

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSHB 312(HES)
 (H) Publish Date: 2/24/06

Revision Date/Time (Note if correction): _____ Dept. Affected: Public Safety
 Title Relating to pregnant women, fetal alcohol RDU Alcoholic Beverage Control Board
syndrome/effects, and the sale of alcohol Component ABC Board
 Sponsor Representative Weyhrauch
 Requester House Health, Education & Social Services Component No. 2690

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	*****	*****	*****	*****	*****	*****

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	*****	*****	*****	*****	*****	*****

Estimate of any current year (FY2006) cost: *****
 Check this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The Alcoholic Beverage Control (ABC) Board is impacted by Sections 2, 3, 4, and 5 of this bill.

Section 2 amends AS 04.11.370 by making the sale or service of alcoholic beverages by a liquor licensee or permittee contrary to the best interests of the public if the sale or service of alcoholic beverages is to a woman who is known by the licensee or permittee to be pregnant.

Section 3 adds a new section which requires the board to suspend a license for six months for the first offense of selling or serving "an alcoholic beverage to a woman known to be pregnant." A second offense requires a 12 month suspension and a third offense requires revocation.

Prepared by: Director Douglas B. Griffin Phone 907-269-0351
 Division Alcoholic Beverage Control Board Date/Time 2/21/06 2:53 PM
 Approved by: Commissioner William Tandeske Date 2/21/2006
 Agency Department of Public Safety

FISCAL NOTE #1

**STATE OF ALASKA
2006 LEGISLATIVE SESSION**

BILL NO. CSHB 312(HES)

ANALYSIS CONTINUATION

Sections 4 and 5 allows the ABC Board to impose a civil fine equal to the permanent fund dividend payment multiplied by the life expectancy of a child born with fetal alcohol effects or fetal alcohol syndrome.

Enforcement of the sections cited above will generally be initiated by complaints from citizens or observations of law enforcement personnel. The number of complaints that will come to the attention of the ABC Board is unknown. Each complaint would need to be investigated and depending on how many complaints are filed, additional ABC Board personnel may be required to handle the increased workload. It is unknown how many of these types of complaints would have merit and eventually lead to an administrative hearing under AS 04.11.510(c). Cases going to hearing would involve further investigative costs and would generate up to 100 hours of time of an assistant attorney general and a similar amount of time for a hearing officer from the Department of Administration, Office of Administrative Hearing. Since the penalties under this bill are so severe and the ABC Board has no discretion in imposing penalties under informal settlement, it is likely that licensees and their employees will demand their full measure of due process. A complaint that is fully investigated and heard under the Administrative Procedures Act could cost the State of Alaska up to \$25,000 per hearing.

The ABC Boards' proposed budget cannot absorb any additional hearing costs; however, the amount of additional cost for the ABC Board is indeterminate at this time because it is unknown how much additional work this law will generate.