

HOUSE BILL NO. 185

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES HERRON, Hughes

Introduced: 4/9/15

Referred: Labor and Commerce, Judiciary

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to alcoholic beverages; relating to the regulation of manufacturers,**
2 **wholesalers, and retailers of alcoholic beverages; relating to licenses, endorsements, and**
3 **permits involving alcoholic beverages; relating to the Alcoholic Beverage Control**
4 **Board; relating to offenses involving alcoholic beverages; relating to the offense of minor**
5 **consuming; relating to revocation of a driver's license for a minor consuming offense;**
6 **relating to the effect of the revocation of a driver's license for a minor consuming offense**
7 **on a motor vehicle liability insurance policy; and providing for an effective date."**

8 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

9 * **Section 1.** AS 04.06.020 is repealed and reenacted to read:

10 **Sec. 04.06.020. Appointment and qualifications.** (a) The board consists of
11 five members appointed by the governor and confirmed by a majority of the members
12 of the legislature in joint session. A member of the board may not hold any other state
13 or federal office, either elective or appointive.

1 (b) Except as provided in (c) and (d) of this section, one member of the board
2 shall be employed in the public safety sector, one member shall be employed in the
3 public health sector, one member shall have resided in a rural area within five years of
4 appointment, and not more than two members may be actively engaged in the
5 alcoholic beverage industry.

6 (c) If the director, within five years of appointment, was actively engaged in
7 the alcoholic beverage industry, then only one board member may be actively engaged
8 in the alcoholic beverage industry. If the director, within five years of appointment,
9 was employed in the public safety sector or the public health sector, then one board
10 member shall be from the general public. When the governor appoints a new director
11 under AS 04.06.070, the governor shall take the new director's experience in the
12 alcoholic beverage industry, public safety sector, or public health sector into account
13 in making appointments to the board; however, an existing board member with
14 experience in that industry or sector may serve the remainder of that member's term.

15 (d) A member may not hold a wholesale alcoholic beverage license or be an
16 officer, agent, or employee of a wholesale alcoholic beverage enterprise. Not more
17 than two members of the board may be engaged in the same business, occupation, or
18 profession. A board member employed in the public safety sector or public health
19 sector, from a rural area, or representing the general public may not have, or have an
20 immediate family member who has, a prohibited financial interest as described in
21 AS 04.11.450 in a business for which a license is issued.

22 (e) If a board member ceases to represent the constituency the member was
23 appointed to represent, the seat becomes vacant. A vacancy shall be filled in the same
24 manner as the original appointment, and a member appointed to fill a vacancy holds
25 office for the balance of the term for which the member's predecessor was appointed.

26 (f) In this section,

27 (1) "immediate family member" means a spouse, child, or parent;

28 (2) "public health sector" means a profession that primarily has the
29 responsibility to protect the safety and improve the health of communities through
30 education, policy making, and research for disease and injury prevention;

31 (3) "public safety sector" means a peace officer, a municipal or state

1 prosecutor, a former judicial officer, or a profession that primarily has the authority to
 2 provide for the welfare and protection of the general public through the enforcement
 3 of municipal, state, or federal laws;

4 (4) "rural area" means a community that is not connected by road or
 5 rail to Anchorage or Fairbanks and that has a population of 6,000 or less or has
 6 participated in a local option election under AS 04.11.491; in this paragraph,

7 (A) "community" means a city as that term is defined in
 8 AS 29.71.800, and an established village that is located in a borough or the
 9 unorganized borough;

10 (B) "population" means the population of a community as
 11 determined under AS 29.60.860(c).

12 * **Sec. 2.** AS 04.06.030(c) is amended to read:

13 (c) The board shall select a **chair** [CHAIRMAN] from among its members.

14 * **Sec. 3.** AS 04.06.050 is amended to read:

15 **Sec. 04.06.050. Meetings.** The board shall meet at the call of the **chair**
 16 [CHAIRMAN]. The board shall also meet at least once each year in each judicial
 17 district of the state to study this title and to modify existing board regulations in light
 18 of statewide and local problems.

19 * **Sec. 4.** AS 04.06.075 is amended by adding a new subsection to read:

20 (b) The director shall prepare and submit to the board an annual budget for the
 21 board that includes funding for administration and enforcement of this title as well as
 22 education, training, and prevention activities.

23 * **Sec. 5.** AS 04.06.080 is amended to read:

24 **Sec. 04.06.080. Delegation of authority.** The director shall issue, renew,
 25 transfer, suspend, or revoke all licenses, **endorsements**, and permits at the direction of
 26 the board. However, notwithstanding **AS 04.06.090(b)** [AS 04.11.070], the board may
 27 delegate authority to the director to temporarily grant or deny the issuance, renewal, or
 28 transfer of licenses, **endorsements**, and permits. The director's temporary grant or
 29 denial of the issuance, renewal, or transfer of a license, **endorsements**, or permit is not
 30 binding on the board. The board may delegate to the director any duty imposed by this
 31 title except its power to propose and adopt regulations.

1 * **Sec. 6.** AS 04.06.090(b) is amended to read:

2 (b) **Only the board may issue, renew, transfer, relocate, suspend, or**
 3 **revoke a license or endorsement under this title.** The board shall review all
 4 applications for licenses **and endorsements** made under this title and may order the
 5 director to issue, renew, revoke, transfer, or suspend licenses, **endorsements**, and
 6 permits authorized under this title.

7 * **Sec. 7.** AS 04.06.090 is amended by adding new subsections to read:

8 (f) The board shall develop a comprehensive plan to educate the public on the
 9 responsible use of alcoholic beverages. The board shall update and revise the plan
 10 annually.

11 (g) The board shall review the fees specified in this title and regulations
 12 adopted under this title not less frequently than once every 10 years.

13 (h) The board may, within 30 days after the introduction of a bill amending a
 14 provision of this title or adding a new provision to this title, prepare an advisory
 15 opinion regarding the changes proposed in the bill.

16 * **Sec. 8.** AS 04.06.095 is amended to read:

17 **Sec. 04.06.095. Statewide database.** (a) The board, after consulting with
 18 package store licensees, shall create and maintain a statewide database that contains a
 19 monthly record of the alcohol purchased by, and shipped to, a person who resides in a
 20 municipality or established village that has restricted the sale of alcoholic beverages
 21 under AS 04.11.491(a)(1), (2), or (3) or (b)(1) or (2).

22 (b) Except as otherwise specifically provided in this section, the information
 23 contained in the database is confidential and is not subject to inspection or copying
 24 under AS 40.25.110 - 40.25.220. Information in the database shall be purged **10 years**
 25 [ONE YEAR] after entry unless it is needed for criminal investigation or prosecution.
 26 Information in the database is available only to

27 (1) a package store licensee, agent, or employee to consult before
 28 shipping alcohol to a purchaser in a restricted area **under a package store shipping**
 29 **endorsement** as provided in **AS 04.09.420** [AS 04.11.150(g)];

30 (2) a law enforcement officer;

31 (3) a probation or parole officer;

1 (4) the board; and

2 (5) the person who is the subject of the information; the board shall
3 adopt regulations concerning access by a person to information contained in the
4 database of the purchases by, and shipments to, that person.

5 * **Sec. 9.** AS 04.06.095 is amended by adding a new subsection to read:

6 (c) The board shall produce a report of the aggregate regional and statewide
7 data from the database, without including personally identifiable information or the
8 names of businesses, and shall make the report available for public inspection and
9 copying under AS 40.25.110 - 40.25.220. The report must include information about
10 the total volume of alcohol received in each municipality or established village and
11 identify the region from which the alcohol was shipped.

12 * **Sec. 10.** AS 04 is amended by adding a new chapter to read:

13 **Chapter 09. Licenses, Endorsements, and Permits.**

14 **Article 1. License Types.**

15 **Sec. 04.09.010. Types of licenses.** A license defines activities allowed daily on
16 licensed premises. License type is a general category of license activity based on the
17 three-tier system of alcohol regulation. The three types of licenses the board may issue
18 are manufacturer, wholesale, and retail licenses. The board may issue only the licenses
19 authorized in AS 04.09.020 - 04.09.340.

20 **Article 2. Manufacturer Licenses.**

21 **Sec. 04.09.020. Brewery manufacturer license.** (a) A brewery manufacturer
22 license authorizes the holder to operate a brewery for the manufacture, packaging,
23 storing, and sale of brewed beverages.

24 (b) The biennial brewery manufacturer license fee is \$1,500.

25 (c) Notwithstanding (a) of this section, AS 4.09.270(a), and 04.09.320, the
26 holder of a brewery license issued under former AS 04.11.130 offering, on the
27 effective date of this Act, on the brewery's licensed premises beer for sale to the public
28 for consumption on or off the premises may offer beer for sale to the public for
29 consumption on or off the premises for a period ending on December 31 of the
30 calendar year eight years after the effective date of this Act.

31 **Sec. 04.09.030. Winery manufacturer license.** (a) A winery manufacturer

1 license authorizes the holder to operate a winery for the manufacture, packaging,
2 storing, and sale of wine.

3 (b) The biennial winery manufacturer license fee is \$1,500.

4 (c) The holder of a winery license issued under former AS 04.11.140 offering,
5 on the effective date of this Act, on the winery's licensed premises wine for sale to the
6 public for consumption on or off the premises may offer wine for sale to the public for
7 consumption on or off the premises for a period ending on December 31 of the
8 calendar year eight years after the effective date of this Act.

9 **Sec. 04.09.040. Distillery manufacturer license.** (a) A distillery manufacture
10 license authorizes the holder to operate a distillery for the manufacture, packaging,
11 storing, and sale of distilled spirits.

12 (b) The biennial distillery manufacturer license fee is \$1,500.

13 (c) The holder of a distillery license issued under former AS 04.11.170
14 offering, on the effective date of this Act, on the distillery's licensed premises distilled
15 spirits for sale to the public for consumption on or off the premises may offer distilled
16 spirits for sale to the public for consumption on or off the premises for a period ending
17 on December 31 of the calendar year eight years after the effective date of this Act.

18 **Sec. 04.09.050. Authorized sales.** A manufacturer license authorizes the
19 holder to sell its product to

- 20 (1) the holder of a wholesale license issued under this chapter;
- 21 (2) the holder of a retail license issued under this chapter;
- 22 (3) the holder of a permit issued under this chapter;
- 23 (4) an entity in another state or country.

24 **Sec. 04.09.060. Unlicensed manufacturing.** (a) A person commits the crime
25 of unlicensed manufacturing if the person knowingly operates a

- 26 (1) brewery without a brewery manufacturer license;
- 27 (2) winery without a winery manufacturer license; or
- 28 (3) distillery without a distillery manufacturer license.

29 (b) Unlicensed manufacturing is a class A misdemeanor.

30 **Sec. 04.09.070. Unlicensed manufacturing in a local option area.** (a) A
31 person commits the crime of unlicensed manufacturing in a local option area if the

1 person knowingly operates in an area that has adopted a local option under
2 AS 04.11.491 a

- 3 (1) brewery without a brewery manufacturer license;
- 4 (2) winery without a winery manufacturer license; or
- 5 (3) distillery without a distillery manufacturer license.

6 (b) Unlicensed manufacturing in a local option area is a class C felony.

7 **Sec. 04.09.080. Unauthorized manufacturer sale.** (a) A person who holds a
8 manufacturer license commits the offense of unauthorized manufacturer sale if the
9 person sells its product to a buyer not listed in AS 04.09.050.

10 (b) Unauthorized manufacturer sale is a violation and is punishable by a fine
11 of \$250.

12 **Sec. 04.09.090. Definition.** In AS 04.09.020 - 04.09.090, "packaging" means
13 the process of containing alcoholic beverages in bottles or other types of containers for
14 purpose of resale.

15 **Article 3. Wholesale Licenses.**

16 **Sec. 04.09.100. General wholesale license.** (a) A general wholesale license
17 authorizes the holder to sell alcoholic beverages in the original package. The holder of
18 a general wholesale license may not sell to a person not licensed under this title,
19 except as provided in AS 04.21.040.

20 (b) The biennial general wholesale license fee is \$2,000.

21 (c) In addition to the license fee under (b) of this section, the holder of a
22 general wholesale license shall pay an annual fee based on the total value of business
23 transacted by the wholesale business, including the excise tax imposed by
24 AS 43.60.010. If the total value of business transacted during the calendar year
25 including the excise tax imposed by AS 43.60.010 is

- 26 (1) less than or equal to \$100,000, then the annual fee is \$0;
- 27 (2) over \$100,000 and not over \$150,000, then the annual fee is \$250;
- 28 (3) over \$150,000 and not over \$200,000, then the annual fee is \$500;
- 29 (4) over \$200,000 and not over \$250,000, then the annual fee is \$750;
- 30 (5) over \$250,000 and not over \$300,000, then the annual fee is

31 \$1,000;

- 1 (6) over \$300,000 and not over \$350,000, then the annual fee is
 2 \$1,250;
- 3 (7) over \$350,000 and not over \$400,000, then the annual fee is
 4 \$1,500;
- 5 (8) over \$400,000 and not over \$500,000, then the annual fee is
 6 \$2,000;
- 7 (9) over \$500,000 and not over \$600,000, then the annual fee is
 8 \$2,500;
- 9 (10) over \$600,000 and not over \$700,000, then the annual fee is
 10 \$3,000;
- 11 (11) over \$700,000 and not over \$800,000, then the annual fee is
 12 \$3,500;
- 13 (12) over \$800,000 and not over \$1,000,000, then the annual fee is
 14 \$4,500;
- 15 (13) over \$1,000,000, then the annual fee is \$10,000.

16 **Sec. 04.09.110. Limited wholesale malt beverage and wine license.** (a) A
 17 limited wholesale malt beverage and wine license authorizes the holder to sell malt
 18 beverages and wine in the original packages. The holder of a limited wholesale malt
 19 beverage and wine license may not sell to a person not licensed under this title, except
 20 as provided in AS 04.21.040.

21 (b) The biennial limited wholesale malt beverage and wine license fee is \$400.

22 (c) In addition to the license fee under (b) of this section, the holder of a
 23 limited wholesale malt beverage and wine license shall pay an annual fee based on the
 24 total value of business transacted by the wholesale business, including the excise tax
 25 imposed by AS 43.60.010. If the total value of business transacted during the calendar
 26 year including the excise tax imposed by AS 43.60.010 is

- 27 (1) less than or equal to \$20,000, then the annual fee is \$0;
- 28 (2) over \$20,000 and not over \$50,000, then the annual fee is \$150;
- 29 (3) over \$50,000 and not over \$100,000, then the annual fee is \$500;
- 30 (4) over \$100,000 and not over \$150,000, then the annual fee is \$750;
- 31 (5) over \$150,000 and not over \$200,000, then the annual fee is

1 \$1,000;

2 (6) over \$200,000 and not over \$400,000, then the annual fee is
3 \$2,000;

4 (7) over \$400,000 and not over \$600,000, then the annual fee is
5 \$3,000;

6 (8) over \$600,000 and not over \$800,000, then the annual fee is
7 \$4,000;

8 (9) over \$800,000, then the annual fee is \$10,000.

9 **Sec. 04.09.120. Annual fee and affidavit.** (a) Not later than February 28 of
10 each year the holder of a general wholesale license or a limited wholesale malt
11 beverage and wine license shall pay the annual fee for the license for the preceding
12 calendar year, and file with the board an affidavit showing the

13 (1) total value of business transacted under the license by the
14 wholesale business, including the excise tax imposed by AS 43.60.010, during the
15 preceding calendar year; and

16 (2) location of the licensed premises at which the business was
17 transacted.

18 (b) Failure to file an affidavit under (a) of this section or the expiration of a
19 license under AS 04.11.540 does not relieve a licensee from paying the prescribed
20 annual fee.

21 **Sec. 04.09.130. Wholesale supplier declaration.** (a) A person who applies for
22 issuance or renewal of a general wholesale license or a limited wholesale malt
23 beverage and wine license shall submit to the board, on a form prescribed by the
24 board, a declaration that the person is the appointed wholesaler of the distiller, brewer,
25 vintner, or importer of each product line of alcoholic beverage that the person intends
26 to purchase, offer for sale, or sell. The form must include a space for the person to
27 indicate the total number of suppliers. The board may request a list of suppliers, or
28 additional information about a product line.

29 (b) A person filing a declaration under this section shall pay a biennial filing
30 fee. If the declaration lists

31 (1) one to 25 suppliers, the fee is \$500;

1 (2) 26 to 50 suppliers, the fee is \$1,000;

2 (3) 51 to 75 suppliers, the fee is \$1,500;

3 (4) 76 or more suppliers, the fee is \$2,000.

4 (c) In this section, "distiller, brewer, vintner, or importer" includes an
5 exclusive agent of the distiller, brewer, vintner, or importer if the agent's name appears
6 on the label of the brand approved by the Alcohol and Tobacco Tax and Trade Bureau.

7 **Sec. 04.09.140. Unlicensed wholesale sale.** (a) A person commits the crime of
8 unlicensed wholesale sale if the person knowingly sells

9 (1) alcoholic beverages in the original package without a general
10 wholesale license; or

11 (2) malt beverages or wine without a general wholesale license or a
12 limited wholesale malt beverage and wine license.

13 (b) Unlicensed wholesale sale is a class A misdemeanor.

14 **Sec. 04.09.145. Unlicensed wholesale sale in a local option area.** (a) A
15 person commits the crime of unlicensed wholesale sale in a local option area if the
16 person knowingly sells in an area that has adopted a local option under AS 04.11.491

17 (1) alcoholic beverages in the original package without a general
18 wholesale license; or

19 (2) malt beverages or wine without a general wholesale license or a
20 limited wholesale malt beverage and wine license.

21 (b) Unlicensed wholesale sale in a local option area is a class C felony.

22 **Sec. 04.09.150. Failure to pay annual fee or file affidavit.** (a) A person
23 commits the offense of failure to pay an annual wholesale fee or supplier fee or file a
24 supplier affidavit if the person fails to pay the annual fee or file the affidavit as
25 required under AS 04.09.120.

26 (b) Failure to pay an annual wholesale fee or supplier fee or file a supplier
27 affidavit is a violation and is punishable by a fine of \$250.

28 **Article 4. Retail Licenses.**

29 **Sec. 04.09.160. Beverage dispensary license.** (a) A beverage dispensary
30 license authorizes the holder to sell or serve on the licensed premises alcoholic
31 beverages for consumption only on the licensed premises.

1 (b) The biennial beverage dispensary license fee is \$2,500.

2 (c) The holder of a beverage dispensary license may not maintain on the
3 licensed premises more than one room in which there is regularly maintained a fixed
4 counter or service bar that has plumbing connections to permanent plumbing at which
5 alcoholic beverages are sold or served to members of the public for consumption,
6 unless the license has a multiple fixed counter endorsement.

7 (d) A person who holds, on the effective date of this Act, a duplicate license
8 issued under former AS 04.11.090(e) may continue to operate under the duplicate
9 license and renew or transfer the duplicate license for a period ending on December 31
10 of the calendar year ending eight years after the effective date of this Act, provided the
11 underlying beverage dispensary license remains valid.

12 (e) The holder of a beverage dispensary license who sells or serves alcoholic
13 beverages off the licensed premises or permits consumption off the premises of
14 alcoholic beverages sold or served on the premises commits the offense of
15 unauthorized beverage dispensary activity.

16 (f) Unauthorized beverage dispensary activity is a violation.

17 **Sec. 04.09.170. Restaurant or eating place license.** (a) A restaurant or eating
18 place license authorizes a restaurant or eating place to sell beer and wine for
19 consumption only on the licensed premises.

20 (b) The biennial restaurant or eating place license fee is \$1,250.

21 (c) The board may issue or renew a license under this section only if

22 (1) the board determines that the licensed premises is a bona fide
23 restaurant or eating place as defined in AS 04.21.080(b);

24 (2) the license has a restaurant endorsement; and

25 (3) the sale and service of food and alcoholic beverages and any other
26 business conducted on the licensed premises of the restaurant or eating place is under
27 the sole control of the licensee.

28 (d) The board may issue a restaurant or eating place license to a person who
29 holds a winery manufacturer license or a brewery manufacturer license only if the
30 winery or brewery is located in the same municipality or established village as the
31 restaurant or eating place.

1 (e) The holder of a restaurant or eating place license shall ensure that gross
2 receipts from the sale of food for consumption on the licensed premises exceed gross
3 receipts from the sale of alcoholic beverages for consumption on the licensed premises
4 in each calendar year. The board may renew a restaurant or eating place license only if
5 the licensee provides evidence satisfactory to the board, that during each of the two
6 preceding calendar years, the gross receipts from the sale of food for consumption on
7 the licensed premises were not less than the gross receipts from the sale of alcoholic
8 beverages for consumption on the licensed premises.

9 (f) Notwithstanding (c) of this section, upon written application and approval
10 of the local governing body, the board may renew a restaurant or eating place license
11 if the license was issued under the provisions of former AS 04.11.100(f) before
12 October 1, 1996. The board may not

13 (1) renew a license as provided under this subsection if

14 (A) the renewal would result in more than one exempt
15 restaurant or eating place license for every 10 restaurant or eating place
16 licenses allowed under the provisions of AS 04.11.400(a)(2) or (3);

17 (B) the premises would be located in a building having a public
18 entrance within 200 feet of the boundary line of a school or a church building
19 in which religious services are being regularly conducted; for purposes of this
20 subparagraph, the 200-foot prohibition is measured from the outer boundary
21 line of the school or the public entrance of the church building by the shortest
22 pedestrian route to the nearest public entrance of the restaurant or eating place;
23 or

24 (2) transfer an exempt license issued under this subsection to another
25 person.

26 (g) The holder of a restaurant or eating place license operating under a license
27 renewed under (f) of this section shall offer a full-service menu of food items available
28 to the public during all times that beer or wine is served or consumed. The menu must
29 be approved by the board.

30 (h) The holder of a restaurant or eating place license may not provide
31 entertainment on the licensed premises before 3:00 p.m. or after 11:00 p.m. except

1 with the approval of the director. The director may grant approval for entertainment at
2 other times only upon the written request of the licensee, and only for a specific
3 occasion.

4 (i) The holder of a restaurant or eating place license commits the offense of
5 failure to comply with the terms of a restaurant or eating place license if the person
6 sells beer or wine in violation of (a) of this section or fails to comply with (d), (g), or
7 (h) of this section.

8 (j) Failure to comply with the terms of a restaurant or eating place license is a
9 violation.

10 **Sec. 04.09.180. Club license.** (a) A club license authorizes a club or
11 organization to sell alcoholic beverages for consumption only on the licensed
12 premises.

13 (b) The biennial fee for a club license is \$2,500.

14 (c) The board may issue a club license only to an organization operated for
15 social, recreational, benevolent, or athletic purposes and not for profit. The board may
16 issue a club license only to a club, fraternal organization, patriotic organization, or
17 social organization that has been

18 (1) chartered by a state or national organization for a period of two
19 consecutive years before application for a license under this section; or

20 (2) chartered by a national organization that has maintained a chartered
21 club or organization within the state for a period of at least 20 years.

22 (d) Alcoholic beverages sold under a club license may be purchased only by

23 (1) members of the club and their families;

24 (2) widows or widowers of deceased members of the club who have
25 been accorded club privileges; and

26 (3) military personnel on active duty who are extended the privilege by
27 patriotic organizations.

28 (e) Alcoholic beverages may be purchased only in the portion of the club
29 rooms that are part of the licensed premises.

30 (f) Guests who enter the club premises on the invitation of a member and in
31 the company of the member may be served but not sold alcoholic beverages. A guest

1 shall leave the premises immediately upon the departure of the member who extended
2 the invitation to enter.

3 (g) Notwithstanding AS 04.16.049, access by persons under 21 years of age to
4 the

5 (1) licensed premises of a club is permitted when alcoholic beverages
6 are not present; and

7 (2) premises of a patriotic organization licensed as a club under this
8 section is permitted when alcoholic beverages are present, if the person possesses a
9 valid active duty military or armed forces identification card issued by the United
10 States Department of Defense or the United States Department of Homeland Security.

11 (h) The holder of a club license may not serve or sell alcoholic beverages for
12 use or consumption off the licensed premises of the club or organization, including use
13 or consumption by a club member or employee, except under a club caterer's permit.

14 (i) The holder of a club license may not

15 (1) solicit public patronage of the club premises, except as approved by
16 the board;

17 (2) distribute income from the sale of alcoholic beverages under the
18 license to a member, director, or officer;

19 (3) sell or serve alcoholic beverages in club rooms outside the portion
20 of the club rooms that are part of the licensed premises.

21 (j) In this section, "member" means a holder of paid-up membership entitling
22 the holder to all voting rights and privileges of membership under the constitution or
23 bylaws of the club or organization.

24 (k) The holder of a club license commits the offense of failure to comply with
25 the terms of a club license if the person sells alcoholic beverages in violation of (a) of
26 this section or violates (d), (e), (f), (h), or (i) of this section.

27 (l) Failure to comply with the terms of a club license is a violation and is
28 punishable by a fine of \$500.

29 **Sec. 04.09.190. Package store license.** (a) A package store license authorizes
30 the holder to operate a package store to store alcoholic beverages in original packages
31 with federally approved labels, and to sell alcoholic beverages in original packages

1 with federally approved labels to a person present on the licensed premises.

2 (b) The biennial package store license fee is \$1,500.

3 (c) The licensed premises occupied by the holder of a package store license
4 may not be connected by a door, opening, or other means of passage intended for the
5 access of the general public to an adjacent retail business not licensed under this title
6 unless approved by the board.

7 (d) If the holder of a package store license also holds a beverage dispensary
8 license, the licensed premises of the package store are contained within or are adjacent
9 to the licensed premises of the beverage dispensary, and the only public entrance to
10 the package store is by a door or other means within the beverage dispensary, the
11 board shall determine whether additional entrances to the package store are necessary
12 for enforcement purposes, to meet health and fire safety standards, or for the
13 convenience of the public.

14 (e) The holder of a package store license may not offer alcoholic beverages for
15 consumption on the licensed premises or allow the consumption of alcoholic
16 beverages on the licensed premises except as authorized by a package store sampling
17 endorsement issued under AS 04.09.450 or a tasting event permit issued under
18 AS 04.09.570.

19 (f) The holder of a package store license commits the offense of failure to
20 comply with the terms of a package store license if the person stores or sells alcoholic
21 beverages in violation of (a) of this section or fails to comply with (c) or (e) of this
22 section.

23 (g) Failure to comply with the terms of a package store license is a violation.

24 **Sec. 04.09.200. Pub license.** (a) A pub license authorizes the holder to sell
25 beer and wine for consumption only at a designated premises located on the campus of
26 an accredited college or university.

27 (b) The biennial pub license fee is \$1,250.

28 (c) The board may not issue more than one pub license for a college or
29 university campus in the state.

30 (d) The board may not issue or renew a pub license without the written
31 approval of the governing body of the college or university.

1 (e) In this section, "accredited college or university" means a college or
2 university accredited by the Northwest Commission on Colleges and Universities.

3 (f) The holder of a pub license commits the offense of failure to comply with
4 the terms of a pub license if the person sells beer or wine in violation of (a) of this
5 section.

6 (g) Failure to comply with the terms of a pub license is a violation.

7 **Sec. 04.09.210. Theater license.** (a) A theater license authorizes the holder of
8 a beverage dispensary license or a restaurant or eating place license to sell alcoholic
9 beverages for consumption on licensed premises at a specified theater site, except that
10 a restaurant or eating place licensee with a theater license may only sell beer and wine.

11 (b) The biennial theater license fee is \$1,250.

12 (c) The holder of a theater license may sell or serve alcoholic beverages only
13 in designated areas on the licensed premises, and only for one hour before the event
14 and during intermissions.

15 (d) The holder of a theater license may not sell, serve, or permit the
16 consumption of alcoholic beverages

17 (1) in the audience viewing area; or

18 (2) at an event that is expected to attract audience members under 21
19 years of age.

20 (e) The holder of a theater license shall post the license conspicuously in the
21 theater during times when alcoholic beverages are sold.

22 (f) The board may not approve an application for transfer of a theater license
23 to another person, or an application for transfer of a theater license to a new location.

24 (g) The board may deny an application for renewal of a theater license if the
25 theater license was not used for at least one event during each calendar year of the
26 license period.

27 (h) In this section, "theater" means a location where events, including plays,
28 operas, orchestra concerts, readings, and similar activities as determined by the board
29 are presented by live performers on a stage.

30 (i) A person commits the offense of failure to comply with the terms of a
31 theater license if the person sells, serves, or permits the consumption of alcoholic

1 beverages except as permitted in this section or fails to post the license as required by
2 this section.

3 (j) Failure to comply with the terms of a theater license is a violation.

4 **Sec. 04.09.220. Common carrier dispensary license.** (a) A common carrier
5 dispensary license authorizes the holder to sell alcoholic beverages for consumption
6 aboard a vehicle, boat, or train licensed by a state or federal agency for passenger
7 travel, or aboard aircraft operated by an airline licensed by a state or federal agency
8 for passenger travel.

9 (b) Except as provided for airlines under (c) of this section, the biennial
10 common carrier dispensary license fee is \$1,000 for each of the first 10 licenses a
11 common carrier holds and \$100 for each additional license issued to the common
12 carrier after the first 10 licenses.

13 (c) The biennial fee for a common carrier dispensary license issued to an
14 airline is the fee specified under (b) of this section for each aircraft in which alcoholic
15 beverages are served or \$2,000 for each community served by the airline. An airline
16 shall specify the fee applicable to the license at the time of the airline's application for
17 issuance or renewal of the license.

18 (d) Except for a common carrier that is an airline, a common carrier shall
19 obtain a license for each vehicle, boat, or train in which alcoholic beverages are
20 served. After obtaining an initial license for the first vehicle, boat, or train, the
21 common carrier may obtain additional licenses for additional vehicles, boats, or trains
22 upon making a written request identifying the vehicle, boat, or train in the manner
23 prescribed by the board, and paying the biennial fee for additional licensed premises
24 as required by (b) of this section.

25 (e) The holder of a common carrier dispensary license who exceeds the
26 authority granted in (a) of this section commits the crime of unauthorized common
27 carrier dispensary activity.

28 (f) Unauthorized common carrier dispensary activity is a class A
29 misdemeanor.

30 (g) The holder of a common carrier dispensary license who fails to comply
31 with (b), (c), and (d) of this section commits the offense of common carrier dispensary

1 noncompliance.

2 (h) Common carrier dispensary noncompliance is a violation, punishable by a
3 fine of \$500 for each vehicle, boat, or train not in compliance with this section.

4 **Sec. 04.09.230. Recreational site license.** (a) A recreational site license
5 authorizes the holder to sell beer and wine at a recreational site during and one hour
6 before and after a recreational event that is not a school event, for consumption on
7 designated areas at the site.

8 (b) The biennial recreational site license fee is \$1,250.

9 (c) In this section, "recreational site" includes a location where baseball
10 games, car races, hockey games, dog sled racing events, or curling matches are
11 regularly held during a season.

12 (d) The holder of a recreational site license who sells beer or wine off the
13 licensed premises, during hours not authorized under (a) of this section, or permits
14 consumption off the premises of beer or wine sold on the premises commits the
15 offense of unauthorized recreational site activity.

16 (e) Unauthorized recreational site activity is a violation.

17 **Sec. 04.09.240. Outdoor recreation lodge license.** (a) An outdoor recreation
18 lodge license authorizes the holder to sell alcoholic beverages to a registered overnight
19 guest or off-duty staff of the lodge for consumption on the licensed premises or in
20 conjunction with purchased outdoor recreation activities provided by the licensee.

21 (b) The biennial outdoor recreation lodge license fee is \$2,500.

22 (c) The board may not grant an application for transfer of an outdoor
23 recreation lodge license to another person or to another location.

24 (d) The board may not deny an application for renewal of a license issued
25 under former AS 04.11.225 or this section based on the location of the licensed
26 premises, if the licensed premises are more than five miles from, and within 10 miles
27 of, the boundaries of a municipality, or more than five miles from the center of an
28 established village and within the perimeter of that village under AS 04.11.508.

29 (e) In this section, "outdoor recreation lodge" means a licensed business that
30 provides overnight accommodations and meals, is primarily involved in offering
31 opportunities for persons to engage in outdoor recreation activities, and has a

1 minimum of two guest rooms.

2 (f) The holder of an outdoor recreation lodge license who sells alcoholic
3 beverages in violation of the authority granted under (a) of this section commits the
4 offense of unauthorized outdoor recreation lodge activity.

5 (g) Unauthorized outdoor recreation lodge activity is a violation.

6 **Sec. 04.09.250. Golf course license.** (a) A golf course license authorizes the
7 holder to sell beer and wine for consumption on the licensed premises.

8 (b) The biennial golf course license fee is \$1,250.

9 (c) An application for a golf course license must include

10 (1) a drawing of the golf course with an annotated illustration and
11 description of the portions of the course that are intended to be licensed premises; and

12 (2) a sample food menu.

13 (d) The board may not approve an application for transfer of a golf course
14 license to another person, or an application for transfer of a golf course license to a
15 new location.

16 (e) The holder of a golf course license shall make food similar to that listed in
17 the sample menu available during times when beer and wine are sold, served, and
18 consumed on the licensed premises.

19 (f) The holder of a golf course license may not allow a person other than the
20 holder or an agent or employee of the holder to bring alcoholic beverages onto the
21 licensed premises or other portions of the course for consumption.

22 (g) In this section,

23 (1) "golf course" means a course that is open to the public, having at
24 least nine holes and covering at least

25 (A) 2,950 yards; or

26 (B) 1,200 yards, if the course is owned or leased by a
27 municipality;

28 (2) "licensed premises" includes the golf course, adjacent property
29 associated with the course, including a driving range, a club house, and other buildings
30 located on the course, and a vending cart carrying beverages or food to, from, or on
31 the course.

1 (h) The holder of a golf course license commits the offense of failure to
2 comply with the terms of a golf course license if the person sells beer or wine in
3 violation of this section or violates (e) or (f) of this section.

4 (i) Failure to comply with the terms of a golf course license is a violation.

5 **Sec. 04.09.260. Destination resort license.** (a) A destination resort license
6 authorizes the holder to sell alcoholic beverages at a destination resort for
7 consumption on the licensed premises in conjunction with the visitor activities
8 provided by the licensee to cruise ship passengers and staff and other visitors while the
9 cruise ship is in port at the resort.

10 (b) The biennial destination resort license fee is \$2,500.

11 (c) The board may not approve an application for transfer of a destination
12 resort license to another person, or for transfer of a destination resort license to a new
13 location.

14 (d) In this section, "destination resort" means a business that owns a site of at
15 least 20 acres that is used principally as a destination for cruise ships and other vessels
16 that carry a minimum of 50 passengers and that does not provide overnight lodging on
17 its premises for visitors.

18 (e) The holder of a destination resort license commits the offense of failure to
19 comply with a destination resort license if the person sells alcoholic beverages in
20 violation of (a) of this section.

21 **Sec. 04.09.270. Brewery retail license.** (a) A brewery retail license authorizes
22 the holder to store, sell, or serve on the licensed premises brewed beverages for
23 consumption on and off the premises.

24 (b) The biennial brewery retail license fee is \$1,250.

25 (c) The board may issue a brewery retail license only to the holder of a
26 brewery manufacturer license under AS 04.09.020. The brewery retail licensed
27 premises may be all or part of the brewery manufacturer licensed premises, or the
28 brewery retail licensed premises may be at a different site within the same
29 municipality or established village as the brewery manufacturer licensed premises.

30 (d) The holder of a brewery retail license may sell not more than 36 ounces of
31 the holder's brewed beverages each day to a person on the licensed premises for

1 consumption on the licensed premises.

2 (e) The holder of a brewery retail license may not

3 (1) allow live entertainment, televisions, pool tables, dart games,
4 dancing, electronic or other games, game tables, or other recreational or gaming
5 opportunities on the premises where the consumption occurs;

6 (2) provide seats at the counter or bar where the brewed beverages are
7 served;

8 (3) open the room where the consumption occurs before 9:00 a.m.; or

9 (4) serve brewed beverages after 8:00 p.m.

10 (f) The holder of a brewery retail license is authorized to sell not more than
11 5.167 gallons of brewed beverages each day to a person on the licensed premises for
12 consumption off the licensed premises.

13 (g) The holder of a brewery retail license commits the offense of failure to
14 comply with the terms of a brewery retail license if the person stores, sells, or serves
15 brewed beverages in violation of (a) of this section or violates (d) - (f) of this section.

16 (h) Failure to comply with the terms of a brewery retail license is a violation
17 and is punishable by a fine of \$100.

18 **Sec. 04.09.280. Winery retail license.** (a) A winery retail license authorizes
19 the holder to store, sell, or serve on the licensed premises wine for consumption on
20 and off the premises.

21 (b) The biennial winery retail license fee is \$1,250.

22 (c) The board may issue a winery retail license only to the holder of a winery
23 manufacturer license issued under AS 04.09.030. The winery retail licensed premises
24 may be all or part of the winery manufacturer licensed premises, or the winery retail
25 licensed premises may be at a different site within the same municipality or
26 established village as the winery manufacturer licensed premises.

27 (d) The holder of a winery retail license may sell not more than 18 ounces of
28 the holder's wine each day to a person on the licensed premises for consumption on
29 the licensed premises.

30 (e) The holder of a winery retail license may not

31 (1) allow live entertainment, televisions, pool tables, dart games,

1 dancing, electronic or other games, game tables, or other recreational or gaming
2 opportunities on the premises where the consumption occurs;

3 (2) provide seats at the counter or bar where the wine is served;

4 (3) open the room where the consumption occurs before 9:00 a.m.; or

5 (4) serve wine after 8:00 p.m.

6 (f) The holder of a winery retail license is authorized to sell not more than
7 nine liters of wine each day to a person on the licensed premises for consumption off
8 the licensed premises.

9 (g) The holder of a winery retail license commits the offense of failure to
10 comply with the terms of a winery retail license if the person stores, sells, or serves
11 wine in violation of (a) of this section or violates (d) - (f) of this section.

12 (h) Failure to comply with the terms of a winery retail license is a violation
13 and is punishable by a fine of \$100.

14 **Sec. 04.09.290. Distillery retail license.** (a) A distillery retail license
15 authorizes the holder to store, sell, or serve on the licensed premises distilled spirits
16 for consumption on and off the premises.

17 (b) The biennial distillery retail license fee is \$1,250.

18 (c) The board may issue a distillery retail license only to the holder of a
19 distillery manufacturer license under AS 04.09.040. The distillery retail licensed
20 premises may be all or part of the distillery manufacturer licensed premises, or the
21 distillery retail licensed premises may be at a different site within the same
22 municipality or established village as the distillery manufacturer licensed premises.

23 (d) The holder of a distillery retail license may sell not more than three ounces
24 of distilled spirits each day to a person on the licensed premises for consumption on
25 the licensed premises.

26 (e) The holder of a distillery retail license may not

27 (1) allow live entertainment, televisions, pool tables, dart games,
28 dancing, electronic or other games, game tables, or other recreational or gaming
29 opportunities on the premises where the consumption occurs;

30 (2) provide seats at the counter or bar where the distilled spirits are
31 served;

1 (3) open the room where the consumption occurs before 9:00 a.m.; or

2 (4) serve distilled spirits after 8:00 p.m.

3 (f) The holder of a distillery retail license is authorized to sell not more than
4 1.5 liters of distilled spirits each day to a person on the licensed premises for
5 consumption off the licensed premises.

6 (g) The holder of a distillery retail license commits the offense of failure to
7 comply with the terms of a distillery retail license if the person stores, sells, or serves
8 distilled spirits in violation of (a) of this section or violates (d) - (f) of this section.

9 (h) Failure to comply with the terms of a distillery retail license is a violation
10 and is punishable by a fine of \$100.

11 **Sec. 04.09.300. Beverage dispensary tourism license.** (a) A beverage
12 dispensary tourism license authorizes a beverage dispensary to sell or serve on the
13 licensed premises alcoholic beverages for consumption only on the licensed premises.

14 (b) The biennial beverage dispensary tourism license fee is \$2,500.

15 (c) The board may issue a beverage dispensary tourism license or approve an
16 application for the transfer of ownership of a beverage dispensary tourism license if it
17 appears that issuance or transfer will encourage the tourism trade by promoting the
18 construction or improvement of

19 (1) a hotel, motel, resort, or similar business relating to the tourist trade
20 with a dining facility or having kitchen facilities in a majority of its rental rooms and
21 at least a minimum number of rental rooms required according to the population of the
22 established village, incorporated city, unified municipality, or population area
23 established under AS 04.11.400(a) in which the facility will be located, as follows:

24 (A) 10 rental rooms if the population is less than 1,501;

25 (B) 20 rental rooms if the population is 1,501 - 2,500;

26 (C) 25 rental rooms if the population is 2,501 - 5,000;

27 (D) 30 rental rooms if the population is 5,001 - 15,000;

28 (E) 35 rental rooms if the population is 15,001 - 25,000;

29 (F) 40 rental rooms if the population is 25,001 - 50,000; and

30 (G) 50 rental rooms if the population is greater than 50,000; or

31 (2) an airport terminal.

1 (d) Notwithstanding AS 04.11.400(a), the board shall grant an application for
 2 a transfer of license location under AS 04.11.290 of a beverage dispensary tourism
 3 license if

4 (1) the new location is less than one mile from the original location;

5 (2) no ground for denial exists under AS 04.11.340(1) or (3); and

6 (3) relocation of the licensed premises is necessary due to

7 (A) termination of a lease or rental agreement;

8 (B) condemnation of the premises;

9 (C) the substantial destruction of the premises by any cause.

10 (e) The holder of a beverage dispensary tourism license may not maintain on
 11 the licensed premises more than one room in which there is regularly maintained a
 12 fixed counter or service bar that has plumbing connections to permanent plumbing at
 13 which alcoholic beverages are sold or served to members of the public for
 14 consumption unless the license has a multiple fixed counter endorsement.

15 (f) The holder of a beverage dispensary tourism license who sells or serves
 16 alcoholic beverages off the licensed premises or permits consumption off the premises
 17 of alcoholic beverages sold or served on the premises commits the offense of
 18 unauthorized beverage dispensary tourism activity.

19 (g) Unauthorized beverage dispensary tourism activity is a violation.

20 **Sec. 04.09.310. Seasonal restaurant or eating place tourism license.** (a) A
 21 seasonal restaurant or eating place tourism license authorizes a restaurant or eating
 22 place to sell beer and wine for consumption only on the licensed premises for a period
 23 not to exceed six months in each calendar year.

24 (b) The biennial seasonal restaurant or eating place tourism license fee is
 25 \$1,250.

26 (c) The board may issue or renew a license under this section only if

27 (1) the board determines that the licensed premises is a bona fide
 28 restaurant or eating place as defined in AS 04.21.080(b);

29 (2) the license has a restaurant endorsement; and

30 (3) the sale and service of food and alcoholic beverages and any other
 31 business conducted on the licensed premises of the restaurant or eating place is under

1 the sole control of the licensee.

2 (d) The board may issue a license under this section only in a municipality or
3 established village that

4 (1) has a population of 20,000 or less; and

5 (2) includes a community that receives more than 4,000 visitors a year,
6 as determined by the Department of Commerce, Community, and Economic
7 Development.

8 (e) The holder of a seasonal restaurant or eating place tourism license shall
9 ensure that gross receipts from the sale of food for consumption on the licensed
10 premises exceed gross receipts from the sale of alcoholic beverages for consumption
11 on the licensed premises in each calendar year. The board may renew a seasonal
12 restaurant or eating place tourism license only if the licensee provides evidence
13 satisfactory to the board that, during each of the two preceding calendar years, the
14 gross receipts from the sale of food for consumption on the licensed premises were not
15 less than the gross receipts from the sale of alcoholic beverages for consumption on
16 the licensed premises.

17 (f) The board shall adopt a regulation establishing a formula to limit the
18 number of seasonal restaurant or eating place tourism licenses.

19 (g) The holder of a seasonal restaurant or eating place tourism license may not
20 provide entertainment on the licensed premises before 3:00 p.m. or after 11:00 p.m.
21 except with the approval of the director. The director may grant approval for
22 entertainment at other times only upon the written request of the licensee, and only for
23 a specific occasion.

24 (h) The holder of a seasonal restaurant or eating place tourism license commits
25 the offense of failure to comply with the terms of a seasonal restaurant or eating place
26 tourism license if the person sells beer or wine in violation of (a) of this section or fails
27 to comply with (e) or (g) of this section.

28 (i) Failure to comply with the terms of a seasonal restaurant or eating place
29 tourism license is a violation.

30 **Sec. 04.09.320. Unlicensed retail sale.** (a) A person commits the crime of
31 unlicensed retail sale if the person knowingly operates without the appropriate license

1 a retail operation that requires a license under AS 04.09.160 - 04.09.310.

2 (b) Unlicensed retail sale is a class A misdemeanor and is punishable under
3 AS 12.55.

4 **Sec. 04.09.330. Unlicensed retail sale in a local option area.** (a) A person
5 commits the crime of unlicensed retail sale in a local option area if the person
6 knowingly operates without a license in an area that has adopted a local option under
7 AS 04.11.491 a retail operation that requires a license under AS 04.09.160 -
8 04.09.340.

9 (b) Unlicensed retail sale in a local option area is a class C felony and is
10 punishable under AS 12.55.

11 **Sec. 04.09.340. Penalty for violation.** Unless otherwise specified, a violation
12 under AS 04.09.160 - 04.09.340 is punishable by a fine of \$250.

13 **Article 5. Endorsements.**

14 **Sec. 04.09.360. Types of endorsements.** (a) An endorsement expands the
15 boundaries of a licensed premises or the authorized activities of a licensed business.

16 (b) Only the board may issue an endorsement. The board may issue only the
17 endorsements authorized in AS 04.09.360 - 04.09.490.

18 (c) An endorsement is valid only in conjunction with a license. If the license is
19 transferred to another person or the licensed premises are relocated, the endorsement
20 expires. An endorsement may not be transferred to another person.

21 (d) Except as provided in (c) of this section, an endorsement is valid for the
22 life of the license. A manufacturer sampling endorsement under AS 04.09.370 and a
23 package store sampling endorsement under AS 04.09.450 must be renewed biennially;
24 renewal is not required for other endorsements.

25 (e) The board may approve an application for an endorsement only if the
26 application includes evidence of approval of the issuance of the endorsement from the
27 local governing body of the municipality or established village in which the licensed
28 premises are located.

29 **Sec. 04.09.370. Manufacturer sampling endorsement.** (a) A manufacturer
30 sampling endorsement authorizes the holder of a brewery manufacturer license,
31 winery manufacturer license, or distillery manufacturer license to offer for

1 consumption on the licensed premises a small sample of an alcoholic beverage
2 produced by the manufacturer.

3 (b) The fee for a manufacturer sampling endorsement is \$200, due upon initial
4 application and with each biennial manufacturer license renewal application.

5 (c) An application for a manufacturer sampling endorsement and an
6 application for renewal of a manufacturer sampling endorsement must be made in
7 writing to the board. The application must indicate the licensee's intent to offer small
8 samples of alcoholic beverages for consumption on the licensed premises.

9 (d) A person serving a sample of an alcoholic beverage under this section
10 must have a current alcohol server education card issued under AS 04.21.025(c). Only
11 the license holder or an agent or employee of the license holder may serve a sample.

12 (e) The holder of a manufacturer sampling endorsement may serve a total
13 volume of samples to a person on a licensed premises each day that does not exceed

14 (1) for the holder of a brewery manufacturer license, 12 ounces of
15 beer;

16 (2) for the holder of a winery manufacturer license, six ounces of wine;

17 (3) for the holder of a distillery manufacturer license, 1.5 ounces of
18 distilled spirits.

19 (f) The holder of a manufacturer sampling endorsement may not publicly
20 advertise, including through newsprint, radio, or television, sampling activities
21 conducted under the endorsement. However, the holder of a manufacturer sampling
22 endorsement may notify existing customers of sampling activities, including by
23 electronic means.

24 (g) A person who offers a sample of an alcoholic beverage for consumption on
25 the licensed premises of a brewery, winery, or distillery without an endorsement under
26 this section commits the offense of unendorsed sampling.

27 (h) Unendorsed sampling is a violation and is punishable by a fine of \$500.

28 (i) The holder of a manufacturer sampling endorsement who fails to comply
29 with the requirements of (d) - (f) of this section commits the offense of failure to
30 comply with the terms of a manufacturer sampling endorsement.

31 (j) Failure to comply with the terms of a manufacturer sampling endorsement

1 is a violation.

2 **Sec. 04.09.380. Multiple fixed counter endorsement.** (a) A multiple fixed
3 counter endorsement authorizes the holder of a beverage dispensary license to sell or
4 serve alcoholic beverages on the licensed premises from multiple fixed counters.

5 (b) The fee for a multiple fixed counter endorsement is \$200.

6 (c) In addition to the fee under (b) of this section, the application fee for each
7 fixed counter covered under the endorsement is \$1,250.

8 (d) An application for a multiple fixed counter endorsement must include an
9 annotated drawing of the location of each fixed counter in the licensed premises. The
10 application must demonstrate that the holder of the beverage dispensary license has
11 authority over and will exercise control over conduct of the business in all areas of the
12 licensed premises.

13 (e) A fixed counter at which alcoholic beverages are sold or served to the
14 public for consumption covered under a multiple fixed counter endorsement must be a
15 regularly maintained fixed counter or service bar that has plumbing connections to
16 permanent plumbing. Multiple fixed counters must be located in the same building
17 under the same contiguous licensed premises roof as set out in regulation, except as
18 provided for the holder of a hotel or motel endorsement under AS 04.09.390 or a large
19 resort endorsement under AS 04.09.400. The board shall adopt regulations to
20 implement this subsection.

21 (f) The holder of a beverage dispensary license who maintains multiple fixed
22 counters without a multiple fixed counter endorsement and the holder of a multiple
23 fixed counter endorsement who fails to comply with the requirements of (d) and (e) of
24 this section commit the offense of multiple fixed counter endorsement noncompliance.

25 (g) Multiple fixed counter endorsement noncompliance is a violation.

26 **Sec. 04.09.390. Hotel or motel endorsement.** (a) A hotel or motel
27 endorsement authorizes the holder of a beverage dispensary license that is a hotel,
28 motel, resort, or other business premises that caters to the traveling public as a
29 substantial part of its business to sell or serve alcoholic beverages on the licensed
30 premises, including in the dining room, banquet room, and other public areas approved
31 by the board, and in guest rooms.

1 (b) The fee for a hotel or motel endorsement is \$200.

2 (c) The holder of a beverage dispensary license that is a hotel, motel, resort, or
3 similar business premises that caters to the traveling public as a substantial part of its
4 business may receive a hotel or motel endorsement in order to qualify for a multiple
5 fixed counter endorsement under AS 04.09.380 to sell or serve alcoholic beverages at
6 a secondary location located in a building different than the licensed premises for the
7 beverage dispensary license if the

8 (1) different building is readily accessible within convenient walking
9 distance to the original licensed premises; and

10 (2) profits and losses of the alcoholic beverage business conducted
11 under the endorsement are combined or consolidated with the profits and losses of the
12 alcoholic beverage business conducted on the original licensed premises.

13 (d) The holder of a beverage dispensary license with a hotel or motel
14 endorsement may stock alcoholic beverages in guest rooms, for sale and consumption
15 only in the guest room. Alcoholic beverages stocked under this subsection shall be
16 stocked by an employee who is 21 years of age or older, may not be supplied or
17 resupplied during hours that the sale of alcoholic beverages is prohibited as provided
18 under AS 04.16.010(a) and (d), and shall be stored in a refrigerated unit using a key or
19 combination lock system within the guest room. A key lock system shall be designed
20 to prevent the removal of the key unless the refrigerated unit is locked. Except for the
21 licensee, or an agent or employee of the licensee, a key or combination enabling a
22 person to obtain alcoholic beverages stocked in a guest room may only be provided to
23 a guest who occupies the room and who is 21 years of age or older.

24 (e) An application for a hotel or motel endorsement must demonstrate that the
25 holder of the beverage dispensary license has authority over and will exercise control
26 over conduct of the business in all areas of the licensed premises. The holder of a hotel
27 or motel endorsement shall exercise control over conduct of the business in all areas of
28 the licensed premises.

29 (f) The holder of a beverage dispensary license who engages in activity under
30 this section without a hotel or motel endorsement and the holder of a hotel or motel
31 endorsement who fails to comply with the requirements of (d) and (e) of this section

1 commit the offense of hotel or motel endorsement noncompliance.

2 (g) Hotel or motel endorsement noncompliance is a violation.

3 **Sec. 04.09.400. Large resort endorsement.** (a) A large resort endorsement
4 authorizes the holder of a beverage dispensary license that is a large resort to sell or
5 serve alcoholic beverages from multiple locations on the resort property including in
6 the dining room, banquet room, and other public areas approved by the board, and in
7 guest rooms, regardless of whether the locations are in the same building or under the
8 same roof.

9 (b) The fee for a large resort endorsement is \$200.

10 (c) The holder of a beverage dispensary license with a large resort
11 endorsement may apply for a multiple fixed counter endorsement under AS 04.09.380
12 to sell or serve alcoholic beverages from multiple locations within the large resort's
13 property. The locations do not need to be located in the same building or on the same
14 parcel, but must be within the boundary of the large resort, as that term is defined in
15 (h) of this section. The profits and losses of the alcoholic beverage business conducted
16 under the endorsement must be combined or consolidated with the profits and losses
17 of the alcoholic beverage business conducted on the original licensed premises but
18 from multiple locations within the large resort, other than the primary licensed
19 premises location or the guest rooms, in which there is regularly maintained a fixed
20 counter or service bar that has plumbing connections to permanent plumbing and from
21 which alcoholic beverages are sold or served to members of the public.

22 (d) The holder of a large resort endorsement may sell or serve alcoholic
23 beverages only from locations on the site of the large resort.

24 (e) For federal income tax purposes, the profit and loss from the licensed
25 business conducted at locations on the resort under a large resort endorsement, other
26 than guest rooms, must be combined or consolidated with the profit and loss from the
27 licensed business conducted under the multiple fixed counter endorsement.

28 (f) An application for a large resort endorsement must demonstrate that the
29 holder of the beverage dispensary license has authority over and will exercise control
30 over conduct of the licensed business in all areas of the large resort. The holder of a
31 large resort endorsement shall exercise control over conduct of the business in all

1 areas of the licensed premises.

2 (g) A holder of a beverage dispensary license with a large resort endorsement
3 may stock alcoholic beverages in guest rooms, for sale and consumption only in the
4 guest room. Alcoholic beverages stocked under this subsection must be stocked by an
5 employee who is 21 years of age or older, may not be supplied or resupplied during
6 hours that the sale of alcoholic beverages is prohibited as provided under
7 AS 04.16.010(a) and (d), and must be stored in a refrigerated unit using a key or
8 combination lock system within the guest room. A key lock system must be designed
9 to prevent the removal of the key unless the refrigerated unit is locked. Except for the
10 licensee, or an agent or employee of the licensee, a key or combination enabling a
11 person to obtain alcoholic beverages stocked in a guest room may be provided only to
12 a guest who occupies the room and who is 21 years of age or older.

13 (h) In this section, "large resort" means a resort that offers both outdoor
14 recreational activities and overnight lodging to the public and is located on a site
15 consisting of at least 10 contiguous acres containing one or more parcels of real
16 property owned by the licensee, leased by the licensee, or a combination of parcels
17 owned by the licensee and leased by the licensee.

18 (i) The holder of a beverage dispensary license who engages in activity under
19 this section without a large resort endorsement and the holder of a large resort
20 endorsement who fails to comply with the requirements of (c) - (g) of this section
21 commit the offense of large resort endorsement noncompliance.

22 (j) Large resort endorsement noncompliance is a violation.

23 **Sec. 04.09.410. Restaurant endorsement.** (a) A restaurant endorsement
24 authorizes the holder of a restaurant or eating place license, beverage dispensary
25 license, golf course license, recreational site license, club license, beverage dispensary
26 tourism license, or seasonal restaurant or eating place tourism license to allow a
27 person under 21 years of age access as provided in (e) of this section to the premises
28 of a bona fide restaurant or eating place on the licensed premises.

29 (b) The fee for a restaurant endorsement is \$50.

30 (c) An application for a restaurant endorsement must specify the establishment
31 or portion of the establishment that constitutes a bona fide restaurant or eating place.

1 (d) The board may issue an endorsement under this section only if the board
2 finds

3 (1) that the establishment or portion of the establishment for which the
4 endorsement is requested is a bona fide restaurant or eating place as defined in
5 AS 04.21.080(b);

6 (2) there is supervision on the premises adequate to reasonably ensure
7 that a person under 21 years of age will not obtain alcoholic beverages; and

8 (3) that it is unlikely that persons under 21 years of age not employed
9 on the premises will enter and remain on the premises of the bona fide restaurant or
10 eating place for purposes other than dining.

11 (e) The board may authorize the holder of a license with a restaurant
12 endorsement to

13 (1) allow a person who is at least 16 years of age but under 21 years of
14 age to dine unaccompanied;

15 (2) allow a person who is under 16 years of age to dine if the person is
16 accompanied by a person who is 21 years of age or older;

17 (3) employ or permit the employment of a person who is at least 16
18 years of age but under 21 years of age on the premises of the bona fide restaurant or
19 eating place if the employer provides adequate supervision to ensure that the person
20 does not obtain alcoholic beverages subject to AS 04.16.049.

21 (f) The holder of a license who engages in activity under this section without a
22 restaurant endorsement and the holder of a restaurant endorsement who engages in
23 activity not authorized by the board under (e) of this section or fails to comply with
24 the requirements of (e) of this section commit the offense of restaurant endorsement
25 noncompliance.

26 (g) Restaurant endorsement noncompliance is a violation.

27 **Sec. 04.09.420. Package store shipping endorsement.** (a) A package store
28 shipping endorsement authorizes the holder of a package store license to sell alcoholic
29 beverages to a person known to the licensee who makes a written order to that licensee
30 for shipment.

31 (b) The fee for a package store shipping endorsement is \$200.

1 (c) An application for a package store shipping endorsement and an
2 application for renewal of a package store shipping endorsement must be made in
3 writing to the board. The application must indicate the licensee's intent to ship
4 alcoholic beverages in response to a written order.

5 (d) An endorsement holder may ship alcoholic beverages only to the purchaser
6 and may ship alcoholic beverages only in response to a written order. The
7 endorsement holder may not, in response to a written order, ship alcohol to a
8 purchaser at an address other than the address where the purchaser resides or, if the
9 purchaser resides in a municipality or established village that has adopted a local
10 option under AS 04.11.491(a)(1), (2), or (3) or (b)(1) or (2) for which a community
11 delivery site has been designated under AS 04.11.491(f), to an address other than that
12 community delivery site except as provided by AS 04.11.491(f)(1) and (2).

13 (e) An endorsement holder shall include written information on fetal alcohol
14 syndrome and fetal alcohol effects resulting from a woman's consuming alcohol
15 during pregnancy in a shipment of alcoholic beverages sold in response to a written
16 order.

17 (f) If a shipment is to an area that has restricted the sale of alcoholic beverages
18 under AS 04.11.491(a)(1), (2), or (3) or (b)(1) or (2), an endorsement holder may not
19 ship to a purchaser more than 10 and one-half liters of distilled spirits or 24 liters or
20 more of wine, or either a half-keg of malt beverages or 12 gallons or more of malt
21 beverages in individual containers in a calendar month, or a lower amount of distilled
22 spirits, wine, or malt beverages if the municipality or established village has adopted
23 the lower amount by local option under AS 04.11.491(g). Before shipping alcohol to a
24 purchaser in a restricted area, an endorsement holder shall consult the database
25 maintained by the board under AS 04.06.095 for any alcoholic beverage shipments
26 made to the purchaser during that calendar month by a package store. An endorsement
27 holder may not ship an amount of alcoholic beverages to a purchaser in a restricted
28 area that, when added to the amount already shipped, exceeds the amount authorized
29 by this subsection. An endorsement holder shall immediately enter into the database
30 the date and the amount of alcoholic beverages shipped to the purchaser.

31 (g) An endorsement holder may not divide or combine shipments of alcoholic

1 beverages so as to circumvent the limitation imposed under (f) of this section.

2 (h) In this section, "endorsement holder" means the holder of a package store
3 license with a package store shipping endorsement, and an agent or employee of the
4 holder of a package store license with a package store shipping endorsement.

5 (i) The holder of a package store license who ships alcoholic beverages
6 without a package store shipping endorsement and the holder of a package store
7 shipping endorsement who fails to comply with the requirements of (d) - (g) of this
8 section commit the offense of package store shipping endorsement noncompliance.

9 (j) Package store shipping endorsement noncompliance is a violation,
10 punishable by a fine of \$100. Each liter or part of a liter of alcoholic beverages that is
11 shipped in violation of this section is a separate violation.

12 **Sec. 04.09.430. Package store delivery endorsement.** (a) A package store
13 delivery endorsement authorizes the holder of a package store license to deliver
14 alcoholic beverages as set out in this section.

15 (b) The fee for a package store delivery endorsement is \$50.

16 (c) The holder of a package store delivery endorsement may deliver alcoholic
17 beverages only in response to a written order. The holder of a package store delivery
18 endorsement may only deliver alcoholic beverages that are sent as a gift or delivered
19 to the location of a social event. The board shall adopt regulations defining "gift" and
20 "social event" for purposes of this subsection.

21 (d) The holder of a package store delivery endorsement may deliver alcoholic
22 beverages only to a responsible adult at the delivery location specified on the written
23 order. The responsible adult shall provide identification and acceptable proof of age
24 under AS 04.21.050 and acknowledge in writing receipt of the alcoholic beverages.
25 The endorsement holder shall retain the written order and the responsible adult's
26 written acknowledgment for at least one year after the date of the delivery.

27 (e) The holder of a package store license who delivers alcoholic beverages
28 without a package store delivery endorsement and the holder of a package store
29 delivery endorsement who fails to comply with the requirements of (c) and (d) of this
30 section commit the offense of package store shipping endorsement noncompliance.

31 (f) Package store shipping endorsement noncompliance is a violation.

1 **Sec. 04.09.440. Package store repackaging endorsement.** (a) A package
2 store repackaging endorsement authorizes the holder of a package store license to
3 subdivide and sell alcoholic beverages from original packages with the required
4 federally approved labels to smaller containers with the standard federal government
5 warnings and the product name.

6 (b) The fee for a package store repackaging endorsement is \$50.

7 (c) A package store licensee with a package store repackaging endorsement

8 (1) may only subdivide alcoholic beverages during the package store's
9 stated hours of business;

10 (2) may only subdivide alcoholic beverages in response to a purchase
11 request from a person who is on the licensed premises;

12 (3) may permit an agent or employee to subdivide alcoholic beverages,
13 but may not permit a customer or another person who is not an agent or employee of
14 the licensee to subdivide alcoholic beverages;

15 (4) may not ship or deliver alcoholic beverages that have been
16 subdivided.

17 (d) The holder of a package store license who repackages alcoholic beverages
18 without a package store repackaging endorsement and the holder of a package store
19 repackaging endorsement who fails to comply with the requirements of this section
20 commit the offense of package store repackaging endorsement noncompliance.

21 (e) Package store repackaging endorsement noncompliance is a violation.

22 **Sec. 04.09.450. Package store sampling endorsement.** (a) A package store
23 sampling endorsement authorizes the holder of a package store license to offer for
24 consumption on the licensed premises a small sample of an alcoholic beverage during
25 the package store's stated hours of business, but not between the hours of midnight and
26 8 a.m.

27 (b) The fee for a package store sampling endorsement is \$200, due upon initial
28 application and with each biennial package store license renewal.

29 (c) An application for a package store sampling endorsement and an
30 application for renewal of a package store sampling endorsement must be made in
31 writing to the board. The application must indicate the licensee's intent to offer small

1 samples of alcoholic beverages for consumption on the licensed premises.

2 (d) A person serving a sample of an alcoholic beverage under this section
3 must have a current alcohol server education card issued under AS 4.21.025(c). Only
4 the license holder or an agent or employee of the license holder may serve a sample.

5 (e) The holder of a package store sampling endorsement may serve a total
6 volume of samples to a person on a licensed premises each day that does not exceed

7 (1) 12 ounces of beer;

8 (2) six ounces of wine;

9 (3) 1.5 ounces of distilled spirits; or

10 (4) the alcoholic equivalent of (1), (2), or (3) of this subsection.

11 (f) The holder of a package store sampling endorsement may not publicly
12 advertise, including through newsprint, radio, or television, sampling activities
13 conducted under the endorsement. However, the holder of a package store sampling
14 endorsement may notify existing customers of sampling activities, including by
15 electronic means.

16 (g) A person who offers a sample of an alcoholic beverage for consumption on
17 the licensed premises of a package store without an endorsement under this section
18 commits the offense of unendorsed package store sampling.

19 (h) Unendorsed package store sampling is a violation, punishable by a fine of
20 \$500.

21 (i) The holder of a package store sampling endorsement who fails to comply
22 with the requirements of (a) and (d) - (f) of this section commits the offense of failure
23 to comply with the terms of a package store sampling endorsement.

24 (j) Failure to comply with the terms of a package store sampling endorsement
25 is a violation.

26 **Sec. 04.09.460. Bowling alley endorsement.** (a) A bowling alley endorsement
27 authorizes the holder of a beverage dispensary license to sell or serve alcoholic
28 beverages in the concourse or lane areas of the bowling alley adjacent to the main bar
29 area.

30 (b) The fee for a bowling alley endorsement is \$200.

31 (c) The board may issue a bowling alley endorsement only if the concourse or

1 lane areas of the bowling alley or both are

2 (1) designated as part of the licensed premises for the beverage
3 dispensary license; and

4 (2) adjacent to the main bar area.

5 (d) Notwithstanding AS 04.16.049, the board may, upon application, authorize
6 access by persons under 21 years of age to the concourse or lane areas or both
7 designated part of the licensed premises of the bowling alley during hours when no
8 alcoholic beverages are being sold, served, or consumed.

9 (e) An application for a bowling alley endorsement must demonstrate that the
10 holder of the beverage dispensary license has authority over and will exercise control
11 over conduct of the licensed business in all areas of the bowling alley.

12 (f) The holder of a beverage dispensary license with a bowling alley
13 endorsement shall exercise control over conduct of the business in all areas of the
14 licensed premises.

15 (g) The periods during which persons under 21 years of age may be permitted
16 access to the licensed premises must be clearly posted on the licensed premises.

17 (h) The holder of a beverage dispensary license who sells or serves alcoholic
18 beverages in the concourse or lane areas of a bowling alley without an endorsement
19 under this section and the holder of a bowling alley endorsement who fails to comply
20 with the requirements of (f) and (g) of this section or who permits access by a person
21 under 21 years of age to the concourse or lane areas of the bowling alley during hours
22 when alcoholic beverages are being served in the concourse or lane areas commit the
23 offense of bowling alley endorsement noncompliance.

24 (i) Bowling alley endorsement noncompliance is a violation.

25 **Sec. 04.09.470. Golf course endorsement.** (a) A golf course endorsement
26 authorizes the holder of a golf course license who has obtained a beverage dispensary
27 license to sell or serve alcoholic beverages, including distilled spirits, on the adjacent
28 property associated with the course, including the driving range, but excluding the
29 parking lot.

30 (b) The fee for a golf course endorsement is \$200.

31 (c) An application for a golf course endorsement must demonstrate that the

1 holder of the beverage dispensary license has authority over and will exercise control
2 over conduct of the licensed business in all areas.

3 (d) The holder of a beverage dispensary license with a golf course
4 endorsement shall exercise control over conduct of the business in all areas of the
5 licensed premises.

6 (e) The holder of a golf course license who sells or serves distilled spirits on a
7 golf course without a golf course endorsement and the holder of a golf course
8 endorsement who fails to comply with (a) and (d) of this section commit the offense of
9 unendorsed golf course service.

10 (f) Unendorsed golf course service is a violation, punishable by a fine of \$500.

11 **Sec. 04.09.490. Penalty for violation.** Unless otherwise specified, a violation
12 under AS 04.09.360 - 04.09.490 is punishable by a fine of \$250.

13 **Article 6. Permits.**

14 **Sec. 04.09.500. Types of permits.** (a) A permit allows catering and serving
15 activities for a specific time period on premises that are not licensed premises and
16 allows an eligible nonprofit organization to host a fundraising or not-for-profit event.

17 (b) The director may issue only the permits authorized in AS 04.09.500 -
18 04.09.600.

19 (c) An applicant for a permit must follow the application requirements set out
20 in AS 04.11.260.

21 (d) A permit, other than a retail stock resale permit under AS 04.09.580 and a
22 conditional contractor's permit under AS 04.09.590 is valid only on the premises, for
23 the event, and for the period specified.

24 (e) A permit may not be transferred to another person or another location and,
25 except for a conditional contractor's permit under AS 04.09.590, may not be renewed.

26 (f) Except as otherwise provided in AS 04.09.580 for a retail stock resale
27 permit and AS 04.09.590 for a conditional contractor's permit, the fee for a permit
28 shall be set by the board in regulation. The fee must be at least \$50 for each day of the
29 event.

30 (g) The director shall approve or deny a permit application. If the director
31 denies a permit application, the applicant may appeal to the board.

1 **Sec. 04.09.510. Beverage dispensary caterer's permit.** A beverage
2 dispensary caterer's permit authorizes the holder of a beverage dispensary license to
3 sell or dispense alcoholic beverages at conventions, picnics, sporting events, concerts,
4 street festivals, or similar affairs held off the holder's licensed premises for which a
5 beverage dispensary license would not otherwise be required. The permit may be
6 issued only for designated premises for a specific occasion and for a limited period.

7 **Sec. 04.09.520. Restaurant caterer's dining permit.** (a) A restaurant caterer's
8 dining permit authorizes the holder of a restaurant or eating place license to sell beer
9 and wine before and during the service of food provided by the licensee at a dining
10 event held off the holder's licensed premises.

11 (b) The director may issue a restaurant caterer's dining permit only for
12 designated premises, for a specific occasion, and for a limited period not to exceed
13 seven days.

14 (c) The licensee shall provide food in conjunction with the service of beer and
15 wine under a restaurant caterer's dining permit.

16 **Sec. 04.09.530. Club caterer's permit.** (a) A club caterer's permit authorizes
17 the holder of a club license to sell or dispense alcoholic beverages at an event held off
18 the club's licensed premises.

19 (b) The application for a club caterer's permit filed under AS 04.11.260 must
20 be signed by the presiding officer and the secretary of the organization.

21 (c) A restriction or prohibition under AS 04.09.180 regarding a club member
22 or a guest of a club member applies at the premises covered by the permit.

23 (d) The director may not issue more than three club caterer's permits to the
24 holder of a club license in a calendar year.

25 **Sec. 04.09.540. Art exhibit event permit.** (a) An art exhibit event permit
26 authorizes the holder of a beverage dispensary license or a restaurant or eating place
27 license to sell and serve beer and wine for consumption at a specific art exhibit event.

28 (b) The board may issue an art exhibit event permit only for a specific art
29 exhibit event at premises designated in the application for a limited period specified in
30 the application.

31 (c) The board may not grant more than 12 art exhibit event permits to a

1 licensee in a calendar year.

2 (d) A permit may be exercised at one or more specified sites on a single date
3 for the same art exhibit event. A permit holder may use a specified site for exercise of
4 an art exhibit event permit not more than 12 times each calendar year. An art exhibit
5 event permit may not be exercised during an event that is expected to attract attendees
6 under 21 years of age.

7 (e) Food must be provided in conjunction with the service of beer and wine
8 under an art exhibit event permit.

9 (f) The holder of an art exhibit event permit may submit a written request for
10 amendment of the permit to change the event date, site, designated area, or designated
11 time. The request must be submitted to the director at least seven days before the event
12 and must include approval of the law enforcement agency having jurisdiction over the
13 site of the event for which the amended permit is sought.

14 **Sec. 04.09.550. Nonprofit organization event permit.** (a) A nonprofit
15 organization event permit authorizes the holder to sell or dispense beer or wine for
16 consumption at an event organized by the nonprofit organization.

17 (b) Only a nonprofit fraternal, civic, professional, or patriotic organization
18 active for a period of at least two years before filing an application and incorporated
19 under AS 10.20 is eligible for a nonprofit organization event permit.

20 (c) The application for a nonprofit organization event permit filed under
21 AS 04.11.260 must be signed by the presiding officer and the secretary of the
22 organization. The application must be received in the main office of the board at least
23 10 days before the first day of the event for which the permit is requested. The
24 nonprofit organization shall submit, together with the application,

25 (1) a certified copy of a resolution adopted by the board of directors of
26 the nonprofit organization authorizing the application; and

27 (2) a sworn affidavit showing the length of time the organization has
28 been in existence.

29 (d) The director may not issue more than five nonprofit organization event
30 permits to a nonprofit organization, including an auxiliary of the organization, in a
31 calendar year. A nonprofit organization event permit may only be issued for

1 designated premises for a specific occasion and for a limited period of time not to
2 exceed seven days as specified in the application.

3 (e) All profits derived from the sale of beer or wine under a nonprofit
4 organization event permit must be paid to the organization and not to an individual.

5 **Sec. 04.09.560. Alcoholic beverage auction permit.** (a) An alcoholic
6 beverage auction permit authorizes the holder to sell alcoholic beverages by outcry or
7 silent auction.

8 (b) Only a nonprofit fraternal, civic, professional, or patriotic organization
9 active for a period of at least two years before filing an application and incorporated
10 under AS 10.20 is eligible for an alcoholic beverage auction permit.

11 (c) The application for an alcoholic beverage auction permit filed under
12 AS 04.11.260 must be signed by the presiding officer and the secretary of the
13 organization. The application must be received in the main office of the board at least
14 10 days before the first day of the event for which the permit is requested. The
15 nonprofit organization shall submit, together with the application,

16 (1) a certified copy of a resolution adopted by the board of directors of
17 the nonprofit organization authorizing the application; and

18 (2) a sworn affidavit showing the length of time the organization has
19 been in existence.

20 (d) The director may not issue more than five alcoholic beverage auction
21 permits to a nonprofit organization, including an auxiliary of the organization, in a
22 calendar year. The director may issue a permit only for designated premises for a
23 specific event and for a limited period as specified in the application.

24 (e) The nonprofit organization shall ensure that all profits derived from the
25 sale of beer or wine under an alcoholic beverage auction permit are paid to the
26 organization and not to an individual.

27 (f) A nonprofit organization may use an alcoholic beverage auction permit in
28 conjunction with a nonprofit organization event permit, beverage dispensary caterer's
29 permit, restaurant caterer's dining permit, or club caterer's permit, or on the licensed
30 premises of a beverage dispensary license, restaurant or eating place license, or club
31 license. However, an alcoholic beverage auction permit is sufficient to authorize the

1 nonprofit to sell alcoholic beverages by outcry or silent auction, and no other permit or
2 license is required.

3 (g) The nonprofit organization may not permit consumption at the auction site
4 of the alcoholic beverages being auctioned under a nonprofit organization alcoholic
5 beverage auction permit.

6 **Sec. 04.09.570. Tasting event permit.** (a) A tasting event permit authorizes
7 the holder of a beverage dispensary license to sell or dispense alcoholic beverages at a
8 tasting event held in partnership with the holder of a package store license, brewery
9 retail license, winery retail license, or distillery retail license.

10 (b) A tasting event must be for the purpose of promoting products available
11 for purchase from the partnering package store licensee, brewery retail licensee,
12 winery retail licensee, or distillery retail licensee that initiated the event.

13 (c) Only the holder of a beverage dispensary license may apply for a tasting
14 event permit under this section. An application for a tasting event permit must list both
15 the beverage dispensary licensee and the partnering licensee, and specify the
16 designated premises for the event. The tasting event must be held in the same
17 municipality or organized village in which the licensed premises of the partnering
18 licensee are located.

19 (d) The director may not issue more than six permits in a calendar year to a
20 beverage dispensary licensee for tasting events with a particular partnering licensee;
21 however, there is no limit on the number of different licensees a beverage dispensary
22 licensee may partner with for different events.

23 (e) The director may not issue a tasting event permit for a period

24 (1) that is longer than four hours;

25 (2) that lasts beyond 9:00 p.m.

26 (f) The holder of a beverage dispensary license operating under a tasting event
27 permit may sell or dispense only products produced or sold by the partnering package
28 store, brewery, winery, or distillery.

29 (g) Food must be provided in conjunction with the service of alcoholic
30 beverages under a tasting event permit.

31 **Sec. 04.09.580. Retail stock resale permit.** (a) A retail stock resale permit

1 authorizes the holder to sell the remaining stock of a package store when the owner of
2 the package store no longer has a valid package store license.

3 (b) The fee for a retail stock resale permit is \$100.

4 (c) The holder of a retail stock resale permit may sell remaining stock only to
5 the holder of a valid license under this chapter.

6 (d) The director may issue a retail stock sale permit for a period ending 90
7 days after the date of expiration or forfeiture of the package store license. The director
8 may not issue a permit if the package store license was suspended or revoked.

9 **Sec. 04.09.590. Conditional contractor's permit.** (a) A conditional
10 contractor's permit authorizes the holder to sell beer or wine for consumption only on
11 designated premises for two years from the date of issuance of the permit at
12 construction sites that are located outside a city and inside the boundaries of a military
13 or naval reservation.

14 (b) The biennial conditional contractor's permit fee is \$1,200.

15 (c) An applicant for a conditional contractor's permit must obtain and file with
16 the board written permission from the commanding officer of the military or naval
17 reservation and the prime contractor of the remotely situated project for the conduct of
18 the activities authorized by the permit. A conditional contractor's permit may be
19 renewed biennially upon reapplication for a permit and may be revoked or suspended
20 at the discretion of the commanding officer or the prime contractor.

21 (d) A conditional contractor's permit may not be transferred and is not valid
22 after the completion of the holder's contract or the closing of the military or naval
23 reservation.

24 **Sec. 04.09.600. Failure to comply with a permit requirement.** (a) A person
25 who engages in activity that requires a permit under AS 04.09.500 - 04.09.600 without
26 having a permit and a person who violates the terms of a permit issued under
27 AS 04.09.500 - 04.09.600 commit the offense of failure to comply with a permit
28 requirement.

29 (b) Failure to comply with a permit requirement is a violation.

30 (c) Except as provided in (d) of this section, failure to comply with a permit
31 requirement is punishable by a fine of \$250 for each event day the violation occurred.

1 (d) Failure to comply with a permit requirement of a retail stock resale permit
 2 under AS 04.09.580 or a conditional contractor's permit under AS 04.09.590 is
 3 punishable by a fine of \$500.

4 * **Sec. 11.** AS 04.11.010(a) is amended to read:

5 (a) A [EXCEPT AS PROVIDED IN AS 04.11.020, A] person may not
 6 knowingly [MANUFACTURE, SELL, OFFER FOR SALE,] possess for [SALE OR]
 7 barter, traffic in, or barter an alcoholic beverage unless under license or permit issued
 8 under this title.

9 * **Sec. 12.** AS 04.11.010(b) is amended to read:

10 (b) Except as provided in this subsection, a person may not solicit or receive
 11 orders for the delivery of an alcoholic beverage in an area that has adopted a local
 12 option under AS 04.11.491. If the area has adopted a local option under
 13 AS 04.11.491(a)(1), (2), or (3), or (b)(1) or (2), a package store licensee outside of that
 14 local option area may receive orders as provided under **a package store shipping**
 15 **endorsement under AS 04.09.420** [AS 04.11.150] but may not solicit in that area or
 16 receive orders through an agent or employee in that area. This subsection does not
 17 apply to a package store licensee who operates a package store in an area that has
 18 adopted a local option under AS 04.11.491(a)(2)(C) or (3)(C) or (b)(2)(C). A person
 19 who violates this subsection is punishable upon conviction as provided under
 20 AS 04.16.200(a) or (b).

21 * **Sec. 13.** AS 04.11.010(c) is amended to read:

22 (c) Unless a municipality or established village has adopted a more restrictive
 23 local option under AS 04.11.491(g), in a criminal prosecution for possession of
 24 alcoholic beverages for **barter or** sale in violation of (a) of this section, **AS 04.09.060,**
 25 **04.09.070, 04.09.145, 04.09.320, or 04.09.330,** the fact that a person

26 (1) possessed more than 10 1/2 liters of distilled spirits or 24 liters or
 27 more of wine, or either a half-keg of malt beverages or 12 gallons or more of malt
 28 beverages in individual containers in an area where the sale of alcoholic beverages is
 29 restricted or prohibited under AS 04.11.491 creates a presumption that the person
 30 possessed the alcoholic beverages for **barter or** sale;

31 (2) sends, transports, or brings more than 10 1/2 liters of distilled

1 spirits or 24 liters or more of wine, or either a half-keg of malt beverages or 12 gallons
 2 or more of malt beverages in individual containers to an area where the sale of
 3 alcoholic beverages is restricted or prohibited under AS 04.11.491 creates a
 4 presumption that the person sent, transported, or brought the alcoholic beverages for
 5 **barter or** sale in the area.

6 * **Sec. 14.** AS 04.11.015(b) is amended to read:

7 (b) A person who violates **(a) of** this section is guilty of a violation **and, upon**
 8 **conviction, is punishable by a fine of \$100.**

9 * **Sec. 15.** AS 04.11.015 is amended by adding a new subsection to read:

10 (c) Each liter or part of a liter that is purchased in violation of (a) of this
 11 section is a separate violation under this section.

12 * **Sec. 16.** AS 04.11.040 is amended by adding new subsections to read:

13 (d) A person who transfers a license or permit or a controlling interest in a
 14 license or permit in violation of this section commits the offense of unauthorized
 15 transfer of an alcoholic beverage license or permit.

16 (e) Unauthorized transfer of an alcoholic beverage license or permit is a
 17 violation and, upon conviction, is punishable by a fine of \$100.

18 * **Sec. 17.** AS 04.11.045 is amended by adding new subsections to read:

19 (c) A limited liability organization that fails to report as required under (a) of
 20 this section commits the offense of failure to report a change in member interest or
 21 manager.

22 (d) Failure to report a change in member interest or manager is a violation.

23 * **Sec. 18.** AS 04.11.050 is amended by adding new subsections to read:

24 (d) A corporation that fails to report as required under (a) of this section, other
 25 than a corporation described in (c) of this section, commits the offense of failure to
 26 report a stock transfer or change of officers or board members.

27 (e) Failure to report a stock transfer or change of officers or board members is
 28 a violation.

29 * **Sec. 19.** AS 04.11.055 is amended by adding new subsections to read:

30 (c) A partnership that fails to report as required under (a) of this section
 31 commits the offense of failure to report a transfer of partnership interest or change of

1 general partner.

2 (d) Failure to report a transfer of partnership interest or change of general
3 partner is a violation.

4 * **Sec. 20.** AS 04.11.060 is amended to read:

5 **Sec. 04.11.060. Nonresident distiller, brewer, winery, or wholesaler.** A
6 distiller, brewer, winery, or wholesaler whose plant or principal place of business is
7 outside the state may not sell products directly to licensees in the state without

8 (1) obtaining a general wholesale license under **AS 04.09.100**
9 [AS 04.11.160(a)] for each wholesale distributing point in the state;

10 (2) appointing an agent upon whom process can be served; and

11 (3) obtaining other applicable licenses under the provisions of this title.

12 * **Sec. 21.** AS 04.11.060 is amended by adding new subsections to read:

13 (b) A person who violates (a) of this section is guilty of a violation and, upon
14 conviction, is punishable by a fine of \$100.

15 (c) Each liter or part of a liter that is sold in violation of (a) of this section is a
16 separate violation under this section.

17 * **Sec. 22.** AS 04.11.260 is amended to read:

18 **Sec. 04.11.260. Application for new license, endorsement, or permit.** (a) An
19 applicant for a new license, endorsement, or permit shall file with the director a
20 written application, signed and sworn to by the applicant, giving the applicant's name
21 and address. If the applicant is a corporation, the application shall be executed by the
22 authorized officers of the corporation. If the applicant is a partnership, including a
23 limited partnership, the application shall be executed by an authorized general partner.
24 The application must include

25 (1) the type of license, endorsement, or permit desired;

26 (2) a description of the premises for which the license, endorsement,
27 or permit is desired, giving the address by street and number, or other information, so
28 that the location of the premises can be definitely determined;

29 (3) **an annotated illustration of the premises designating the areas**
30 **for storage, service, and consumption of alcoholic beverages and, for a license**
31 **application, the area for warehousing of the alcoholic beverages;**

1 **(4) the license, endorsement, or permit fee, and, for a multiple fixed**
 2 **counter endorsement, the application fee for each counter;**

3 **(5) [(4)] the duration of the license, endorsement, or permit desired,**
 4 **including, for a permit, a statement of the event dates and the specific hours of**
 5 **intended operation;**

6 **(6) [(5)] any other information required by the board.**

7 (b) A corporation applying for a license, **endorsement**, or permit shall provide
 8 the names and addresses of the president, vice-president, secretary, managing officer,
 9 and all stockholders who own 10 percent or more of the stock in the corporation,
 10 together with any other information required by the board.

11 (c) An applicant for a new license, **endorsement**, or permit must include with
 12 the application

13 (1) proof that notice required by AS 04.11.310, **if any**, has been given;

14 (2) any petitions required to be secured under AS 04.11.460 before a
 15 license may be issued;

16 (3) evidence of any approval by public authorities required to be
 17 obtained [UNDER AS 04.11.090(e), 04.11.220(c), 04.11.230(b), 04.11.240(b), OR
 18 04.11.250(b),] before a license, **endorsement**, or permit may be issued, **including**

19 **(A) written approval under AS 04.09.200 from the**
 20 **governing body of a college or university for a pub license;**

21 **(B) approval under AS 04.11.365 for a restaurant or eating**
 22 **place license in a multi-unit residential housing development owned or**
 23 **financed by the Alaska Housing Finance Corporation;**

24 **(C) approval under AS 04.09.360 for an endorsement from**
 25 **the local governing body of the municipality or established village in**
 26 **which the licensed premises are located;**

27 **(D) permission from the commanding officer and the prime**
 28 **contractor for a conditional contractor's permit under AS 04.09.590;**

29 **(E) for a permit other than a conditional contractor's**
 30 **permit, approval of the law enforcement agency having jurisdiction over**
 31 **the site of the event for which the permit is sought.**

1 (d) A partnership, including a limited partnership, that applies for a license,
2 **endorsement**, or permit shall provide information required by the board including the
3 names and addresses of all general partners and all partners with an interest of 10
4 percent or more.

5 (e) A limited liability organization that applies for a license, **endorsement**, or
6 permit shall provide information required by the board, including the names and
7 addresses of all members with an ownership interest of 10 percent or more and the
8 names and addresses of all managers.

9 * **Sec. 23.** AS 04.11.270 is amended to read:

10 **Sec. 04.11.270. Application for renewal of license, endorsement, or permit.**

11 (a) An application for renewal of a license, **manufacturer sampling endorsement**
12 **under AS 04.09.370, package store sampling endorsement under AS 04.09.450,** or
13 [RENEWAL OF A] conditional contractor's permit **under AS 04.09.590** must include

14 (1) the information required for a new license, **endorsement**, or permit
15 under AS 04.11.260 except that proof of notice under AS 04.11.310 is not required;
16 and

17 (2) a list of all convictions of the applicant of violations of this title, a
18 regulation adopted under this title, or an ordinance adopted under AS 04.21.010, that
19 occurred in the preceding two calendar years.

20 (b) A license, **endorsement, or permit** shall be renewed as follows:

21 (1) on or before November 1, the director shall mail a renewal
22 application to each licensee whose license, **endorsement, or permit**, unless renewed,
23 will expire on December 31 of that year; the application shall be mailed to the licensee
24 **or permittee** at the licensed premises or at a mailing address furnished by the licensee
25 **or permittee**;

26 (2) the licensee **or permittee** shall submit the completed renewal
27 application and the biennial [LICENSE] fee to the director before January 1;

28 (3) a renewal application filed after December 31 is delinquent and
29 must be accompanied by a \$500 penalty fee;

30 (4) if December 31 falls on a weekend or a state holiday, the deadline
31 is extended to the first business day following December 31.

1 * **Sec. 24.** AS 04.11.295(a) is amended to read:

2 (a) An applicant for the issuance or transfer of a license or **issuance of** a
3 conditional contractor's permit under this title shall submit to the board, with the
4 application, the applicant's fingerprints and the fees required by the Department of
5 Public Safety under AS 12.62.160 for criminal justice information and a national
6 criminal history record check. The board may require an applicant for renewal of a
7 license or a conditional contractor's permit under this title to submit fingerprints and
8 pay fees as required by this subsection. The board shall submit the fingerprints to the
9 Department of Public Safety to obtain a report of criminal justice information under
10 AS 12.62 and a national criminal history record check under AS 12.62.400. The
11 Department of Public Safety may submit the fingerprints to the Federal Bureau of
12 Investigation for a national criminal history record check. The board shall use the
13 information obtained under this section in its determination of an applicant's
14 qualification for issuance, transfer, or renewal of a license or **issuance or renewal of** a
15 conditional contractor's permit.

16 * **Sec. 25.** AS 04.11.295(b)(1) is amended to read:

17 (1) "applicant" means all individuals whose names and addresses are
18 required to be provided with an application for a new license or **conditional**
19 **contractor's** permit under **AS 04.09.590** [AS 04.11.260];

20 * **Sec. 26.** AS 04.11 is amended by adding a new section to article 3 to read:

21 **Sec. 04.11.315. False statement on application.** A person who makes a false
22 sworn statement that the person does not believe to be true on an application under
23 AS 04.11.260 - 04.11.310 commits the crime of perjury under AS 11.56.200.

24 * **Sec. 27.** AS 04.11.320(a) is amended to read:

25 (a) An application requesting issuance of a new license **or endorsement** shall
26 be denied if

27 (1) the board finds, after review of all relevant information, that
28 issuance of the license **or endorsement** would not be in the best interests of the
29 public;

30 (2) issuance of the license is prohibited by AS 04.11.410, relating to
31 location of premises near churches and schools;

1 (3) the application has not been completed in accordance with
2 AS 04.11.260;

3 (4) issuance of the license or endorsement would violate the
4 restrictions pertaining to the particular license or endorsement imposed under this
5 title;

6 (5) issuance of the license is prohibited under this title as a result of an
7 election conducted under AS 04.11.507;

8 (6) the requirements of AS 04.11.420 - 04.11.450 relating to zoning,
9 ownership and location of the license or endorsement, and the identity and financing
10 of a licensee have not been met;

11 (7) issuance of the license is prohibited under AS 04.11.400(a) or
12 prohibition of issuance of the license is found necessary under AS 04.11.400(b);

13 (8) the application contains false statements of material fact;

14 (9) the license is sought for the sale of alcoholic beverages in a first or
15 second class city where there are no licensed premises at the time of application unless
16 a majority of the voters have voted not to approve a local option to restrict or prohibit
17 the sale of alcoholic beverages under AS 04.11.491, have voted to approve a local
18 option to allow the type of premises under AS 04.11.491(a)(2) or (3), or have voted to
19 remove a restriction or prohibition on the sale of alcoholic beverages under
20 AS 04.11.495; or

21 (10) the license is sought for the sale of alcoholic beverages in an
22 established village where there are no licensed premises at the time of application
23 unless a majority of the voters have voted not to approve a local option to restrict or
24 prohibit the sale of alcoholic beverages under AS 04.11.491, have voted to approve a
25 local option to allow the type of premises under AS 04.11.491(b)(2), or have voted to
26 remove a restriction or prohibition on the sale of alcoholic beverages under
27 AS 04.11.495.

28 * **Sec. 28.** AS 04.11.330(a) is amended to read:

29 (a) An application requesting renewal of a license or endorsement shall be
30 denied if

31 (1) the board finds, after review of all relevant information, that

1 renewal of the license or endorsement would not be in the best interests of the public;

2 (2) the license or endorsement has been revoked for any cause;

3 (3) the applicant has not operated the licensed premises for at least 30
4 eight-hour days during each of the two preceding calendar years, unless the board
5 determines that the licensed premises are under construction or cannot be operated
6 through no fault of the applicant;

7 (4) the board finds that issuance of an existing beverage dispensary
8 tourism license under AS 04.09.300 or seasonal restaurant or eating place tourism
9 license under AS 04.09.310 [AS 04.11.400(d)] has not encouraged tourist trade;

10 (5) the requirements of AS 04.11.420 - 04.11.450 relating to zoning,
11 ownership of the license, and financing of the licensee have not been met;

12 (6) renewal of the license or endorsement would violate the
13 restrictions pertaining to the particular license or endorsement under this title or the
14 license or endorsement has been operated in violation of a condition or restriction
15 imposed by the board;

16 (7) renewal of the license or endorsement is prohibited under this title
17 as a result of an election conducted under AS 04.11.507; or

18 (8) the application has not been completed in accordance with
19 AS 04.11.270 [; OR

20 (9) THE LICENSE WAS ISSUED UNDER AS 04.11.400(g), AND
21 THE BOARD FINDS THAT THE PUBLIC CONVENIENCE DOES NOT
22 REQUIRE RENEWAL].

23 * **Sec. 29.** AS 04.11.330(d) is amended to read:

24 (d) Notwithstanding (a)(3) of this section, a recreational site license issued
25 under AS 04.09.230 [AS 04.11.210] may be renewed if the license was exercised at
26 least once during each of the two preceding calendar years.

27 * **Sec. 30.** AS 04.11.340 is amended to read:

28 **Sec. 04.11.340. Denial of request for relocation.** An application requesting
29 approval for the relocation of licensed premises shall be denied if

30 (1) the board finds, after review of all relevant information, that
31 relocation of the license would not be in the best interests of the public;

1 (2) the relocation is prohibited under AS 04.11.400(a) or (b);

2 (3) the license would be relocated out of the established village,
3 incorporated city, unified municipality, or population area established under
4 AS 04.11.400(a) within which it is located;

5 (4) transfer of ownership is to be made concurrently with the
6 relocation of the licensed premises and a ground for denial of the transfer of
7 ownership under AS 04.11.360 is presented;

8 (5) the application has not been completed in accordance with
9 AS 04.11.290;

10 (6) relocation of the license would result in violation of a local zoning
11 law;

12 (7) relocation of the license would violate the restrictions pertaining to
13 the particular license imposed by this title;

14 (8) relocation of the license is prohibited under this title as a result of
15 an election conducted under AS 04.11.507; or

16 (9) the license was issued under AS 04.09.240 or former
17 AS 04.11.400(d), (e), or (g).

18 * **Sec. 31.** AS 04.11.360 is amended to read:

19 **Sec. 04.11.360. Denial of transfer of a license to another person.** An
20 application requesting approval of a transfer of a license to another person under this
21 title shall be denied if

22 (1) the board finds, after review of all relevant information, that
23 transfer of a license to another person would not be in the best interests of the public;

24 (2) the application has not been completed in accordance with
25 AS 04.11.280;

26 (3) the application contains false statements of material fact;

27 (4) the transferor has not paid all debts or taxes arising from the
28 conduct of the business licensed under this title unless

29 (A) the transferor gives security for the payment of the debts or
30 taxes satisfactory to the creditor or taxing authority; or

31 (B) the transfer is under a promise given as collateral by the

1 transferor to the transferee in the course of an earlier transfer of the license
 2 under which promise the transferor is obliged to transfer the license back to the
 3 transferee in the event of default in payment for property conveyed as part of
 4 the earlier transfer of the license;

5 (5) transfer of the license to another person would result in violation of
 6 the provisions of this title relating to identity of licensees and financing of licensees;

7 (6) transfer of the license to another person would violate the
 8 restrictions pertaining to the particular license under this title;

9 (7) transfer of the license to another person is prohibited under the
 10 provisions of this title as a result of an election conducted under AS 04.11.507;

11 (8) the prospective transferee does not have the qualifications required
 12 under this title of an original applicant; **or**

13 (9) the license was issued under **AS 04.09.170(f), 04.09.240, former**
 14 **AS 04.11.100(f), former AS 04.11.225,** or **former** 04.11.400(g); however, this
 15 paragraph does not apply to a beverage dispensary license issued before June 6, 1985,
 16 under former AS 04.11.400(j) if the transfer does not involve a change in location [;
 17 OR

18 (10) THE LICENSE WAS ISSUED UNDER AS 04.11.135, UNLESS
 19 THE TRANSFEROR IS ALSO APPLYING TO TRANSFER THE BEVERAGE
 20 DISPENSARY LICENSE REQUIRED UNDER AS 04.11.135 TO THE SAME
 21 TRANSFEREE].

22 * **Sec. 32.** AS 04.11.365 is amended to read:

23 **Sec. 04.11.365. Licensed premises in multi-unit residential housing**
 24 **developments owned or financed by the Alaska Housing Finance Corporation.**
 25 For premises located in a multi-unit residential housing development owned or
 26 financed by the Alaska Housing Finance Corporation, the board may issue a new
 27 license under AS 04.11.320, renew a license under AS 04.11.330, or approve a request
 28 for relocation under AS 04.11.340 if the Alaska Housing Finance Corporation
 29 authorizes the use under AS 18.56.230 and

30 [(1) THE LICENSE IS FOR A RESTAURANT OR EATING PLACE
 31 UNDER AS 04.11.100; OR

1 (2)] the premises are **covered by a restaurant endorsement**
 2 [DESIGNATED BY THE BOARD AS A RESTAURANT] under **AS 04.09.410**
 3 [AS 04.16.049].

4 * **Sec. 33.** AS 04.11.370 is amended to read:

5 **Sec. 04.11.370. Suspension and revocation of licenses, endorsements, and**
 6 **permits.** (a) A license, **endorsement**, or permit shall be suspended or revoked if the
 7 board finds

8 (1) misrepresentation of a material fact on an application made under
 9 this title or a regulation adopted under this title;

10 (2) continuation of the manufacture, sale, or service of alcoholic
 11 beverages by the licensee or permittee would be contrary to the best interests of the
 12 public;

13 (3) failure on the part of the licensee to correct a defect that constitutes
 14 a violation of this title, a condition or restriction imposed by the board, a regulation
 15 adopted under this title, or other laws after receipt of notice issued by the board or its
 16 agent;

17 (4) conviction of a licensee of a violation of this title, a regulation
 18 adopted under this title, or an ordinance adopted under AS 04.21.010;

19 (5) conviction of an agent or employee of a licensee of a violation of
 20 this title, a regulation adopted under this title, or an ordinance adopted under
 21 AS 04.21.010, if the licensee is found by the board to have either knowingly allowed
 22 the violation or to have recklessly or with criminal negligence failed to act in
 23 accordance with the duty prescribed under AS 04.21.030 with the result that the agent
 24 or employee violates a law, regulation, or ordinance;

25 (6) failure of the licensee to comply with the public health, fire, or
 26 safety laws and regulations in the state;

27 (7) use of the licensed premises as a resort for illegal possessors or
 28 users of narcotics, prostitutes, or sex traffickers; in addition to any other legally
 29 competent evidence, the character of the premises may be proved by the general
 30 reputation of the premises in the community as a resort for illegal possessors or users
 31 of narcotics, prostitutes, or sex traffickers;

1 (8) occurrence of illegal gambling within the limits of the licensed
2 premises;

3 (9) the licensee permitted a public offense involving moral turpitude to
4 occur on the licensed premises;

5 (10) violation by a licensee of this title, a condition or restriction
6 imposed by the board, a regulation adopted under this title, or an ordinance adopted
7 under AS 04.21.010; or

8 (11) violation by an agent or employee of a licensee of a provision of
9 this title, a condition or restriction imposed by the board, a regulation adopted under
10 this title, or an ordinance adopted under AS 04.21.010, if the licensee is found by the
11 board to have either knowingly allowed the violation or to have recklessly or with
12 criminal negligence failed to act in accordance with the duty prescribed under
13 AS 04.21.030 with the result that the agent or employee violates the law, condition or
14 restriction, regulation, or ordinance.

15 (b) If the board finds that a licensee or permittee has been convicted of a
16 violation of a criminal law related to gambling under AS 11.66.200 - 11.66.280, the
17 board shall suspend the license, endorsement, or permit for a period of at least six
18 months if the offense is the person's first conviction or violation and shall revoke the
19 license, endorsement, or permit if the offense is the person's second or subsequent
20 conviction or violation.

21 (c) If the board receives notice from the Department of Revenue that a
22 licensee or permittee has violated a provision of AS 05.15 related to gambling, the
23 board

24 (1) may suspend the license, endorsement, or permit; and

25 (2) shall suspend the license, endorsement, or permit for a period of at
26 least 30 days if the offense is the person's second or subsequent violation of AS 05.15
27 related to gambling.

28 * **Sec. 34.** AS 04.11.395 is amended to read:

29 **Sec. 04.11.395. Board imposed conditions or restrictions.** The board may, in
30 the best interests of the public, impose conditions or restrictions on a license,
31 endorsement, or permit issued under this chapter.

1 * **Sec. 35.** AS 04.11.400(a) is amended to read:

2 (a) Except as provided in **(f), (h), and (k)** [(d) - (k)] of this section, a new
3 license may not be issued and the board may prohibit relocation of an existing license

4 (1) outside an established village, incorporated city, unified
5 municipality, or organized borough if, after the issuance or relocation, **in a radius of**
6 **five miles of the licensed premises, excluding the populations of established**
7 **villages, incorporated cities, unified municipalities, and organized boroughs that**
8 **are wholly or partly included within the radius,** there would be

9 (A) more than one restaurant or eating place license for each
10 1,500 population or fraction of that population; [, OR]

11 (B) **more than one brewery retail, winery retail, or distillery**
12 **retail license for each 10,000 population or fraction of that population; or**

13 (C) more than one license of each other type [, INCLUDING
14 LICENSES THAT HAVE BEEN ISSUED UNDER (d) OR (e) OF THIS
15 SECTION,] for each 3,000 population or fraction of that population [, IN A
16 RADIUS OF FIVE MILES OF THE LICENSED PREMISES, EXCLUDING
17 THE POPULATIONS OF ESTABLISHED VILLAGES, INCORPORATED
18 CITIES, UNIFIED MUNICIPALITIES, AND ORGANIZED BOROUGH
19 THAT ARE WHOLLY OR PARTLY INCLUDED WITHIN THE RADIUS];

20 (2) inside an established village, incorporated city, or unified
21 municipality if, after the issuance or relocation, there would be inside the established
22 village, incorporated city, or unified municipality

23 (A) more than one restaurant or eating place license for each
24 1,500 population or fraction of that population; [OR]

25 (B) **more than one brewery retail, winery retail, or distillery**
26 **retail license for each 10,000 population or fraction of that population; or**

27 (C) more than one license of each other type [, INCLUDING
28 LICENSES THAT HAVE BEEN ISSUED UNDER (d) OR (e) OF THIS
29 SECTION,] for each 3,000 population or fraction of that population;

30 (3) inside an organized borough but outside an established village or
31 incorporated city located within the borough if, after the issuance or relocation, there

1 would be inside the borough, but outside the established villages and incorporated
 2 cities located within the borough, **excluding the population of those established**
 3 **villages that have adopted a local option under AS 04.11.491(b)(1) or (3), and**
 4 **excluding the population of incorporated cities located within the organized**
 5 **borough;**

6 (A) more than one restaurant or eating place license for each
 7 1,500 population or fraction of that population; [OR]

8 (B) **more than one brewery retail, winery retail, or distillery**
 9 **retail license for each 10,000 population or fraction of that population; or**

10 (C) more than one license of each other type, **except a type**
 11 **listed in (i) of this section,** [, INCLUDING LICENSES THAT HAVE BEEN
 12 ISSUED UNDER (d) OR (e) OF THIS SECTION,] for each 3,000 population
 13 or fraction of that population [EXCLUDING THE POPULATION OF THOSE
 14 ESTABLISHED VILLAGES THAT HAVE ADOPTED A LOCAL OPTION
 15 UNDER AS 04.11.491(b)(1), (3), OR (4), AND EXCLUDING THE
 16 POPULATION OF INCORPORATED CITIES LOCATED WITHIN THE
 17 ORGANIZED BOROUGH].

18 * **Sec. 36.** AS 04.11.400(i) is repealed and reenacted to read:

19 (i) This section does not apply to a

20 (1) brewery manufacturer license issued under AS 04.09.020;

21 (2) winery manufacturer license issued under AS 04.09.030;

22 (3) distillery manufacturer license issued under AS 04.09.040;

23 (4) general wholesale license issued under AS 04.09.100;

24 (5) limited wholesale malt beverage and wine license under
 25 AS 04.09.110;

26 (6) outdoor recreation lodge license issued under AS 04.09.240;

27 (7) destination resort license issued under AS 04.09.260;

28 (8) beverage dispensary tourism license issued under AS 04.09.300;

29 (9) seasonal restaurant or eating place tourism license issued under
 30 AS 04.09.310;

31 (10) conditional contractor's permit issued under AS 04.09.590.

1 * **Sec. 37.** AS 04.11.400(k) is amended to read:

2 (k) The board may allow the relocation of an existing beverage dispensary
3 license under **AS 04.09.160** [AS 04.11.090] to a restaurant, eating place, or hotel,
4 motel, resort, or similar business that contains a restaurant or eating place, in a
5 borough with a population of 60,000 or more if the governing body of the borough
6 approves the relocation. However, if the relocation of the license is into or within an
7 incorporated city in the borough, the board may not approve the relocation unless the
8 governing bodies of both the borough and the incorporated city approve the relocation.
9 The board may allow not more than three relocations in a borough under this
10 subsection each decade. In this subsection, "decade" means each 10-year period
11 beginning April 1 in a year ending in zero.

12 * **Sec. 38.** AS 04.11.450(b) is amended to read:

13 (b) A person who is a representative or owner of a wholesale business,
14 brewery, winery, [BOTTLING WORKS,] or distillery may not be issued, solely or
15 together with others, a beverage dispensary license [, A RESTAURANT OR EATING
16 PLACE LICENSE,] or package store license. **A person who is a representative or**
17 **owner of a wholesale business or distillery may not be issued, solely or together**
18 **with others, a restaurant or eating place license** [A HOLDER OF A BEVERAGE
19 DISPENSARY LICENSE MAY BE ISSUED A BREWPUB LICENSE, SUBJECT
20 TO THE PROVISIONS OF AS 04.11.135]. The prohibition against issuance of a
21 restaurant or eating place license imposed under this subsection does not apply to a
22 restaurant or eating place license issued on or before October 1, 1996, or a restaurant
23 or eating place license issued under an application for a restaurant or eating place
24 license approved on or before October 1, 1996.

25 * **Sec. 39.** AS 04.11.450(e) is amended to read:

26 (e) A holder of either a general wholesale license or a **limited** wholesale malt
27 beverage and wine license may not be employed by or act as the agent or employee of
28 the holder of a beverage dispensary or package store license.

29 * **Sec. 40.** AS 04.11.470 is amended to read:

30 **Sec. 04.11.470. Objection.** A person may object to an application for issuance,
31 renewal, transfer of location, or transfer to another person of a license, **for issuance or**

1 **renewal of an endorsement**, or for issuance of a permit, by serving upon the
 2 applicant and the board the reasons for the objection. The board shall consider the
 3 objections and testimony received at a hearing conducted under AS 04.11.510(b)(2)
 4 when it considers the application. An objection and the record of a hearing conducted
 5 under AS 04.11.510(b)(2) shall be retained as part of the board's permanent record of
 6 its review of the application.

7 * **Sec. 41.** AS 04.11.480(a) is amended to read:

8 (a) A local governing body may protest the issuance, renewal, relocation, or
 9 transfer to another person of a license, **or issuance or renewal of an endorsement**, by
 10 sending the board and the applicant a protest and the reasons for the protest within 60
 11 days of receipt from the board of notice of filing of the application. A protest received
 12 after the 60-day period may not be accepted by the board, and in no event may a
 13 protest cause the board to reconsider an approved renewal, relocation, or transfer. The
 14 local governing body may protest the continued operation of a license **or**
 15 **endorsement** during the second year of the biennial license period by sending the
 16 board and the licensee a protest and the reasons for the protest by January 31 of the
 17 second year of the license. The procedures for action on a protest of continued
 18 operation of a license **or endorsement** are the same as the procedures for action on a
 19 protest of a renewal application. The board shall consider a protest and testimony
 20 received at a hearing conducted under AS 04.11.510(b)(2) or (4) when it considers the
 21 application or continued operation, and the protest and the record of the hearing
 22 conducted under AS 04.11.510(b)(2) or (4) shall be kept as part of the board's
 23 permanent record of its review. If an application or continued operation is protested,
 24 the board shall deny the application or continued operation unless the board finds that
 25 the protest is arbitrary, capricious, and unreasonable.

26 * **Sec. 42.** AS 04.11.480(b) is amended to read:

27 (b) If the permanent residents residing outside of but within two miles of an
 28 incorporated city or an established village wish to protest the issuance, renewal, or
 29 transfer of a license **or the issuance or renewal of an endorsement** within the city or
 30 village, they shall file with the board a petition meeting the requirements of
 31 AS 04.11.510(b)(3) requesting a public hearing **not later than** [WITHIN] 30 days

1 **after** [OF] the posting of notice required under AS 04.11.310, or by December 31 of
 2 the year application is made for renewal of a license **or endorsement**. The board shall
 3 consider testimony received at a hearing conducted under AS 04.11.510(b)(3) when it
 4 considers the application, and the record of a hearing conducted under
 5 AS 04.11.510(b)(3) shall be retained as part of the board's permanent record of its
 6 review of the application.

7 * **Sec. 43.** AS 04.11.480(c) is amended to read:

8 (c) A local governing body may recommend that a license be issued, renewed,
 9 relocated, or transferred, **or that an endorsement be issued or renewed**, with
 10 conditions. The board shall consider recommended conditions and testimony received
 11 at a hearing conducted under AS 04.11.510(b)(2) or (4) when it considers the
 12 application or continued operation, and the recommended conditions and the record of
 13 the hearing conducted under AS 04.11.510(b)(2) or (4) shall be kept as part of the
 14 board's permanent record of its review. If the local governing body recommends
 15 conditions, the board shall impose the recommended conditions unless the board finds
 16 that the recommended conditions are arbitrary, capricious, or unreasonable. If a
 17 condition recommended by a local governing body is imposed on a licensee, the local
 18 governing body shall assume responsibility for monitoring compliance with the
 19 condition, except as otherwise provided by the board.

20 * **Sec. 44.** AS 04.11.491(a) is amended to read:

21 (a) If a majority of the persons voting on the question vote to approve the
 22 option, a municipality shall adopt a local option to prohibit

23 (1) the sale of alcoholic beverages;

24 (2) the sale of alcoholic beverages except by one or more of the
 25 following listed on the ballot:

26 (A) a restaurant or eating place licensee;

27 (B) a beverage dispensary licensee;

28 (C) a package store licensee;

29 (D) a caterer holding a **beverage dispensary caterer's** permit
 30 under **AS 04.09.510** [AS 04.11.230] to sell alcoholic beverages at a site within
 31 the municipality who is also licensed under a beverage dispensary license for

1 premises outside of the municipality;

2 (E) a winery manufacturer licensee; [OR]

3 (F) a winery manufacturer licensee, except that sales may
4 occur only to a person licensed under this title or in another state or country; **or**

5 **(G) an outdoor recreation lodge;**

6 (3) the sale of alcoholic beverages except on premises operated by the
7 municipality and under a type of licensed premises listed on the ballot, that may
8 include one or more of the following:

9 (A) a restaurant or eating place license;

10 (B) a beverage dispensary license; or

11 (C) a package store license;

12 (4) the sale and importation of alcoholic beverages; or

13 (5) the sale, importation, and possession of alcoholic beverages.

14 * **Sec. 45.** AS 04.11.491(b) is amended to read:

15 (b) If a majority of the persons voting on the question vote to approve the
16 option, an established village shall exercise a local option to prohibit

17 (1) the sale of alcoholic beverages;

18 (2) the sale of alcoholic beverages except by one or more of the
19 following listed on the ballot:

20 (A) a restaurant or eating place licensee;

21 (B) a beverage dispensary licensee;

22 (C) a package store licensee;

23 (D) a caterer holding a beverage dispensary caterer's permit
24 under **AS 04.09.510** [AS 04.11.230] to sell alcoholic beverages at a site within
25 the established village who is also licensed under a beverage dispensary license
26 for premises outside of the established village;

27 (E) a winery manufacturer licensee; [OR]

28 (F) a winery manufacturer licensee, except that sales may
29 occur only to a person licensed under this title or in another state or country; **or**

30 **(G) an outdoor recreation lodge;**

31 (3) the sale and importation of alcoholic beverages; or

1 (4) the sale, importation, and possession of alcoholic beverages.

2 * **Sec. 46.** AS 04.11.491(d) is amended to read:

3 (d) The ballot for an election on the option set out in (a)(2)(A), (a)(3)(A), or
 4 (b)(2)(A) of this section must include a summary explanation of the authority to sell
 5 alcoholic beverages given to a restaurant or eating place under AS 04.09.170(a)
 6 [AS 04.11.100(a)]. The ballot for an election on the option set out in (a)(2)(B) or (D),
 7 (a)(3)(B), or (b)(2)(B) or (D) of this section must include a statement that a beverage
 8 dispensary license is commonly known as a "bar" and a summary explanation of the
 9 authority to sell alcoholic beverages given to a beverage dispensary licensee under
 10 AS 04.09.160 [AS 04.11.090(a)]. The ballot for an election on the option set out in
 11 (a)(2)(C), (a)(3)(C), or (b)(2)(C) of this section must include a statement that a
 12 package store license is commonly known as a "liquor store" and a summary
 13 explanation of the authority to sell alcoholic beverages given to a package store
 14 licensee under AS 04.09.190 [AS 04.11.150(a)].

15 * **Sec. 47.** AS 04.11.491(g) is amended to read:

16 (g) If a municipality or established village has adopted a local option under
 17 (a)(1), (2), or (3) or (b)(1) or (2) [(a)(1), (2), (3), OR (4), OR (b)(1), (2), OR (3)] of
 18 this section, the municipality or established village, as part of the local option question
 19 or questions placed before the voters, may

20 (1) adopt an amount of alcoholic beverages that may be imported that
 21 is less than the amounts set out in AS 04.09.420(f) [AS 04.11.150(g)];

22 (2) adopt an amount of alcoholic beverages that would give rise to a
 23 presumption that the person possessed the alcoholic beverages for sale; the amounts
 24 adopted under this paragraph may be lower than those set out in AS 04.11.010(c) [;

25 (3) OPT TO NOT APPLY A CLASS C FELONY TO VIOLATIONS
 26 OF AS 04.16.051 THAT APPLY SOLELY BY REASON OF THE MUNICIPALITY
 27 OR ESTABLISHED VILLAGE ADOPTING A LOCAL OPTION UNDER THIS
 28 SECTION].

29 * **Sec. 48.** AS 04.11.497 is amended to read:

30 **Sec. 04.11.497. Effect on licenses of prohibition of sale.** If a majority of
 31 voters vote to prohibit the sale of alcoholic beverages under AS 04.11.491(a)(1) [,

1 (a)(4)] or (5), (b)(1) [, OR (b)(3)] or (4), the board may not issue, renew, or transfer,
 2 between persons or locations, a license for premises located within the boundaries of
 3 the municipality and in unincorporated areas within 10 [FIVE] miles of the boundaries
 4 of the municipality or within the perimeter of the established village, **except that the**
 5 **board may renew an outdoor recreation lodge license issued under AS 04.09.240**
 6 **or former AS 04.11.225.** A license that may not be renewed because of a local option
 7 election held under this section is void 90 days after the results of the election are
 8 certified. A license that expires during the 90 days after the results of a local option
 9 election are certified may be extended, until it is void under this section, by payment
 10 of a prorated portion of the biennial license fee.

11 * **Sec. 49.** AS 04.11.499(a) is amended to read:

12 (a) If a majority of the voters vote to prohibit the importation of alcoholic
 13 beverages under **AS 04.11.491(a)(5) or (b)(4)** [AS 04.11.491(a)(4) OR (5) OR (b)(3)
 14 OR (4)], a person, beginning on the first day of the month following certification of
 15 the results of the election, may not knowingly send, transport, or bring an alcoholic
 16 beverage into the municipality or established village, unless

17 **(1)** the alcoholic beverage is sacramental wine to be used for bona fide
 18 religious purposes based on tenets or teachings of a church or religious body, is
 19 limited in quantity to the amount necessary for religious purposes, and is dispensed
 20 only for religious purposes by a person authorized by the church or religious body to
 21 dispense the sacramental wine; **or**

22 **(2) the person holds, or is the agent or employee of a person who**
 23 **holds, an outdoor recreation lodge license issued under AS 04.09.240 or former**
 24 **AS 04.11.225, and the alcoholic beverage is sent, transported, or brought to the**
 25 **lodge covered by the license.**

26 * **Sec. 50.** AS 04.11.501(a) is amended to read:

27 (a) If a majority of the voters vote to prohibit the possession of alcoholic
 28 beverages under AS 04.11.491(a)(5) or (b)(4), a person may not knowingly possess an
 29 alcoholic beverage in the municipality or established village, unless

30 **(1)** the alcoholic beverage is sacramental wine to be used for bona fide
 31 religious purposes based on tenets or teachings of a church or religious body, is

1 limited in quantity to the amount necessary for religious purposes, and is dispensed
 2 only for religious purposes, by a person recognized by the church or religious body as
 3 authorized to dispense the wine; or

4 (2) the person holds, or is the agent or employee of a person who
 5 holds, an outdoor recreation lodge license issued under AS 04.09.240 or former
 6 AS 04.11.225 for a lodge located in the municipality or established village.

7 * **Sec. 51.** AS 04.11.501(b) is amended to read:

8 (b) If there are licensed premises within the municipality or established
 9 village, the prohibition under (a) of this section on possession is effective beginning
 10 90 days after the results of the election are certified. If there are no licensed premises
 11 within the municipality or established village, the prohibition on possession is
 12 effective beginning 60 days after the results of the election are certified.

13 * **Sec. 52.** AS 04.11.503 is amended to read:

14 **Sec. 04.11.503. Effect on licenses of restriction on sale.** If a majority of the
 15 voters vote under AS 04.11.491(a)(2) or (b)(2) to prohibit sale of alcoholic beverages
 16 except by the type or types of licensees or permit holders listed on the ballot, the board
 17 may not issue [, RENEW,] or transfer between persons or locations a license for
 18 premises located within the boundaries of the municipality and in unincorporated areas
 19 within 10 [FIVE] miles of the boundaries of the municipality or within the perimeter
 20 of the established village, except the type or types of licenses listed on the ballot. **The**
 21 **board may not renew a license for premises located within the boundaries of the**
 22 **municipality and in unincorporated areas within 10 miles of the boundaries of**
 23 **the municipality or within the perimeter of the established village, except for an**
 24 **outdoor recreation lodge license issued under AS 04.09.240 or former**
 25 **AS 04.11.225.** A license in effect within the boundaries of the municipality or
 26 perimeter of the established village, and in unincorporated areas within 10 [FIVE]
 27 miles of the boundaries of the municipality, except the type of license listed on the
 28 ballot **and an outdoor recreation lodge license issued under AS 04.09.240 or**
 29 **former AS 04.11.225,** is void 90 days after the results of the election are certified. A
 30 license that expires during the 90 days after the results of a local option election are
 31 certified may be extended, until it is void under this section, by payment of a prorated

1 portion of the biennial license fee.

2 * **Sec. 53.** AS 04.11.505(a) is amended to read:

3 (a) If a majority of the voters vote under AS 04.11.491(a)(3) to prohibit the
4 sale of alcoholic beverages except on premises operated by the municipality, the board
5 may not issue [, RENEW,] or transfer between persons or locations a license for
6 premises located within the boundaries of a municipality and in unincorporated areas
7 within **10** [FIVE] miles of the boundaries of the municipality, with the exception of
8 the type of license listed on the ballot and operated under a license held by the
9 municipality. **The board may not renew a license for premises located within the**
10 **boundaries of the municipality and in unincorporated areas within 10 miles of**
11 **the boundaries of the municipality or within the perimeter of the established**
12 **village, except for an outdoor recreation lodge license issued under AS 04.09.240**
13 **or former AS 04.11.225.** A license in effect, **except an outdoor recreation lodge**
14 **license issued under AS 04.09.240 or former AS 04.11.225,** is void 90 days after the
15 results of the election are certified. A license that expires during the 90 days after the
16 results of a local option election are certified may be extended, until it is void under
17 this subsection, by payment of a prorated portion of the biennial license fee.

18 * **Sec. 54.** AS 04.11.508(a) is amended to read:

19 (a) Except as provided under (b) and (c) of this section, for purposes of
20 AS 04.11.491, 04.11.497, and 04.11.503, the perimeter of an established village is a
21 circle around the established village that includes an area within a **10-mile** [FIVE-
22 MILE] radius of the post office of the established village. If the established village
23 does not have a post office, the perimeter of an established village is a circle around
24 the established village that includes an area within a **10-mile** [FIVE-MILE] radius of
25 another site selected by the local governing body or by the board if the established
26 village does not have a local governing body.

27 * **Sec. 55.** AS 04.11.509(b) is amended to read:

28 (b) If a majority of the voters vote to prohibit the importation or possession of
29 alcoholic beverages under **AS 04.11.491(a)(5) or (b)(4)** [AS 04.11.491(a)(4) OR (5)
30 OR (b)(3) OR (4)], the following actions in addition to those prescribed in (a) of this
31 section shall be taken before the date the prohibition becomes effective:

1 (1) the board shall notify, by certified mail, all package store licensees
 2 who sell alcoholic beverages in response to a written solicitation of the local option;
 3 and

4 (2) the municipality or established village shall post public notice of
 5 the prohibition in a central location in the municipality or village.

6 * **Sec. 56.** AS 04.11.520 is amended to read:

7 **Sec. 04.11.520. Notice to local governing body.** After receipt of an
 8 application for the issuance or renewal of a license or endorsement or an
 9 application for transfer of a license to another person or a new location from
 10 within [(1)] an established village, [(2)] an incorporated city, [(3)] an organized
 11 borough, or [(4)] a unified municipality, the board shall **notify** [TRANSMIT
 12 WRITTEN NOTICE TO] the local governing body **in writing** within 10 days so that
 13 the local governing body may protest under AS 04.11.480.

14 * **Sec. 57.** AS 04.11.535(a) is amended to read:

15 (a) If, in a proceeding to suspend or revoke a license, **endorsement, or permit**
 16 under AS 04.11.370(a)(5), the board finds that a sentencing report, **record of**
 17 **conviction, or judgment** sent to the board under AS 12.55.025(b) or a report prepared
 18 by the investigating or arresting officers in connection with the violation, contains
 19 information that if uncontradicted or unexplained would provide a ground for
 20 suspension or revocation under AS 04.11.370(a)(5), the licensee **or permittee** has the
 21 burden of proof to establish that the licensee **or permittee** neither knowingly allowed
 22 the violation nor recklessly or with criminal negligence failed to act in accordance
 23 with the duty prescribed under AS 04.21.030.

24 * **Sec. 58.** AS 04.11.537 is amended to read:

25 **Sec. 04.11.537. Application of precedent.** In determining whether issuance,
 26 renewal, transfer, relocation, suspension, or revocation of a license **or the issuance or**
 27 **renewal of an endorsement** is in the best interests of the public, the board need not
 28 conform to or distinguish its decision from any action it has taken in the past on
 29 applications presenting similar facts, but may instead base its decision only on the
 30 particular facts before it.

31 * **Sec. 59.** AS 04.11.540 is amended to read:

1 **Sec. 04.11.540. License and endorsement renewal and expiration.**

2 Notwithstanding AS 04.11.680, an application for renewal of a license **or**
 3 **endorsement** issued for the two calendar years ending December 31 or of a seasonal
 4 license issued for parts of those calendar years may be submitted [UP] until the next
 5 February 28. If a complete application for renewal has not been filed by February 28
 6 or the required fees and the penalty fees have not been paid by that date, the license **or**
 7 **endorsement** expires at 12:00 midnight February 28. A new license **or endorsement**
 8 may not be issued to the holder of an expired license **or endorsement** for the same
 9 premises except on proof satisfactory to the board of good cause for the failure to file
 10 and pay.

11 * **Sec. 60.** AS 04.11.560(b) is amended to read:

12 (b) A decision by the board relating to the issuance, renewal, transfer,
 13 relocation, suspension, or revocation of a license **or the issuance, renewal,**
 14 **suspension, or revocation of an endorsement** under this title may be appealed to the
 15 superior court under AS 44.62.560.

16 * **Sec. 61.** AS 04.11.570 is amended to read:

17 **Sec. 04.11.570. Refund and forfeiture of fees.** (a) If an application for a
 18 license **or endorsement** is denied, the board shall refund the license fee less the
 19 application fee.

20 (b) A license **or endorsement** fee may not be refunded after the license **or**
 21 **endorsement** has been issued unless the board determines it has erred in the issuance
 22 through no fault of the applicant.

23 (c) If a license, **endorsement, or permit** is revoked on grounds that
 24 statements made in the application are untrue, the license fee paid by the applicant is
 25 forfeited to the state.

26 * **Sec. 62.** AS 04.11.580 is amended to read:

27 **Sec. 04.11.580. Surrender or destruction of license or endorsement.** (a) A
 28 license **or endorsement** issued under this title shall, if the board so directs, be
 29 surrendered on demand to a peace officer, agent, or officer of the board.

30 (b) The licensee shall surrender a current license **or endorsement** to the board
 31 **not later than** [WITHIN] 10 days after the loss or vacation of the licensed premises.

1 (c) If the license or endorsement is destroyed, the licensee shall notify the
2 board.

3 * **Sec. 63.** AS 04.11.590(a) is amended to read:

4 (a) Money collected from licenses, endorsements, permits, and civil fines
5 under this title shall be transferred by the board to the Department of Commerce,
6 Community, and Economic Development and deposited in the general fund.

7 * **Sec. 64.** AS 04.11.610 is amended to read:

8 **Sec. 04.11.610. Allocation [REFUND] to municipalities.** (a) An amount
9 equal to the sum of the biennial [BIENNIAL] license fees, excluding annual
10 wholesale fees and biennial wholesale license fees, collected within a municipality
11 shall be allocated [REFUNDED] semi-annually to the municipality.

12 (b) If the officers of a municipality fail to actively enforce local ordinances,
13 this title, and laws of the United States and the state, and the regulations relating to
14 the manufacture and sale of alcoholic beverages in the state, or fail to provide the
15 director with a report of violations of this title occurring in the municipality, at
16 the time and in the format as may be required by regulation adopted by the
17 board, the commissioner of commerce, community, and economic development may
18 deny the allocation [REFUND] provided for under (a) of this section until the board
19 finds the enforcement of the ordinances, laws, and regulations is resumed or the
20 report is provided.

21 (c) The Department of Commerce, Community, and Economic Development
22 shall recover any funds erroneously allocated [AMOUNTS ERRONEOUSLY
23 REFUNDED] under (a) of this section. The Department of Commerce, Community,
24 and Economic Development shall schedule repayments of erroneously allocated
25 funds [REFUNDED AMOUNTS] over a sufficient period of time to minimize
26 financial hardship to the municipality involved.

27 * **Sec. 65.** AS 04.11.630(b) is amended to read:

28 (b) A license, endorsement, or permit issued under this title shall be posted
29 within the licensed premises or designated premises so as to be easily available for
30 inspection upon request by a peace officer or other person during regular business
31 hours or during the time period specified on the permit.

1 * **Sec. 66.** AS 04.11.680 is amended to read:

2 **Sec. 04.11.680. Duration of licenses and permits.** (a) Upon application and
3 payment of one-half of the biennial fee, the board may issue a seasonal license under
4 this title that is effective for the intervals stated on the license. A seasonal license may
5 not be effective for more than 12 months in a two-year period. Otherwise, **a license**
6 **[ALL LICENSES]** issued under this title, **a manufacturer sampling endorsement**
7 **under AS 04.09.370, a package store sampling endorsement under AS 04.09.450,**
8 **and a conditional contractor's permit under AS 04.09.590 is** [OTHER THAN A
9 RETAIL STOCK SALE LICENSE ARE] effective for the two calendar years ending
10 December 31, unless a shorter period is prescribed by the board or by law.

11 (b) A permit issued under this title shall be for **a specific time period** [THE
12 PERIOD PRESCRIBED BY THE BOARD]. The period shall be clearly designated on
13 the permit.

14 * **Sec. 67.** AS 04.16.010(c) is amended to read:

15 (c) A licensee, an agent, or employee may not permit a person to enter and a
16 person may not enter premises licensed under this title between the hours of 5:00 a.m.
17 and 8:00 a.m. each day, **unless the person is**

18 **(1) on the premises to conduct business with the licensee, agent, or**
19 **employee, and the licensee, agent, or employee is in compliance with (a) and (b)**
20 **of this section;**

21 **(2) a common carrier with a common carrier dispensary license**
22 **under AS 04.09.220;**

23 **(3)** [. THIS SUBSECTION DOES NOT APPLY TO COMMON
24 CARRIERS OR TO] an employee of the licensee who is on the premises to prepare
25 for the next day's business;

26 **(4) performing maintenance or improvements authorized by the**
27 **licensee;**

28 **(5)** [. A PERSON MAY ENTER OR REMAIN] on the premises of a
29 bona fide restaurant or eating place licensed under this title to consume food or
30 nonalcoholic beverages.

31 * **Sec. 68.** AS 04.16.010 is amended by adding new subsections to read:

1 (e) A person who violates (a), (b), or (c) of this section is guilty of a violation
2 and, upon conviction, is punishable by a fine of \$100.

3 (f) Each hour or part of an hour in violation of (a), (b), or (c) of this section is
4 a separate violation under this section.

5 * **Sec. 69.** AS 04.16.015(a) is amended to read:

6 (a) On premises where alcoholic beverages are sold by the drink, a licensee or
7 a licensee's agent or employee may not

8 (1) offer or deliver, as a marketing device to the general public, free
9 alcoholic beverages to a patron;

10 (2) deliver an alcoholic beverage to a person already possessing **the**
11 **equivalent of** two or more **alcoholic drinks, as defined in AS 04.21.080;**

12 (3) sell, offer to sell, or deliver alcoholic beverages to a person or
13 group of persons at a price less than the price regularly charged for the beverages
14 during the same calendar week, except at private functions not open to the general
15 public;

16 (4) sell, offer to sell, or deliver an unlimited number of alcoholic
17 beverages to a person or group of persons during a set period of time for a fixed price;

18 (5) sell, offer to sell, or deliver alcoholic beverages to a person or
19 group of persons on any one day at prices less than those charged the general public
20 on that day, except at private functions not open to the general public;

21 (6) encourage or permit an organized game or contest on the licensed
22 premises that involves drinking alcoholic beverages or the awarding of alcoholic
23 beverages as prizes.

24 * **Sec. 70.** AS 04.16.015 is amended by adding new subsections to read:

25 (e) A person who violates this section is guilty of a violation and, upon
26 conviction, is punishable by a fine of \$50.

27 (f) Each alcoholic drink or part of an alcoholic drink that is sold in violation of
28 (a) of this section is a separate violation under this section.

29 * **Sec. 71.** AS 04.16 is amended by adding a new section to read:

30 **Sec. 04.16.017. Trade practices.** (a) A person holding a license under
31 AS 04.09.020, 04.09.030, 04.09.040, 04.09.100, or 04.09.110 or engaged in the

1 alcoholic beverage industry in another state or country as a brewer, vintner, distiller,
2 or importer, or as an agent of a brewer, vintner, distiller, or importer, may not induce a
3 person holding a license under this title to

4 (1) operate as a tied house by inducing a retailer engaged in the sale of
5 alcoholic beverages to purchase products from an entity to the exclusion, in whole or
6 in part, of products sold or offered for sale by other entities by

7 (A) furnishing, giving, renting, lending, or selling to the retailer
8 equipment fixtures, signs, supplies, money, services, or other things of value,
9 except those excluded in regulation and determined to be not contrary to the
10 public interest or contrary to the intent of this subsection;

11 (B) paying or crediting the retailer for an advertising, display,
12 or distribution service;

13 (C) guaranteeing a loan or the repayment of a financial
14 obligation of the retailer;

15 (D) extending to the retailer credit for a period in excess of the
16 credit period usual and customary to the industry for the particular class of
17 transactions; or

18 (E) requiring the retailer to take and dispose of a certain quota
19 of the products;

20 (2) operate as an exclusive outlet by requiring that a retailer engaged in
21 the sale of alcoholic beverages purchase products from an entity, to the exclusion, in
22 whole or in part, of alcoholic beverages sold or offered for sale by other entities;

23 (3) purchase products from an entity to the exclusion, in whole or in
24 part, of products sold or offered for sale by other entities by

25 (A) commercial bribery; or

26 (B) offering or giving any bonus, premium, or compensation to
27 an officer, employee, or representative of the licensee;

28 (4) enter into an agreement for consignment sales, or to purchase, offer
29 to purchase, or contract to purchase products on consignment, under conditional sale,
30 or with the privilege of return on any basis other than a bona fide sale, or where part of
31 the transaction involves, directly or indirectly, the acquisition by an entity from the

1 licensee or the entity's agreement to acquire from the licensee other alcoholic
 2 beverages, except that this paragraph does not apply to transactions involving solely
 3 the return of merchandise for ordinary and usual commercial reasons arising after the
 4 merchandise has been sold.

5 (b) The board shall adopt regulations establishing administrative penalties for
 6 the violation of this section.

7 (c) In this section, "commercial bribery," "consignment sales," "exclusive
 8 outlet," and "tied house" have the meanings given in 27 U.S.C. 205 and regulations
 9 adopted under that section.

10 * **Sec. 72.** AS 04.16.020 is amended by adding new subsections to read:

11 (d) A person who violates a provision of this section commits the offense of
 12 unauthorized solicitation or purchase of alcoholic beverages.

13 (e) Unauthorized solicitation or purchase of alcoholic beverages is a violation,
 14 punishable by a fine of \$100.

15 * **Sec. 73.** AS 04.16.025(a) is amended to read:

16 (a) A person may not knowingly enter or remain on premises

17 (1) in which alcoholic beverages are manufactured, sold, offered for
 18 sale, possessed for sale or barter, trafficked in, or bartered in violation of

19 (A) AS 04.09.060, 04.09.070, 04.09.145, 04.09.320, 04.09.330,

20 or AS 04.11.010; or

21 (B) a municipal ordinance adopted under AS 04.21.010(a) or

22 (b); or

23 (2) licensed under this title during hours in which the person's presence
 24 on the premises is a violation of a municipal ordinance adopted under authority of
 25 AS 04.16.010(d) providing for hours of closure that are outside the hours of closure
 26 prescribed by AS 04.16.010(c).

27 * **Sec. 74.** AS 04.16.030 is amended by adding new subsections to read:

28 (c) A person who violates this section commits the offense of prohibited
 29 conduct relating to a drunken person.

30 (d) Prohibited conduct relating to a drunken person is a violation.

31 * **Sec. 75.** AS 04.16.035 is amended to read:

1 **Sec. 04.16.035. Possession of ingredients for homebrew in certain areas.** A
 2 person residing in an area that has adopted a local option **under AS 04.11.491** [TO
 3 PROHIBIT THE SALE, IMPORTATION, AND POSSESSION OF ALCOHOLIC
 4 BEVERAGES UNDER AS 04.11.491(a)(5) OR (b)(4)] may not possess sugar,
 5 artificial sugar, malt, yeast, or any other material or equipment with the intent to use
 6 the material or equipment to create an alcoholic beverage.

7 * **Sec. 76.** AS 04.16.035 is amended by adding new subsections to read:

8 (b) A person who knowingly violates this section commits the crime of
 9 possession of ingredients for homebrew.

10 (c) Possession of ingredients for homebrew is a class A misdemeanor.

11 * **Sec. 77.** AS 04.16.040 is amended to read:

12 **Sec. 04.16.040. Access of drunken persons to licensed premises.** A drunken
 13 person may not knowingly enter or remain on **licensed** premises [LICENSED
 14 UNDER THIS TITLE].

15 * **Sec. 78.** AS 04.16.040 is amended by adding new subsections to read:

16 (b) A person who violates this section commits the offense of prohibited
 17 access by a drunken person.

18 (c) Prohibited access by a drunken person is a violation.

19 * **Sec. 79.** AS 04.16.045 is amended by adding new subsections to read:

20 (b) A person who violates this section commits the offense of permitting
 21 consumption not authorized under a license.

22 (c) Permitting consumption not authorized under a license is a violation,
 23 punishable by a fine of \$50.

24 (d) Each alcoholic drink or part of an alcoholic drink that is consumed in
 25 violation of (a) of this section is a separate violation under this section.

26 * **Sec. 80.** AS 04.16.047 is amended by adding new subsections to read:

27 (d) A person who is restricted from purchasing alcohol under AS 04.16.160
 28 who knowingly violates (a) of this section commits the offense of entering or
 29 remaining on licensed premises.

30 (e) Entering or remaining on licensed premises is a class A misdemeanor.

31 * **Sec. 81.** AS 04.16.049(a) is amended to read:

1 (a) A person under [THE AGE OF] 21 years **of age** may not knowingly enter
2 or remain in premises licensed under this title unless

3 (1) accompanied by a parent, guardian, or spouse who has attained
4 [THE AGE OF] 21 years **of age**;

5 (2) the person is at least 16 years of age, the premises are **covered**
6 **under a restaurant endorsement issued under AS 04.09.410 authorizing**
7 **unaccompanied dining** [DESIGNATED BY THE BOARD AS A RESTAURANT
8 FOR THE PURPOSES OF THIS SECTION], and the person enters and remains only
9 for dining;

10 (3) the person is under [THE AGE OF] 16 years **of age**, is
11 accompanied by a person over [THE AGE OF] 21 years **of age**, the parent or guardian
12 of the underaged person consents, the premises are **covered under a restaurant**
13 **endorsement issued under AS 04.09.410 authorizing accompanied dining**
14 [DESIGNATED BY THE BOARD AS A RESTAURANT FOR THE PURPOSES OF
15 THIS SECTION], and the person enters and remains only for dining; or

16 (4) the person is permitted on the premises under **a club license issued**
17 **under AS 04.09.180(g)**;

18 **(5) otherwise provided under (c), (d), or (g) of this section**
19 [AS 04.11.110(g)].

20 * **Sec. 82.** AS 04.16.049(b) is amended to read:

21 (b) Notwithstanding (a) of this section, a licensee or an agent or employee of
22 the licensee may refuse entry to a person under [THE AGE OF] 21 years **of age** to that
23 part of licensed premises in which alcoholic beverages are sold, served, or consumed,
24 may refuse service to a person under [THE AGE OF] 21 years **of age**, or may require
25 a person under [THE AGE OF] 21 years **of age** to leave the portion of the licensed
26 premises in which alcoholic beverages are sold, served, or consumed.

27 * **Sec. 83.** AS 04.16.049(c) is amended to read:

28 (c) Notwithstanding any other provision in this section, a person 16 or 17
29 years of age may enter and remain within the licensed premises of a hotel, **golf course,**
30 **or** restaurant [,] or eating place in the course of employment if

31 (1) the employment does not involve the serving, mixing, delivering,

1 or dispensing of alcoholic beverages;

2 (2) the person has the written consent of a parent or guardian; [AND]

3 (3) an exemption from the prohibition of AS 23.10.355 is granted by
4 the Department of Labor and Workforce Development; **and**

5 **(4) the license under which the hotel, golf course, or restaurant or**
6 **eating place is operating has a restaurant endorsement issued under AS 04.09.410**

7 [. THE BOARD, WITH THE APPROVAL OF THE GOVERNING BODY HAVING
8 JURISDICTION AND AT THE LICENSEE'S REQUEST, SHALL DESIGNATE
9 WHICH PREMISES ARE HOTELS, RESTAURANTS, OR EATING PLACES FOR
10 THE PURPOSES OF THIS SUBSECTION].

11 * **Sec. 84.** AS 04.16.049(d) is amended to read:

12 (d) Notwithstanding any other provision in this section, a person 18, 19, or 20
13 years of age may be employed within the licensed premises of a hotel, **golf course, or**
14 restaurant [,] or eating place, may enter and remain within those premises for the
15 purpose of employment, but may not, in the course of employment, sell, serve, deliver,
16 or dispense alcoholic beverages.

17 * **Sec. 85.** AS 04.16.049 is amended by adding new subsections to read:

18 (g) Notwithstanding any other provision in this section, a person under 21
19 years of age may be present on licensed premises on a golf course for the purpose of
20 playing golf if the person

21 (1) is at least 16 years of age; or

22 (2) is under 16 years of age and

23 (A) the person is accompanied by a person who is at least 21
24 years of age; and

25 (B) a parent or guardian of the underage person consents.

26 (h) A person under 21 years of age who knowingly enters or remains on
27 premises licensed under this title except as allowed in this section commits the offense
28 of unauthorized presence by a person under 21 years of age on licensed premises.

29 (i) Unauthorized presence by a person under 21 years of age on licensed
30 premises is a violation, punishable by a fine of \$500. A court may reduce the fine to
31 \$50 if the person provides the court with proof of completion, after the date of the

1 conduct for which the person was cited, of an alcohol safety action program or a
2 juvenile alcohol safety action program developed, designated, or approved by the
3 Department of Health and Social Services under AS 47.37.

4 * **Sec. 86.** AS 04.16.050 is repealed and reenacted to read:

5 **Sec. 04.16.050. Possession, control, or consumption by persons under the**
6 **age of 21.** (a) A person under 21 years of age may not knowingly consume, possess, or
7 control alcoholic beverages except those furnished to persons under AS 04.16.051(b).

8 (b) A person under 21 years of age who knowingly consumes, possesses, or
9 controls an alcoholic beverage other than an alcoholic beverage furnished under
10 AS 04.16.051(b) commits the offense of minor consuming or in possession or control.

11 (c) Minor consuming or in possession or control is a violation, punishable by a
12 fine of \$500. A court may reduce the fine to \$50 if the person provides the court, not
13 later than six months after entering a plea, with proof of completion of an alcohol
14 safety action program or a juvenile alcohol safety action program developed,
15 designated, or approved by the Department of Health and Social Services under
16 AS 47.37.

17 * **Sec. 87.** AS 04.16.051(d) is repealed and reenacted to read:

18 (d) A person who, with criminal negligence, furnishes or delivers an alcoholic
19 beverage to a person under 21 years of age in violation of (a) of this section commits
20 the crime of furnishing or delivering to a minor.

21 * **Sec. 88.** AS 04.16.051 is amended by adding a new subsection to read:

22 (e) Furnishing or delivering to a minor is

23 (1) a class A misdemeanor, except as provided in (2) of this
24 subsection;

25 (2) a class C felony if the person who receives the alcoholic beverage
26 negligently causes serious physical injury to or the death of another person while
27 under the influence of the alcoholic beverage received in violation of this section; in
28 this paragraph,

29 (A) "negligently" means acting with civil negligence; and

30 (B) "serious physical injury" has the meaning given in

31 AS 11.81.900.

1 * **Sec. 89.** AS 04.16.052 is amended by adding new subsections to read:

2 (b) In addition to the penalty specified under (d) of this section, for the first
3 conviction of a violation committed on a licensed premises under this section, the
4 holder of the license is subject to an administrative penalty of \$250. Notwithstanding
5 AS 04.11.370(a)(4) and (5) and AS 04.16.180(b)(1), the board may not order
6 suspension of the license for the first conviction of a violation committed on the
7 licensed premises under this section.

8 (c) A person who violates this section commits the offense of licensee
9 furnishing alcohol to a minor.

10 (d) Licensee furnishing alcohol to a minor is a violation, punishable by a fine
11 of at least \$250 but not more than \$500.

12 * **Sec. 90.** AS 04.16.055 is amended by adding new subsections to read:

13 (b) A person who knowingly rents a room in a hotel, motel, resort, or similar
14 business for the purpose of providing alcoholic beverages to a person under 21 years
15 of age commits the crime of renting a room for the purpose of providing alcoholic
16 beverages to a person under 21 years of age.

17 (c) Renting a room for the purpose of providing alcoholic beverages to a
18 person under 21 years of age is a class A misdemeanor.

19 * **Sec. 91.** AS 04.16.057(b) is amended to read:

20 (b) A person who violates this section is guilty of a violation, **punishable by a**
21 **fine of at least \$250 but not more than \$500** [AND SHALL BE PUNISHED AS
22 PROVIDED IN AS 12.55].

23 * **Sec. 92.** AS 04.16.060 is amended by adding new subsections to read:

24 (g) A person who violates this section commits the offense of purchase by or
25 delivery to a person under 21 years of age.

26 (h) Purchase by or delivery to a person under 21 years of age is a violation,
27 punishable by a fine of \$500.

28 * **Sec. 93.** AS 04.16.080 is amended to read:

29 **Sec. 04.16.080. Consumption [SALES OR CONSUMPTION] at school**
30 **events.** A person may not [SELL OR] consume alcoholic beverages during a school
31 event at the site of the event.

1 * **Sec. 94.** AS 04.16.080 is amended by adding new subsections to read:

2 (b) A person who consumes an alcoholic beverage during a school event at the
3 site of the event commits the offense of consuming at a school event.

4 (c) Consuming at a school event is a violation, punishable by a fine of \$100.

5 (d) Each alcoholic drink or part of an alcoholic drink consumed in violation of
6 (a) of this section is a separate violation.

7 * **Sec. 95.** AS 04.16.090(c) is amended to read:

8 (c) In [FOR THE PURPOSES OF] this section, "consideration" includes
9 [BUT IS NOT LIMITED TO] cover charge, the sale of food, ice, mixers, or other
10 liquids used with alcoholic beverage drinks, or the furnishing of glassware or other
11 containers for use in the consumption of alcoholic beverages.

12 * **Sec. 96.** AS 04.16.090 is amended by adding new subsections to read:

13 (d) A person who knowingly violates this section commits the crime of
14 maintaining a bottle club.

15 (e) Maintaining a bottle club is a class A misdemeanor.

16 * **Sec. 97.** AS 04.16.100 is amended by adding new subsections to read:

17 (b) A person who violates (a) of this section commits the offense of selling
18 alcohol in a prohibited container.

19 (c) Selling alcohol in a prohibited container is a violation.

20 * **Sec. 98.** AS 04.16.110 is amended by adding new subsections to read:

21 (b) A person who knowingly sells an alcoholic beverage in violation of (a) of
22 this section commits the crime of sale of a prohibited alcoholic beverage.

23 (c) Sale of a prohibited alcoholic beverage is a class A misdemeanor.

24 * **Sec. 99.** AS 04.16.120 is amended by adding new subsections to read:

25 (d) A person who removes an alcoholic beverage from licensed premises in
26 violation of (a) of this section and a person who brings an alcoholic beverage onto
27 licensed premises in violation of (b) of this section commits the offense of removal or
28 introduction of alcoholic beverages.

29 (e) Removal or introduction of alcoholic beverages is a violation, punishable
30 by a fine of \$50.

31 (f) Each alcoholic drink or part of an alcoholic drink removed or introduced in

1 violation of this section is a separate violation.

2 * **Sec. 100.** AS 04.16.125 is amended by adding new subsections to read:

3 (d) A person who knowingly violates (a) of this section commits the crime of
4 unauthorized transportation of alcoholic beverages by common carrier into a local
5 option area.

6 (e) Unauthorized transportation of alcoholic beverages by common carrier into
7 a local option area is a class A misdemeanor.

8 * **Sec. 101.** AS 04.16.130 is amended by adding new subsections to read:

9 (c) A person who violates this section commits the offense of unauthorized
10 storage of alcoholic beverages.

11 (d) Unauthorized storage of alcoholic beverages is a violation.

12 * **Sec. 102.** AS 04.16.140 is amended by adding new subsections to read:

13 (b) A person who knowingly violates (a) of this section commits the crime of
14 sale or consumption of an alcoholic beverage in a warehouse.

15 (c) Sale or consumption of an alcoholic beverage in a warehouse is a class A
16 misdemeanor.

17 * **Sec. 103.** AS 04.16.150 is amended by adding new subsections to read:

18 (b) A licensee who knowingly violates (a) of this section commits the crime of
19 failure to ensure compliance.

20 (c) Failure to ensure compliance is a class A misdemeanor.

21 * **Sec. 104.** AS 04.16.160 is amended by adding new subsections to read:

22 (c) A person who knowingly fails to comply with a restriction on purchasing
23 alcoholic beverages in violation of (a) of this section commits the crime of failure to
24 comply with a restriction on purchasing alcoholic beverages.

25 (d) Failure to comply with a restriction on purchasing alcoholic beverages is a
26 class A misdemeanor.

27 * **Sec. 105.** AS 04.16.170(a) is amended to read:

28 (a) Alcoholic beverages for consumption by the purchaser may **only** [NOT] be
29 sold **by** [UNLESS OBTAINED FROM] a person licensed under this title.

30 * **Sec. 106.** AS 04.16.170 is amended by adding new subsections to read:

31 (c) A licensee who knowingly violates (a) or (b) of this section commits the

1 crime of sale of alcoholic beverages from or to an unlicensed person.

2 (d) Sale of alcoholic beverages from or to an unlicensed person is a class A
3 misdemeanor.

4 * **Sec. 107.** AS 04.16.172 is amended to read:

5 **Sec. 04.16.172. Restrictions on purchase and sale of alcoholic beverages.** A
6 person licensed under AS 04.09.160, 04.09.170, 04.09.180, 04.09.190, 04.09.230,
7 04.09.240, 04.09.250, 04.09.260, 04.09.270, 04.09.280, 04.09.290, 04.09.300, or
8 04.09.310 [AS 04.11.090, 04.11.100, 04.11.110, OR 04.11.150] may not purchase,
9 sell, or offer for sale an alcoholic beverage unless the alcoholic beverage being
10 purchased, sold, or offered for sale was obtained from a person licensed under

11 (1) AS 04.09.100 or 04.09.110 [AS 04.11.160] as a primary source of
12 supply for the alcoholic beverage being purchased, sold, or offered for sale;

13 (2) AS 04.09.190 [AS 04.11.150] and the alcoholic beverage being
14 purchased, sold, or offered for sale was obtained from a person licensed under
15 AS 04.11.160 as a primary source of supply; or

16 (3) AS 04.09.020, 04.09.030 or 04.09.040 [AS 04.11.130, 04.11.140,
17 OR 04.11.170].

18 * **Sec. 108.** AS 04.16.172 is amended by adding new subsections to read:

19 (b) A licensee who knowingly violates (a) of this section commits the crime of
20 licensee obtaining alcoholic beverages from an unlicensed seller.

21 (c) Licensee obtaining alcoholic beverages from an unlicensed seller is a class
22 A misdemeanor.

23 * **Sec. 109.** AS 04.16.175 is amended by adding new subsections to read:

24 (c) A person who knowingly furnishes an alcoholic beverage to a player in
25 violation of (a) of this section commits the crime of furnishing an alcoholic beverage
26 in aid of a gambling enterprise.

27 (d) Furnishing an alcoholic beverage in aid of a gambling enterprise is a class
28 A misdemeanor.

29 * **Sec. 110.** AS 04.16.180(b) is amended to read:

30 (b) A suspension or revocation of a license ordered by the board under
31 AS 04.11.370(a)(4) and (5) shall be as follows:

1 (1) on first conviction, the license of the premises involved may not be
 2 revoked, but, except as provided in AS 04.16.052, may be suspended for not more
 3 than 45 days;

4 (2) on second conviction, the license of the premises involved may not
 5 be revoked, but may be suspended for not more than 90 days;

6 (3) on third conviction, the license of the premises involved may be
 7 suspended or revoked.

8 * **Sec. 111.** AS 04.16.180(e) is amended to read:

9 (e) In this section,

10 (1) "conviction" includes a conviction of a violation, a
 11 misdemeanor, and a felony;

12 (2) [THE TERMS] "second conviction" and "third conviction" include
 13 only convictions for violations that occur within five years after [OF] the first
 14 conviction; the [. THE] terms refer to the cumulative number of convictions of a
 15 licensee of any combination of violations of the provisions of this title, regulations
 16 adopted under this title, or ordinances adopted under AS 04.21.010; [. THE TERMS]
 17 "second conviction" and "third conviction" include a conviction of the agent or
 18 employee of a licensee of a violation of a law, regulation, or ordinance if the
 19 conviction constitutes a ground for suspension or revocation under
 20 AS 04.11.370(a)(5).

21 * **Sec. 112.** AS 04.16.180 is amended by adding new subsections to read:

22 (f) In addition to the criminal penalties specified in this title and AS 12.55, a
 23 holder of a license under this title who is convicted of a crime or offense involving the
 24 violation of a provision of this title or a regulation adopted under this title is subject to
 25 suspension or revocation of the license under this section and other administrative
 26 penalties imposed by the board. For purposes of administrative penalties under this
 27 subsection, each violation is a separate offense.

28 (g) The holder of a license subject to suspension or revocation under (b)(2) or
 29 (3) of this section may request a hearing to petition the board to reduce the
 30 administrative penalty. The board may reduce the administrative penalty if the
 31 licensee shows, by a preponderance of the evidence, that

1 (1) the licensee complied with the alcohol server education course
2 requirement of AS 04.21.025 and adopted and enforced a compliance program and a
3 disciplinary program for agents and employees of the licensee;

4 (2) the licensee has a pattern and practice of exercising the degree of
5 care required under AS 04.16.030;

6 (3) the licensee posted warning signs as required under AS 04.21.065;
7 and

8 (4) in the case of a conviction for a violation of AS 04.16.052, the
9 agent or employee convicted under AS 04.16.052 completed an alcohol server
10 education course under AS 04.21.025.

11 * **Sec. 113.** AS 04.16.200(g) is amended to read:

12 (g) Upon conviction of a class A misdemeanor under (e)(1) **or (f)** of this
13 section, the court

14 (1) shall impose a minimum sentence of imprisonment of

15 (A) not less than 72 consecutive hours and a fine of not less
16 than **\$3,000** [\$1,500] if the person has not been previously convicted;

17 (B) not less than 20 days and a fine of not less than **\$4,500**
18 [\$3,000] if the person has been previously convicted once;

19 (C) not less than 60 days and a fine of not less than **\$6,000**
20 [\$4,000] if the person has been previously convicted twice and is not subject to
21 punishment under (h) of this section;

22 (D) not less than 120 days and a fine of not less than **\$7,500**
23 [\$5,000] if the person has been previously convicted three times and is not
24 subject to punishment under (h) of this section;

25 (E) not less than 240 days and a fine of not less than **\$9,000**
26 [\$6,000] if the person has been previously convicted four times and is not
27 subject to punishment under (h) of this section;

28 (F) not less than 360 days and a fine of not less than **\$10,000**
29 [\$7,000] if the person has been previously convicted more than four times and
30 is not subject to punishment under (h) of this section;

31 (2) may not

1 (A) suspend execution of sentence or grant probation except on
2 the condition that the person

3 (i) serve the minimum imprisonment under (1) of this
4 subsection; and

5 (ii) pay the minimum fine required under (1) of this
6 subsection; or

7 (B) suspend imposition of sentence.

8 * **Sec. 114.** AS 04.16.220(a) is amended to read:

9 (a) The following are subject to forfeiture:

10 (1) alcoholic beverages manufactured, sold, offered for sale, possessed
11 for sale, or bartered or exchanged for goods and services in this state in violation of
12 AS 04.09.060, 04.09.070, 04.09.145, 04.09.320, 04.09.330, or AS 04.11.010;
13 alcoholic beverages possessed, stocked, warehoused, or otherwise stored in violation
14 of AS 04.21.060; alcoholic beverages sold or offered for sale in violation of a local
15 option adopted under AS 04.11.491; alcoholic beverages transported into the state and
16 sold to persons not licensed under this chapter in violation of AS 04.16.170(b);
17 alcoholic beverages transported in violation of AS 04.16.125;

18 (2) materials and equipment used in the manufacture, sale, offering for
19 sale, possession for sale, or barter or exchange of alcoholic beverages for goods and
20 services in this state in violation of AS 04.09.060, 04.09.070, 04.09.145, 04.09.320,
21 04.09.330, or AS 04.11.010; materials and equipment used in the stocking,
22 warehousing, or storage of alcoholic beverages in violation of AS 04.21.060; materials
23 and equipment used in the sale or offering for sale of an alcoholic beverage in an area
24 in violation of a local option adopted under AS 04.11.491;

25 (3) aircraft, vehicles, or vessels used to transport or facilitate the
26 transportation of

27 (A) alcoholic beverages manufactured, sold, offered for sale,
28 possessed for sale, or bartered or exchanged for goods and services in this state
29 in violation of AS 04.09.060, 04.09.070, 04.09.145, 04.09.320, 04.09.330, or
30 AS 04.11.010;

31 (B) property stocked, warehoused, or otherwise stored in

1 violation of AS 04.21.060;

2 (C) alcoholic beverages imported into a municipality or
3 established village in violation of AS 04.11.499(a);

4 (4) alcoholic beverages found on licensed premises that do not bear
5 federal excise stamps if excise stamps are required under federal law;

6 (5) alcoholic beverages, materials, or equipment used in violation of
7 AS 04.16.175;

8 (6) money, securities, negotiable instruments, or other things of value
9 used in financial transactions or items of value purchased from the proceeds derived
10 from activity prohibited under AS 04.09.060, 04.09.070, 04.09.145, 04.09.320,
11 04.09.330, or AS 04.11.010 or in violation of a local option adopted under
12 AS 04.11.491;

13 (7) a firearm used in furtherance of a violation of this title.

14 * **Sec. 115.** AS 04.16.220(d) is amended to read:

15 (d) Property subject to forfeiture under (a) of this section may be forfeited

16 (1) upon conviction of a person for a violation of AS 04.09.060,
17 04.09.070, 04.09.145, 04.09.320, 04.09.330, AS 04.11.010, 04.11.499, AS 04.16.125,
18 AS 04.21.060, or AS 04.11.501 or an ordinance adopted under AS 04.11.501; or

19 (2) upon judgment by the superior court in a proceeding in rem that the
20 property was used in a manner subjecting it to forfeiture under (a) of this section.

21 * **Sec. 116.** AS 04.16.220(g) is amended to read:

22 (g) It is no defense in an in rem forfeiture proceeding brought under (d)(2) of
23 this section that a criminal proceeding is pending or has resulted in conviction or
24 acquittal of a person charged with violating AS 04.09.060, 04.09.070, 04.09.145,
25 04.09.320, 04.09.330, AS 04.11.010, 04.11.499, or AS 04.21.060.

26 * **Sec. 117.** AS 04.16.220(i) is amended to read:

27 (i) Upon conviction for a violation of AS 04.09.060, 04.09.070, 04.09.145,
28 04.09.320, 04.09.330, AS 04.11.010, or 04.11.499(a), if an aircraft, vehicle, or
29 watercraft is subject to forfeiture under (a) of this section, the court shall, subject to
30 remission to innocent parties under this section,

31 (1) order the forfeiture of an aircraft to the state;

1 (2) order the forfeiture of a vehicle or watercraft if

2 (A) the defendant has a prior felony conviction for a violation
3 of AS 11.41 or a similar law in another jurisdiction;

4 (B) the defendant is on felony probation or parole;

5 (C) the defendant has a prior conviction for violating
6 AS 04.11.010 or 04.11.499(a); or

7 (D) the quantity of alcohol transported in violation of this title
8 was twice the presumptive amounts in AS 04.11.010(c).

9 * **Sec. 118.** AS 04.21.010(c) is amended to read:

10 (c) A municipality may not impose taxes on alcoholic beverages except a

11 (1) property tax on alcoholic beverage inventories;

12 (2) sales tax on alcoholic beverage sales if sales taxes are imposed on
13 other sales within the municipality;

14 (3) sales tax on alcoholic beverage sales that was in effect before
15 July 1, 1985; and

16 (4) sales and use tax on alcoholic beverages if the sale of alcoholic
17 beverages within the municipality has been prohibited under AS 04.11.491(a)(1) [,
18 (4),] or (5).

19 * **Sec. 119.** AS 04.21 is amended by adding a new section to read:

20 **Sec. 04.21.012. Keg registration.** (a) A person may not purchase an alcoholic
21 beverage in a keg or other container holding four or more gallons unless the person
22 provides proof that the person is over 21 years of age and completes and signs a
23 registration form. The purchaser of an alcoholic beverage in a keg or other container
24 holding four or more gallons may not remove or obliterate the temporary identifying
25 tag on the keg or container. If the licensee requires the purchaser to return the keg or
26 container, the purchaser shall return the keg or container to the licensee within the
27 time constraints set by the seller.

28 (b) A licensee who sells or offers for sale an alcoholic beverage in a keg or
29 other container holding four or more gallons shall require a purchaser to show
30 acceptable proof of age under AS 04.21.050(b) and sign the sworn statement on a
31 registration form. The licensee shall complete the registration form and affix a

1 temporary tag with a unique identifier to the keg or container before releasing the
 2 container to the purchaser. The licensee shall provide the purchaser with a copy of the
 3 completed registration form. The licensee shall retain a copy of the form for one year
 4 and make the form available for inspection by a peace officer, a member of the board,
 5 and an agent or employee of the board.

6 (c) The board shall prescribe a registration form for use by licensees and
 7 purchasers. The board may approve for use a registration form adopted by a local
 8 governing body. A registration form must include

9 (1) the name of the seller;

10 (2) the name of the purchaser;

11 (3) a description of the proof of age provided by the buyer, including
 12 the identification number, if any;

13 (4) a sworn statement in a form that satisfies the requirements of
 14 AS 09.63.020 for the purchaser to certify under penalty of perjury that the purchaser

15 (A) is 21 years of age or older;

16 (B) will not allow a person under 21 years of age to consume
 17 the alcoholic beverages purchased except as permitted under AS 04.16.051;

18 (C) will not remove or obliterate, or allow the removal or
 19 obliteration of, the temporary identification tag affixed to the keg or container;
 20 and

21 (D) will return the keg or container within the time constraints
 22 set by the licensee, if the licensee requires the purchaser to return the keg or
 23 container;

24 (5) the date, if any, by which the keg or container must be returned to
 25 the licensee;

26 (6) the unique identifier on the temporary tag attached to the keg or
 27 container under (b) of this section.

28 * **Sec. 120.** AS 04.21.020(a) is amended to read:

29 (a) Except as provided under (b) and (d) of this section, a person who provides
 30 alcoholic beverages to another person may not be held civilly liable for injuries
 31 resulting from the intoxication of that person unless the person who provides the

1 alcoholic beverages holds a license authorized under AS 04.09.010 - 04.09.340
 2 [AS 04.11.080 - 04.11.220] or is an agent or employee of [SUCH] a licensee and

3 (1) the alcoholic beverages are provided to a person under [THE AGE
 4 OF] 21 years of age in violation of AS 04.16.051, unless the licensee, agent, or
 5 employee secures in good faith from the person a signed statement, liquor
 6 identification card, or driver's license meeting the requirements of AS 04.21.050(a)
 7 and (b), that indicates that the person is 21 years of age or older; or

8 (2) the alcoholic beverages are provided to a drunken person in
 9 violation of AS 04.16.030.

10 * **Sec. 121.** AS 04.21.020(b) is amended to read:

11 (b) A person who sells or barter an alcoholic beverage to another person in
 12 violation of AS 04.09.060, 04.09.070, 04.09.145, 04.09.320, 04.09.330, or
 13 AS 04.11.010 is strictly liable (1) to the recipient or another person for civil damages
 14 if, while under the influence of the alcoholic beverage, the person receiving the
 15 alcoholic beverage engages in conduct that results in civil damages and the recipient's
 16 being under the influence of the alcoholic beverage substantially contributes to the
 17 civil damages; and (2) for the cost to the state or a political subdivision of the state to
 18 criminally prosecute a person who receives an alcoholic beverage from a person who
 19 violates AS 04.11.010 if the prosecution results from the violation of AS 04.11.010
 20 described in this subsection.

21 * **Sec. 122.** AS 04.21.025(a) is repealed and reenacted to read:

22 (a) As a condition of issuance or renewal of a license or conditional
 23 contractor's permit and selling alcoholic beverages under a license or conditional
 24 contractor's permit, the board shall require a licensee or permittee who sells or serves
 25 alcoholic beverages and a licensee's or permittee's agents and employees who sell or
 26 serve alcoholic beverages or check the identification of a patron to complete an
 27 alcohol server education course approved by the board. This section applies only to a
 28 conditional contractor's permit under AS 04.09.590 and the following licenses:

29 (1) brewery manufacturer license under AS 04.09.020 with a
 30 manufacturer sampling endorsement;

31 (2) winery manufacturer license under AS 04.09.030 with a

1 manufacturer sampling endorsement;

2 (3) distillery manufacturer license under AS 04.09.040 with a
3 manufacturer sampling endorsement;

4 (4) beverage dispensary license under AS 04.09.160;

5 (5) restaurant or eating place license under AS 04.09.170;

6 (6) club license under AS 04.09.180;

7 (7) package store license under AS 04.09.190 with a package store
8 sampling endorsement;

9 (8) pub license under AS 04.09.200;

10 (9) theater license under AS 04.09.210;

11 (10) recreational site license under AS 04.09.230;

12 (11) outdoor recreation lodge license under AS 04.09.240;

13 (12) golf course license under AS 04.09.250;

14 (13) destination resort license under AS 04.09.260;

15 (14) brewery retail license under AS 04.09.270;

16 (15) winery retail license under AS 04.09.280;

17 (16) distillery retail license under AS 04.09.290;

18 (17) beverage dispensary tourism license under AS 04.09.300;

19 (18) seasonal restaurant or eating place tourism license under
20 AS 04.09.310;

21 (19) a brewery license issued under former AS 04.11.130, if beer is
22 offered for sale to the public for consumption on or off the premises under
23 AS 04.09.020;

24 (20) a winery license issued under former AS 04.11.140, if wine is
25 offered for sale to the public for consumption on or off the premises under
26 AS 04.09.030;

27 (21) a distillery license issued under former AS 04.11.170, if distilled
28 beverages are offered for sale to the public for consumption on or off the premises
29 under AS 04.09.040.

30 * **Sec. 123.** AS 04.21.025(b) is amended to read:

31 (b) The subjects that are included in an approved alcohol server education

1 course shall be determined under regulations adopted by the board. In approving
 2 alcohol server education courses, the board shall consider the needs of both urban and
 3 rural licensees regarding access to an approved alcohol server education course. A
 4 licensee, permittee, agent, or employee who sells or serves alcoholic beverages shall
 5 keep the card described in (c) of this section or other proof acceptable to the board of
 6 successful completion of an approved alcohol server education course on the licensed
 7 premises during working hours.

8 * **Sec. 124.** AS 04.21.025(c) is amended to read:

9 (c) A licensee, permittee, agent, or employee shall complete the course
 10 required under (a) of this section and pass a written test demonstrating an
 11 understanding of the course subjects not more than 30 days after being licensed,
 12 permitted, or employed. The course provider shall issue a card to each individual who
 13 completes the course and passes the written test. A card issued under this subsection is
 14 valid for three years from the date of issue. A licensee, permittee, agent, or employee
 15 may renew a card issued under this section; to renew the card, the licensee, permittee,
 16 agent, or employee must pass a written test demonstrating an understanding of the
 17 course subjects.

18 * **Sec. 125.** AS 04.21.060 is amended by adding new subsections to read:

19 (b) A licensee who stores alcoholic beverages elsewhere than on the licensed
 20 premises and who fails to comply with (a)(1) - (3) of this section commits the offense
 21 of unauthorized warehousing.

22 (c) Unauthorized warehousing is a violation.

23 * **Sec. 126.** AS 04.21.065(a) is repealed and reenacted to read:

24 (a) A holder of one of the following types of licenses or permits shall post on
 25 the licensed or designated premises three separate warning signs as described in (b) of
 26 this section:

27 (1) brewery manufacturer license under AS 04.09.020 with a
 28 manufacturer sampling endorsement under AS 04.09.370;

29 (2) winery manufacturer license under AS 04.09.030 with a
 30 manufacturer sampling endorsement under AS 04.09.370;

31 (3) distillery manufacturer license under AS 04.09.040 with a

1 manufacturer sampling endorsement under AS 04.09.370;

2 (4) beverage dispensary license under AS 04.09.160, including a
3 beverage dispensary license with a bowling alley endorsement under AS 04.09.460;

4 (5) restaurant or eating place license under AS 04.09.170;

5 (6) club license under AS 04.09.180;

6 (7) package store license under AS 04.09.190 with a package store
7 sampling endorsement under AS 04.09.450;

8 (8) pub license under AS 04.09.200;

9 (9) theater license under AS 04.09.210;

10 (10) common carrier dispensary license under AS 04.09.220;

11 (11) recreational site license under AS 04.09.230;

12 (12) outdoor recreation lodge license under AS 04.09.240;

13 (13) golf course license under AS 04.09.250;

14 (14) destination resort license under AS 04.09.260;

15 (15) brewery retail license under AS 04.09.270;

16 (16) winery retail license under AS 04.09.280;

17 (17) distillery retail license under AS 04.09.290;

18 (18) beverage dispensary tourism license under AS 04.09.300;

19 (19) seasonal restaurant or eating place tourism license under
20 AS 04.09.310;

21 (20) beverage dispensary caterer's permit under AS 04.09.510;

22 (21) restaurant caterer's dining permit under AS 04.09.520;

23 (22) club caterer's permit under AS 04.09.530;

24 (23) art exhibit event permit under AS 04.09.540;

25 (24) nonprofit organization event permit under AS 04.09.550;

26 (25) tasting event permit under AS 04.09.570;

27 (26) conditional contractor's permit under AS 04.09.590;

28 (27) another license or permit issued by the board authorizing
29 consumption of alcoholic beverages.

30 * **Sec. 127.** AS 04.21.065(b) is amended to read:

31 (b) The warning signs required by (a) of this section must be at least 11 inches

1 by 14 inches, and the lettering must be at least one-half inch high and in contrasting
 2 colors. The first sign must read, "WARNING: Drinking alcoholic beverages such as
 3 beer, wine, wine coolers, and distilled spirits or smoking cigarettes during pregnancy
 4 can cause birth defects." The second sign must read, "WARNING: A person who
 5 provides alcoholic beverages to a person under 21 years of age, if convicted under
 6 AS 04.16.051, could be imprisoned for up to five years and fined up to \$50,000." The
 7 third sign must read, "WARNING: An unaccompanied [A] person under 21 years of
 8 age who enters these premises in violation of law may [COULD], under
 9 AS 04.16.049(e), be civilly liable for damages of \$1,500 and subject to criminal
 10 liability." The license or permit holder shall display the first and second signs in a
 11 manner that would make them conspicuous to a person who will be purchasing or
 12 consuming alcoholic beverages or smoking cigarettes on the licensed or designated
 13 premises and shall conspicuously display the third sign at each door through which
 14 customers enter the licensed premises.

15 * **Sec. 128.** AS 04.21 is amended by adding new sections to read:

16 **Sec. 04.21.072. Fines and other criminal penalties.** (a) A violation under this
 17 title, unless otherwise specified in the provision of this title defining the offense, is
 18 punishable by a fine of \$250.

19 (b) A misdemeanor or felony under this title, unless otherwise specified in the
 20 provision of this title defining the offense, is punishable as provided in AS 12.55.

21 **Sec. 04.21.074. Bail forfeiture schedule.** (a) The supreme court shall establish
 22 a schedule of bail amounts for violations under this title. The bail amount may not
 23 exceed the fine for the violation. The bail amount must appear on the citation.

24 (b) If a person cited for a violation under this title does not contest the citation,
 25 the person may, on or before the 30th day after the date of the citation, mail or
 26 personally deliver to the clerk of the court in which the citation is filed

27 (1) the amount of bail indicated on the citation for the violation; and

28 (2) a copy of the citation indicating that the right to an appearance is
 29 waived, a plea of no contest is entered, and the bail is forfeited.

30 (c) When bail has been forfeited under (b) of this section, a judgment of
 31 conviction shall be entered. Forfeiture of bail is a complete satisfaction for the

1 violation. The clerk of the court accepting the bail shall provide the violator with a
2 receipt stating that fact if requested.

3 (d) A person cited under this section is guilty of failure to obey a citation
4 under AS 12.25.230 if the person fails to pay the bail amount established under (a) of
5 this section or to appear in court as required.

6 (e) When bail has been forfeited under (b) of this section, the court shall
7 forward a copy of the judgment of conviction to the board.

8 **Sec. 04.21.076. Suspension of fine or sentence.** The court may not suspend a
9 fine for an offense other than a misdemeanor or felony under this title, or suspend
10 imposition or execution of sentence for an offense other than a misdemeanor or felony
11 under this title, unless otherwise expressly provided in this title.

12 **Sec. 04.21.078. Court records of persons under 21 years of age.** The Alaska
13 Court System may not publish on a publicly available website the court records of a
14 violation of AS 04.16.049 or 04.16.050 by a person who was under 21 years of age at
15 the time of the offense after the court proceedings are completed and the case is
16 closed.

17 * **Sec. 129.** AS 04.21.080(b)(5) is amended to read:

18 (5) "designated premises" means any or all designated portions of a
19 building or structure, rooms or enclosures in the building or structure, or real estate
20 leased, used, controlled, or operated by a licensee or permittee for the purpose for
21 which the license or permit is issued by the board at the location of the site for which
22 the license or permit is issued;

23 * **Sec. 130.** AS 04.21.080(b)(14) is amended to read:

24 (14) "licensed premises" means any or all designated portions of a
25 building or structure, rooms or enclosures in the building or structure, or real estate
26 leased, used, controlled, or operated by a licensee in the conduct of business for which
27 the licensee is licensed by the board at the specific address for which the license or an
28 endorsement to the license is issued;

29 * **Sec. 131.** AS 04.21.080(b) is amended by adding new paragraphs to read:

30 (20) "alcoholic drink" means 16 ounces of beer or a malt beverage, six
31 ounces of wine, or 1.5 ounces of a distilled spirit;

1 (21) "bona fide restaurant or eating place" means an establishment or a
 2 portion of an establishment where, during all times alcoholic beverages are served or
 3 consumed

4 (A) the patron's principal activity is consumption of food; and

5 (B) a variety of types of food items appropriate for meals is
 6 prepared on site and available for sale as shown on a menu provided to patrons
 7 and filed with the board;

8 (22) "brewed beverage" means an alcoholic beverage made by
 9 fermenting cereal grains, including beer and malt beverages;

10 (23) "distilled spirit" means an alcoholic beverage that is first
 11 fermented and then distilled;

12 (24) "peace officer" has the meaning given in AS 01.10.060;

13 (25) "school grounds" has the meaning given in AS 11.71.900;

14 (26) "wine" means an alcoholic beverage made from fermented grapes
 15 or other fruit or honey.

16 * **Sec. 132.** AS 05.15.690(48) is amended to read:

17 (48) "vendor" means a business whose primary activity is not regulated
 18 by this chapter but that

19 (A) is engaged in the sale of pull-tabs on behalf of a permittee;

20 (B) holds a business license under AS 43.70; and

21 (C) is an establishment holding a

22 (i) beverage dispensary license under **AS 04.09.160**
 23 [AS 04.11.090] that has not been designated by the Alcoholic Beverage
 24 Control Board under AS 04.16.049(a)(2) - (3), has not been exempted
 25 by the Department of Labor and Workforce Development under
 26 AS 04.16.049(c) and AS 23.10.355, and if the establishment is a hotel,
 27 motel, resort, or similar business that caters to the traveling public as a
 28 substantial part of its business, does not allow the sale of pull-tabs in a
 29 dining room, banquet room, guest room, or other public areas other
 30 than a room in which there is regularly maintained a fixed counter or
 31 service bar **that has plumbing connections to permanent plumbing**

1 at which alcoholic beverages are sold or served to members of the
2 public for consumption;

3 (ii) package store license under AS 04.09.190 [AS 04.11.150];

4 * **Sec. 133.** AS 09.65.315(b) is amended to read:

5 (b) A person licensed under AS 04.09.010 - 04.09.340 [AS 04.11.080 -
6 04.11.255], or an agent or employee of the person, is not liable for damages resulting
7 from a motor vehicle accident described under (a) of this section. A person or entity
8 that participates in making arrangements for transportation of a vehicle under (a) of
9 this section is not liable for damages resulting from a motor vehicle accident described
10 in (a) of this section.

11 * **Sec. 134.** AS 11.76.100(b) is amended to read:

12 (b) Notwithstanding the provisions of (a) of this section, a person who
13 maintains a vending machine is not in violation of (a)(3) of this section if the vending
14 machine is located

15 (1) on premises licensed as a beverage dispensary under AS 04.09.160
16 [AS 04.11.090], licensed as a club under AS 04.09.180 [AS 04.11.110], or licensed as
17 a package store under AS 04.09.190 [AS 04.11.150]; and

18 (A) as far as practicable from the primary entrance; and

19 (B) in a place that is directly and continually supervised by a
20 person employed on the licensed premises during the hours the vending
21 machine is accessible to the public; or

22 (2) in an employee break room or other controlled area of a private
23 work place that is not generally considered a public place and the room or area
24 contains a posted warning sign at least 11 inches by 14 inches indicating that
25 possession of tobacco by a person under 19 years of age is prohibited under
26 AS 11.76.105.

27 * **Sec. 135.** AS 11.76.107(a) is amended to read:

28 (a) A person commits the offense of failure to supervise a cigarette vending
29 machine if the person owns premises licensed as a beverage dispensary under
30 AS 04.09.160, [AS 04.11.090 OR] licensed as a club under AS 04.09.180,
31 [AS 04.11.110] or licensed as a package store under AS 04.09.190 [AS 04.11.150]

1 and, with criminal negligence, fails to have an employee supervise a vending machine
 2 on those premises that dispenses cigarettes, cigars, tobacco, or products containing
 3 tobacco as required by AS 11.76.100(b)(1)(B).

4 * **Sec. 136.** AS 12.62.400(a) is amended to read:

5 (a) To obtain a national criminal history record check for determining a
 6 person's qualifications for a license, permit, registration, employment, or position, a
 7 person shall submit the person's fingerprints to the department with the fee established
 8 by AS 12.62.160. The department may submit the fingerprints to the Federal Bureau
 9 of Investigation to obtain a national criminal history record check of the person for the
 10 purpose of evaluating a person's qualifications for

11 (1) a license or conditional contractor's permit to manufacture, sell,
 12 offer for sale, possess for sale or barter, traffic in, or barter an alcoholic beverage
 13 under **AS 04.09** [AS 04.11];

14 (2) licensure as a mortgage lender, a mortgage broker, or a mortgage
 15 loan originator under AS 06.60;

16 (3) admission to the Alaska Bar Association under AS 08.08;

17 (4) licensure as a collection agency operator under AS 08.24;

18 (5) a certificate of fitness to handle explosives under AS 08.52;

19 (6) licensure as a massage therapist under AS 08.61;

20 (7) licensure to practice nursing or certification as a nurse aide under
 21 AS 08.68;

22 (8) certification as a real estate appraiser under AS 08.87;

23 (9) a position involving supervisory or disciplinary power over a minor
 24 or dependent adult for which criminal justice information may be released under
 25 AS 12.62.160(b)(9);

26 (10) a teacher certificate under AS 14.20;

27 (11) licensure as a security guard under AS 18.65.400 - 18.65.490;

28 (12) a concealed handgun permit under AS 18.65.700 - 18.65.790;

29 (13) licensure as an insurance producer, managing general agent,
 30 reinsurance intermediary broker, reinsurance intermediary manager, surplus lines
 31 broker, or independent adjuster under AS 21.27;

1 (14) serving and executing process issued by a court by a person
2 designated under AS 22.20.130;

3 (15) a school bus driver license under AS 28.15.046;

4 (16) licensure as an operator or an instructor for a commercial driver
5 training school under AS 28.17;

6 (17) registration as a broker-dealer, agent, investment adviser
7 representative, or state investment adviser under AS 45.55.030 - 45.55.060.

8 * **Sec. 137.** AS 12.85 is amended by adding a new section to read:

9 **Sec. 12.85.015. Record of judgment of conviction.** When a person is
10 convicted of an offense under a provision of AS 04, the court shall provide a copy of
11 the judgment of conviction to the Alcoholic Beverage Control Board.

12 * **Sec. 138.** AS 18.56.230(b) is amended to read:

13 (b) The corporation may not authorize the commercial use of space in a multi-
14 unit residential housing development owned or financed by the corporation for

15 (1) a business that offers adult entertainment;

16 (2) the sale of alcoholic beverages, unless the sale [IS IN A
17 RESTAURANT OR EATING PLACE LICENSED UNDER AS 04.11.100 OR] is in
18 premises **covered by a restaurant endorsement issued by** [DESIGNATED BY] the
19 Alcoholic Beverage Control Board **under AS 04.09.410** [AS A RESTAURANT
20 UNDER AS 04.16.049];

21 (3) substance abuse treatment; or

22 (4) a business that primarily sells, transfers, or stores cigarettes or
23 tobacco-related products.

24 * **Sec. 139.** AS 18.65.085(c) is amended to read:

25 (c) The Department of Public Safety may establish and administer a reward
26 program, and provide grants to municipalities, established villages, and, at the request
27 of a municipality or established village, to a nonprofit association that administers a
28 village public safety officer program, for reward programs leading to the apprehension
29 and conviction of persons who violate **AS 04.09.060, 04.09.070, 04.09.145, 04.09.320,**
30 **04.09.330, or** AS 04.11.010 by selling, importing, or possessing alcoholic beverages
31 in violation of a local option adopted by a municipality or established village under

1 AS 04.11.491.

2 * **Sec. 140.** AS 18.80.230(b) is amended to read:

3 (b) Notwithstanding (a) of this section, a physical fitness facility may limit
 4 public accommodation to only males or only females to protect the privacy interests of
 5 its users. Public accommodation may be limited under this subsection only to those
 6 rooms in the facility that are primarily used for weight loss, aerobic, and other
 7 exercises, or for resistance weight training. Public accommodation may not be limited
 8 under this subsection to rooms in the facility primarily used for other purposes,
 9 including conference rooms, dining rooms, and premises licensed under **AS 04.09**
 10 [AS 04.11]. This subsection does not apply to swimming pools or golf courses.

11 * **Sec. 141.** AS 21.36.210(a) is amended to read:

12 (a) An insurer may not exercise its right to cancel a policy of personal
 13 automobile insurance except for the following reasons:

- 14 (1) nonpayment of premium; or
 15 (2) the driver's license or motor vehicle registration of either the named
 16 insured or of an operator who resides in the same household as the named insured or
 17 who customarily operates a motor vehicle insured under the policy has been under
 18 suspension or revocation during the policy period or, if the policy is a renewal, during
 19 its policy period or the 180 days immediately preceding its effective date [; THIS
 20 PARAGRAPH DOES NOT APPLY TO REVOCATION AS DESCRIBED UNDER
 21 AS 21.96.027].

22 * **Sec. 142.** AS 28.15.057(a) is amended to read:

23 (a) Except as provided under AS 28.15.051, a person who is at least 16 years
 24 of age but not yet 18 years of age may not be issued a driver's license unless the
 25 person has

- 26 (1) been licensed under an instruction permit issued under
 27 AS 28.15.051 or under the law of another state with substantially similar requirements
 28 for at least six months;
 29 (2) held a valid provisional driver's license issued under AS 28.15.055
 30 for at least six months; and
 31 (3) not been convicted of violating a traffic law [, OR BEEN

1 CONVICTED OF VIOLATING AS 04.16.050(c),] during the six months before
 2 applying for a driver's license; in this paragraph, "traffic law" has the meaning given to
 3 "traffic laws" in AS 28.15.261.

4 * **Sec. 143.** AS 28.15.176 is amended to read:

5 **Sec. 28.15.176. Administrative revocation of license to drive for**
 6 **consumption or possession of alcohol or drugs.** The department shall revoke the
 7 driver's license or permit, privilege to drive, or privilege to obtain a license of a person
 8 not yet 18 years of age for

9 [(1) SIX MONTHS WHEN NOTIFIED OF AN INFORMAL
 10 ADJUSTMENT UNDER AS 47.12.060(b)(4) AND SHALL REVOKE THE
 11 PERSON'S DRIVER'S LICENSE OR PERMIT, PRIVILEGE TO DRIVE, OR
 12 PRIVILEGE TO OBTAIN A LICENSE FOR AN ADDITIONAL SIX MONTHS
 13 WHEN NOTIFIED OF AN UNSUCCESSFUL ADJUSTMENT UNDER THAT
 14 PARAGRAPH;

15 (2)] the time period specified in AS 28.15.185(b) when notified of an
 16 informal adjustment under AS 47.12.060(b)(5).

17 * **Sec. 144.** AS 43.70.105(a) is amended to read:

18 (a) This chapter does not apply to

19 (1) a fisheries business;

20 (2) the sale of liquor under a license issued under **AS 04.09**

21 [**AS 04.11**];

22 (3) an insurance business;

23 (4) a mining business;

24 (5) supplying services as an employee;

25 (6) furnishing goods or services by a person who does not represent to
 26 be regularly engaged in furnishing goods or services;

27 (7) the activities of an investment club; in this paragraph,

28 (A) "investment club" means a group of individuals,
 29 incorporated or otherwise organized, that engages primarily in investing in
 30 securities, that does not sell investment services to another person, that does
 31 not advertise, and the primary purpose of which is educational;

1 (B) "security" has the meaning given in AS 45.55.990.

2 * **Sec. 145.** AS 45.45.590(1) is amended to read:

3 (1) "business proprietor" means a person who owns a place of business
4 in which the public may assemble and in which copyrighted musical works may be
5 performed, broadcasted, or otherwise transmitted; in this paragraph, "place of
6 business" includes a store, professional office, sports facility, entertainment facility,
7 restaurant, hotel, or [AN] alcoholic beverage establishment licensed under **AS 04.09**
8 [AS 04.11];

9 * **Sec. 146.** AS 04.06.100(b)(4), 04.06.100(b)(15); AS 04.11.070, 04.11.080, 04.11.090,
10 04.11.100, 04.11.110, 04.11.115, 04.11.120, 04.11.130, 04.11.135, 04.11.140, 04.11.150,
11 04.11.160, 04.11.170, 04.11.180, 04.11.200, 04.11.210, 04.11.220, 04.11.225, 04.11.230,
12 04.11.240, 04.11.250, 04.11.255, 04.11.400(d), 04.11.400(e), 04.11.400(g), 04.11.400(j),
13 04.11.491(a)(4), 04.11.491(b)(3); AS 04.16.070, 04.16.180(a), 04.16.180(d), 04.16.210;
14 AS 04.21.080(b)(3); AS 21.96.027; AS 28.15.181(h), 28.15.185(e); AS 47.12.030(b)(5),
15 47.12.060(b)(4), and 47.12.120(k) are repealed.

16 * **Sec. 147.** AS 04.09.020(c), 04.09.030(c), 04.09.040(c), and 04.09.160(d) are repealed
17 January 1, 2025.

18 * **Sec. 148.** The uncodified law of the State of Alaska is amended by adding a new section
19 to read:

20 APPLICABILITY. This Act applies to offenses committed on or after the effective
21 date of this Act. References to previous convictions apply to convictions occurring before, on,
22 or after the effective date of this Act.

23 * **Sec. 149.** The uncodified law of the State of Alaska is amended by adding a new section
24 to read:

25 TRANSITION. (a) A person who is a member of the Alcoholic Beverage Control
26 Board on the day before the effective date of this Act continues to serve until the expiration of
27 the member's term. The governor shall take the requirements of AS 04.06.020, as repealed
28 and reenacted by sec. 1 of this Act, into account in making new appointments.

29 (b) The Alcoholic Beverage Control Board may convert a license issued or renewed
30 as necessary for the public convenience under former AS 04.11.400(g), repealed by sec. 146
31 of this Act, into a seasonal restaurant or eating place tourism license under AS 04.09.310

1 upon application by the licensee. The board may establish an application form and procedure
2 for conversion applications. The board may allow one transfer of ownership of a public
3 convenience license in effect on the effective date of this Act. The board may not allow the
4 relocation of a public convenience license in effect on the effective date of this Act.

5 * **Sec. 150.** This Act takes effect January 1, 2017.