



AMENDMENT # 2

OFFERED IN THE HOUSE
TO: CSSB 45(FIN)

BY REPRESENTATIVE WOOL

1 Page 1, line 1, following "contractors": *(title amendment)*

2 Insert "; relating to distillery licenses; relating to the renewal of a license involving
3 alcoholic beverages; relating to the renewal and transfer of ownership of a beverage
4 dispensary license or restaurant or eating place license; and relating to issuance of an
5 outdoor recreation lodge license in a local option area"

6

7 Page 1, line 6:

8 Delete "sec. 3"

9 Insert "sec. 11"

10

11 Page 1, following line 7:

12 Insert new bill sections to read:

13 **** Sec. 2.** AS 04.11.170 is amended by adding new subsections to read:

14 (f) The holder of a distillery license may combine the distillery's product
15 under (d) and (e) of this section with other ingredients, including mixers, liquids, or
16 garnishes, that are not alcoholic beverages.

17 (g) In this section, "distillery's product" means an alcoholic beverage distilled
18 on the licensed premises.

19 *** Sec. 3.** AS 04.11.295(a) is amended to read:

20 (a) An applicant for the issuance or transfer of a license or a conditional
21 contractor's permit under this title shall submit to the board, with the application, the
22 applicant's fingerprints and the fees required by the Department of Public Safety under
23 AS 12.62.160 for criminal justice information and a national criminal history record

1 check. **Except as provided under (c) of this section, the** [THE] board may require an
2 applicant for renewal of a license or a conditional contractor's permit under this title to
3 submit fingerprints and pay **the required** fees [AS REQUIRED BY THIS
4 SUBSECTION]. The board shall submit the fingerprints to the Department of Public
5 Safety to obtain a report of criminal justice information under AS 12.62 and a national
6 criminal history record check under AS 12.62.400. The Department of Public Safety
7 may submit the fingerprints to the Federal Bureau of Investigation for a national
8 criminal history record check. The board shall use the information obtained under this
9 section in its determination of an applicant's qualification for issuance, transfer, or
10 renewal of a license or a conditional contractor's permit.

11 * **Sec. 4.** AS 04.11.295 is amended by adding a new subsection to read:

12 (c) For renewal of a license or conditional contractor's permit held by a
13 corporation that is required by federal law to file periodic reports with the United
14 States Securities Exchange Commission, the board may require submission of
15 fingerprints and payment of the required fees of not more than three individuals who
16 are officers of the corporation.

17 * **Sec. 5.** AS 04.11.330(a) is amended to read:

18 (a) An application requesting renewal of a license shall be denied if

19 (1) the board finds, after review of all relevant information, that
20 renewal of the license would not be in the best interests of the public;

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

22 (3) the applicant has not operated the licensed premises for at least **240**
23 **hours** [30 EIGHT-HOUR DAYS] during each of the two preceding calendar years,
24 unless the board determines that the licensed premises are under construction or
25 cannot be operated through no fault of the applicant;

26 (4) the board finds that issuance of an existing license under
27 AS 04.11.400(d) has not encouraged tourist trade;

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

30 (6) renewal of the license would violate the restrictions pertaining to
31 the particular license under this title or the license has been operated in violation of a

1 condition or restriction imposed by the board;

2 (7) renewal of the license is prohibited under this title as a result of an
3 election conducted under AS 04.11.507;

4 (8) the application has not been completed in accordance with
5 AS 04.11.270; or

6 (9) the license was issued under AS 04.11.400(g), and the board finds
7 that the public convenience does not require renewal.

8 * **Sec. 6.** AS 04.11.360 is amended to read:

9 **Sec. 04.11.360. Denial of transfer of a license to another person.** An
10 application requesting approval of a transfer of a license to another person under this
11 title shall be denied if

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

14 (2) the application has not been completed in accordance with
15 AS 04.11.280;

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

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

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

21 (B) the transfer is under a promise given as collateral by the
22 transferor to the transferee in the course of an earlier transfer of the license
23 under which promise the transferor is obliged to transfer the license back to the
24 transferee in the event of default in payment for property conveyed as part of
25 the earlier transfer of the license;

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

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

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

1 (8) the prospective transferee does not have the qualifications required
2 under this title of an original applicant; **however, an application may not be denied**
3 **because a prospective transferee under AS 04.11.400(d)(2) does not have the**
4 **qualifications required under AS 04.11.400(d)(1);**

5 (9) the license was issued under AS 04.11.100(f) or 04.11.400(g);
6 however, this paragraph does not apply to a beverage dispensary license issued before
7 June 6, 1985, under former AS 04.11.400(j) if the transfer does not involve a change
8 in location; or

9 (10) the license was issued under AS 04.11.135, unless the transferor is
10 also applying to transfer the beverage dispensary license required under AS 04.11.135
11 to the same transferee.

12 * Sec. 7. AS 04.11.400(d) is amended to read:

13 (d) The board may approve

14 (1) the issuance [OR TRANSFER OF OWNERSHIP] of a **new**
15 beverage dispensary or restaurant or eating place license without regard to (a) of this
16 section if it appears that the issuance [OR TRANSFER] will encourage the tourist
17 trade by encouraging the construction or improvement of

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

24 (i) [(A)] 10 rental rooms if the population is less than
25 1,501;

26 (ii) [(B)] 20 rental rooms if the population is 1,501 -
27 2,500;

28 (iii) [(C)] 25 rental rooms if the population is 2,501 -
29 5,000;

30 (iv) [(D)] 30 rental rooms if the population is 5,001 -
31 15,000;

1 (v) [(E)] 35 rental rooms if the population is 15,001 -
2 25,000;

3 (vi) [(F)] 40 rental rooms if the population is 25,001 -
4 50,000; and

5 (vii) [(G)] 50 rental rooms if the population is greater
6 than 50,000; or

7 (B) [(2)] an airport terminal; and

8 (2) the renewal or transfer of ownership of a beverage dispensary
9 or restaurant or eating place license issued under (1) of this subsection if the

10 (A) holder of the license operates a hotel, motel, resort, or
11 similar business relating to the tourist trade that

12 (i) has a dining facility on the licensed premises or
13 kitchen facilities in a majority of its rental rooms; and

14 (ii) maintains at least the minimum number of rental
15 rooms that the hotel, motel, resort, or similar business had at the
16 time of initial licensure or that were required at the time of initial
17 licensure; or

18 (B) licensed premises are located inside an airport terminal.

19 * Sec. 8. AS 04.11.491(a) is amended to read:

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

22 (1) the sale of alcoholic beverages;

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

25 (A) a restaurant or eating place licensee;

26 (B) a beverage dispensary licensee;

27 (C) a package store licensee;

28 (D) a caterer holding a permit under AS 04.11.230 to sell
29 alcoholic beverages at a site within the municipality who is also licensed under
30 a beverage dispensary license for premises outside of the municipality;

31 (E) a winery licensee; [OR]

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

3 **(G) an outdoor recreation lodge licensee;**

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

7 (A) a restaurant or eating place license;

8 (B) a beverage dispensary license; or

9 (C) a package store license;

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

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

12 * Sec. 9. AS 04.11.491(b) is amended to read:

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

15 (1) the sale of alcoholic beverages;

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

18 (A) a restaurant or eating place licensee;

19 (B) a beverage dispensary licensee;

20 (C) a package store licensee;

21 (D) a caterer holding a permit under AS 04.11.230 to sell
22 alcoholic beverages at a site within the established village who is also licensed
23 under a beverage dispensary license for premises outside of the established
24 village;

25 (E) a winery licensee; [OR]

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

28 **(G) an outdoor recreation lodge licensee;**

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

30 (4) the sale, importation, and possession of alcoholic beverages."
31

1 Renumber the following bill sections accordingly.

2

3 Page 3, lines 16 - 19:

4 Delete all material and insert:

5 **"* Sec. 12.** The uncodified law of the State of Alaska is amended by adding a new section to
6 read:

7 **APPLICABILITY.** (a) Section 2 of this Act applies to conduct by a holder of a
8 distillery license occurring before, on, or after the effective date of this Act.

9 (b) AS 04.11.491(a)(2), as amended by sec. 8 of this Act, and AS 04.11.491(b)(2), as
10 amended by sec. 9 of this Act, apply to outdoor recreation lodge licenses issued before, on, or
11 after the effective date of this Act.

12 (c) Sections 10 and 11 of this Act apply to construction begun under
13 AS 08.18.161(11), as amended by sec. 11 of this Act, on or after the effective date of this
14 Act."