaska; if I had returned to Alaska, I would have been limited under current statute to positions that paid 25-30% what I was able to make outside. Many young people are making the same choice in today's labor market which is having a significant impact on Alaska hospitality businesses.

Senate Bill 15 will help hundreds of Alaskan-owned establishments around the state that collectively represent Alaska's largest private employer and second largest industry.

As the voice of Alaska's hospitality industry, I respectfully request that you support thousands of workers and businesses around the state by voting in support of Senate Bill 15.

Thank you for your consideration.

Respectfully,

Sarah Oates Harlow President & CEO sharlow@alaskacharr.com

Jurisdiction	Postal Code	Policies as of	Minimum Age To Serve: Beer	Minimum Age To Serve: Wine	Minimum Age To Serve: Spirits	Minimum Age To Bartend: Beer	Minimum Age To Bartend: Wine	Minimum Age To Bartend: Spirits	Manager or Supervisor Must Be Present
Alabama	AL	1/1/2022	19	19	19	21	21	21	1
Alaska	AK	1/1/2022	21	21	21	21	21	21	0
Arizona	AZ	1/1/2022	18	18	18	18	18	18	0
Arkansas	AR	1/1/2022	19	19	19	21	21	21	0
California	CA	1/1/2022	18	18	18	21	21	21	0
Colorado	CO	1/1/2022	18	18	18	18	18	18	1
Connecticut	CT	1/1/2022	18	18	18	18	18	18	0
Delaware	DE	1/1/2022	18	18	18	21	21	21	0
District of Columbia	DC	1/1/2022	18	18	18	21	21	21	0
Florida Georgia	FL GA	1/1/2022 1/1/2022	18 18	18 18	18 18	18 18	18 18	18 18	0 0
Hawaii	HI	1/1/2022	18	18	18	18	18	18	1
Idaho	ID	1/1/2022	19	19	19	19	19	19	0
Illinois	IL	1/1/2022	18	18	18	18	18	18	0
Indiana	IN	1/1/2022	19	19	19	21	21	21	1
Iowa	IA	1/1/2022	18	18	18	18	18	18	0
Kansas	KS	1/1/2022	18	18	18	21	21	21	1
Kentucky	KY	1/1/2022	20	20	20	20	20	20	0
Louisiana	LA	1/1/2022	18	18	18	18	18	18	0
Maine	ME	1/1/2022	17	17	17	17	17	17	1
Maryland	MD	1/1/2022	18	18	18	18	18	21	0
Massachusetts	MA	1/1/2022	18	18	18	18	18	18	0
Michigan	MI	1/1/2022	18	18	18	18	18	18	0
Minnesota	MN	1/1/2022	18	18	18	18	18	18	0
Mississippi	MS	1/1/2022	18	18	18	21	21	21	0
Missouri	MO	1/1/2022	18	18	18	21	21	21	0
Montana	MT	1/1/2022	18	18	18	18	18	18	0
Nebraska	NE NV	1/1/2022	19	19	19	19	19	19	0
Nevada	NV NH	1/1/2022	21 18	21 18	21 18	21 18	21 18	21 18	0
New Hampshire New Jersey	NJ	1/1/2022 1/1/2022	18	18	18	18	18	18	0
New Mexico	NM	1/1/2022	18	18	18	21	21	21	0
New York	NY	1/1/2022	18	18	18	18	18	18	0
North Carolina	NC	1/1/2022	18	18	18	18	18	21	0
North Dakota	ND	1/1/2022	18	18	18	21	21	21	1
Ohio	ОН	1/1/2022	19	19	19	19	21	21	0
Oklahoma	ОК	1/1/2022	18	18	18	21	21	21	0
Oregon	OR	1/1/2022		18	18	18	18	18	0
Pennsylvania	PA	1/1/2022		18	18	18	18	18	0
Rhode Island	RI	1/1/2022	18	18	18	18	18	18	0
South Carolina	SC	1/1/2022	18	18	18	21	21	21	0
South Dakota	SD TN	1/1/2022	18 18	18 18	18 18	21 18	21 18	21	0
Tennessee _		1/1/2022						18	
Texas	TX	1/1/2022	18	18	18	18	18	18	0
Utah	UT	1/1/2022	21	21	21	21	21	21	0
Vermont	VT	1/1/2022	18	18	18	18	18	18	0
Virginia	VA	1/1/2022	18	18	18	21	21	21	0
Washington	WA	1/1/2022	18	18	18	21	21	21	1
West Virginia	WV	1/1/2022	16	16	16	16	16	16	1
Wisconsin	WI	1/1/2022		18	18	18	18	18	0
Wyoming	WY	1/1/2022	18	18	18	21	21	21	0
United States	US	1/1/2022							0

21/21

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18/21	14
18/18	23
19/21	2
19/19	2
16 or 17	2
20	1
19 or 19/21 blend	3
total	50