

CS FOR SENATE BILL NO. 9(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 4/14/21

Referred: Finance

Sponsor(s): SENATOR MICCICHE

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 common carrier approval to transport**
4 **or deliver alcoholic beverages; relating to the Alcoholic Beverage Control Board;**
5 **relating to offenses involving alcoholic beverages; amending Rule 17(h), Alaska Rules of**
6 **Minor Offense Procedure; and providing for an effective date."**

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

8 * **Section 1.** AS 04.06 is amended by adding a new section to read:

9 **Sec. 04.06.005. Declaration of policy; purpose; finding.** It is the policy of
10 the state that controlling the manufacture, distribution, barter, possession, and sale of
11 alcoholic beverages in the state is necessary to promote the health and safety of the
12 people of the state. It is the purpose of this title to carry out the state's policy in the
13 public interest. The legislature finds that observance of this title, regulations adopted

by the board, and other applicable laws, local ordinances, and regulations is in the interest of the public, people holding licenses or permits under this title, and the alcoholic beverage industry in general.

* **Sec. 2.** AS 04.06.020(b) is amended to read:

(b) Except as provided in (c) of this section, at the time of appointment or reappointment, one member of the board shall be **from** [ACTIVELY ENGAGED IN] the public safety sector, one member of the board shall represent the general public, one member of the board shall have resided in a rural area within the previous five years, and two members of the board shall be actively engaged in the alcoholic beverage industry.

* **Sec. 3.** AS 04.06.020(c) is amended to read:

(c) A member of the board may not hold a wholesale alcoholic beverage license or be an officer, agent, or employee of a wholesale alcoholic beverage enterprise. Not more than two members of the board may be engaged in the same business, occupation, or profession. A board member **from** [ACTIVELY ENGAGED IN] the public safety sector, from a rural area, or representing the general public may not have, or have an immediate family member who has, a financial interest in a business for which a license is issued. A board member representing the general public may not be affiliated with the public safety sector or the public health sector.

* **Sec. 4.** AS 04.06.020(d)(3) is amended to read:

(3) "public safety sector" means a **current or former** peace officer, a **current or former** municipal or state prosecutor, a former judicial officer, or a **current member of a** profession that primarily has the authority to provide for the welfare and protection of the general public through the enforcement of municipal, state, or federal laws;

* **Sec. 5.** AS 04.06.075 is amended by adding a new subsection to read:

(c) The director shall prepare and submit to the board an annual budget for the board that includes funding for administration, enforcement, education, training, and prevention activities under this title.

* **Sec. 6.** AS 04.06.080 is amended to read:

Sec. 04.06.080. Delegation of authority. The director shall issue, renew,

transfer, suspend, or revoke all licenses, endorsements, and permits at the direction of the board. However, notwithstanding AS 04.06.090(b) [AS 04.11.070], the board may delegate authority to the director to temporarily grant or deny the issuance, renewal, or transfer of licenses, endorsements, and permits. The director's temporary grant or denial of the issuance, renewal, or transfer of a license, endorsement, or permit is not binding on the board. The board may delegate to the director any other duty imposed by this title except its power to propose and adopt regulations.

* **Sec. 7.** AS 04.06.090(b) is amended to read:

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

* **Sec. 8.** AS 04.06.090(e) is amended to read:

(e) The board shall promptly notify all licensees and municipalities of major changes to this title and to regulations adopted under this title. However, if changes only affect specific classifications of licenses, endorsements, and permits, the board need only notify those licensees and municipalities directly affected by the changes. Current copies of this title and current copies of the regulations adopted under it shall be made available at all offices in the state of the Department of Commerce, Community, and Economic Development and the detachment headquarters and posts maintained by the division of Alaska state troopers in the Department of Public Safety.

* **Sec. 9.** AS 04.06.090 is amended by adding new subsections to read:

(f) The board is responsible for education on relevant state statutes, regulations, and policies. The board shall coordinate with agencies and nonprofit organizations that provide alcohol awareness education to develop a plan to educate public safety professionals, the alcoholic beverage industry, individuals under 21 years of age, local governments, established villages, and the general public on the responsible use of alcoholic beverages. The board shall update and revise the plan annually.

(g) The board shall review the fees specified in this title and regulations

1 adopted under this title at least every five years.

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

5 (i) The board shall, within 30 business days after receiving notice of a
6 conviction or violation under this title, provide a copy of the conviction or violation to
7 the holder of a license if an offense or violation occurred on the holder's licensed
8 premises and the holder is not the subject of the conviction or violation.

9 (j) The board shall post information on the board's Internet website about fetal
10 alcohol syndrome and fetal alcohol effects resulting from a woman consuming alcohol
11 during pregnancy.

12 * **Sec. 10.** AS 04.06.095 is amended to read:

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

18 (b) Except as otherwise specifically provided in this section, the information
19 contained in the database is confidential and is not subject to inspection or copying
20 under AS 40.25.110 - 40.25.220. **Personally identifiable information, including**
21 **business names and addresses,** [INFORMATION] in the database shall be purged
22 one year after entry unless it is needed for criminal investigation or prosecution. **All**
23 **other information in the database shall be retained in aggregate form and purged**
24 **10 years after entry.** Information in the database is available only to

25 (1) a package store licensee, agent, or employee to consult before
26 shipping alcohol to a purchaser in a restricted area **under a package store shipping**
27 **endorsement** as provided in **AS 04.09.460** [AS 04.11.150(g)];

28 (2) a law enforcement officer;

29 (3) a probation or parole officer;

30 (4) the board; and

31 (5) the person who is the subject of the information; the board shall

1 adopt regulations concerning access by a person to information contained in the
2 database of the purchases by, and shipments to, that person.

3 * **Sec. 11.** AS 04.06.095 is amended by adding a new subsection to read:

4 (c) The board shall produce an annual report of the aggregate regional and
5 statewide data from the database, excluding personally identifiable information and
6 the names and addresses of businesses, and shall make the report available for public
7 inspection and copying under AS 40.25.110 - 40.25.220. The report must include
8 information about the total volume of alcohol received in each municipality or
9 established village.

10 * **Sec. 12.** AS 04.06.100(b) is amended to read:

11 (b) The subjects covered by regulations adopted under (a) of this section may
12 include the following matters:

13 (1) employment, conduct, and duties of the director and of regular and
14 contractual employees of the board;

15 (2) procedures for the issuance, denial, renewal, transfer, revocation,
16 and suspension of licenses, endorsements, and permits;

17 (3) terms and conditions of licenses, endorsements, and permits
18 issued;

19 (4) fees for licenses, endorsements, and permits issued for which fees
20 are not prescribed by statute;

21 (5) conduct of regular and special meetings of the board;

22 (6) delegation to the director of routine administrative functions and
23 powers;

24 (7) the temporary granting or denial of issuance, transfer, and renewal
25 of licenses and endorsements;

26 (8) manner of giving any notice required by law or regulation when not
27 provided for by statute;

28 (9) requirements relating to the qualifications of licensees, the
29 conditions upon which a license may be issued, the accommodations of licensed
30 premises, and board inspection of those premises;

31 (10) making of reports by wholesalers;

(11) purchase of fidelity bonds by the state for the director and the employees of the board;

(12) prohibition of possession of alcoholic beverages by drunken persons and by minors;

(13) required reports from corporations licensed under this title, including reports of stock ownership and transfers and changes of officers and directors;

(14) [CREATION OF CLASSIFICATIONS OF LICENSES OR PERMITS NOT PROVIDED FOR IN THIS TITLE;

(15)] establishment and collection of fees to be paid on application for a license, endorsement, or permit;

(15) [(16)] required reports from partnerships and limited partnerships licensed under this title, including reports of transferred interests of 10 percent or more;

(16) [(17)] required reports from limited liability organizations licensed under this title, including reports of the transfer of a member's interest if the transfer equals 10 percent or more of the ownership of the limited liability organization and any change of managers;

(17) restrictions on the manufacture, packaging, sale, and distribution of products containing alcohol that are intended for human consumption.

* **Sec. 13.** AS 04 is amended by adding a new chapter to read:

Chapter 09. Licenses, Endorsements, and Permits.

Article 1. License Types.

Sec. 04.09.010. Types of licenses. A license defines activities allowed daily on licensed premises. License type is a general category of license activity based on the three-tier system of alcohol regulation. The three types of licenses the board may issue are manufacturer, wholesale, and retail licenses. The board may issue only the licenses authorized in AS 04.09.020 - 04.09.370.

Article 2. Manufacturer Licenses.

Sec. 04.09.020. Brewery manufacturer license. (a) A brewery manufacturer

1 license authorizes the holder to operate a brewery for the manufacture, packaging,
2 storing, and sale of its brewed beverages to a buyer as permitted in AS 04.09.050.

3 (b) The biennial brewery manufacturer license fee is \$1,250.

4 (c) The fermentation process of all brewed beverages offered for sale by the
5 holder of a brewery manufacturer license must occur on the holder's licensed premises
6 in the state.

7 **Sec. 04.09.030. Winery manufacturer license.** (a) A winery manufacturer
8 license authorizes the holder to operate a winery for the manufacture, packaging,
9 storing, and sale of its wine to a buyer as permitted in AS 04.09.050.

10 (b) The biennial winery manufacturer license fee is \$1,000.

11 (c) The fermentation process of all wine offered for sale by the holder of a
12 winery manufacturer license must occur on the holder's licensed premises in the state.

13 **Sec. 04.09.040. Distillery manufacturer license.** (a) A distillery manufacturer
14 license authorizes the holder to operate a distillery for the manufacture, packaging,
15 storing, and sale of its distilled spirits to a buyer as permitted in AS 04.09.050.

16 (b) The biennial distillery manufacturer license fee is \$1,250.

17 (c) At least 80 percent of each final product that contains distilled spirits
18 offered for sale by the holder of a distillery manufacturer license must be
19 manufactured on the holder's licensed premises in the state.

20 **Sec. 04.09.050. Authorized sales.** (a) The holder of a manufacturer license
21 that annually produces in total less than 300,000 barrels of brewed beverages or mead
22 or cider containing less than 8.5 percent alcohol by volume, less than 50,000 nine-
23 liter-equivalent cases of wine, sake, or mead or cider containing 8.5 percent or more
24 alcohol by volume, or less than 50,000 nine-liter-equivalent cases of distilled spirits
25 may sell its product to

26 (1) the holder of a wholesale license issued under this chapter;

27 (2) the holder of a retail license issued under this chapter;

28 (3) the holder of a permit issued under this chapter;

29 (4) an entity in another state or country.

30 (b) The holder of a manufacturer license that annually produces in total
31 300,000 barrels or more of brewed beverages or mead or cider containing less than 8.5

1 percent alcohol by volume, 50,000 nine-liter-equivalent cases or more of wine, sake,
 2 or mead or cider containing 8.5 percent or more alcohol by volume, or 50,000 nine-
 3 liter-equivalent cases or more of distilled spirits may sell its product to

4 (1) the holder of a wholesale license issued under this chapter;

5 (2) an entity in another state or country.

6 (c) For purposes of calculating the volume that the holder of a manufacturer
 7 license produces under this section, the volume of production must include all
 8 production by

9 (1) the holder of the manufacturer's license; and

10 (2) an officer, director, agent, employee, or affiliate of the holder; in
 11 this paragraph, "affiliate" means a person that directly or indirectly, through one or
 12 more intermediaries, controls, or is controlled by, or is under common control with, a
 13 corporation.

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

16 (1) brewery without a brewery manufacturer license;

17 (2) winery without a winery manufacturer license; or

18 (3) distillery without a distillery manufacturer license.

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

20 **Sec. 04.09.080. Unauthorized manufacturer sale.** (a) Except as provided in
 21 AS 04.09.320 - 04.09.340, a person who holds a manufacturer license commits the
 22 offense of unauthorized manufacturer sale if the person sells its product in violation of
 23 AS 04.09.050.

24 (b) Unauthorized manufacturer sale is a violation.

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

28 **Article 3. Wholesale Licenses.**

29 **Sec. 04.09.100. General wholesale license.** (a) A general wholesale license
 30 authorizes the holder to sell alcoholic beverages at wholesale. The holder of a general
 31 wholesale license may not sell to a person not licensed under this title, except as

provided in AS 04.21.040.

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

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

(1) less than or equal to \$100,000, then the annual fee is \$0;

(2) over \$100,000 and not over \$150,000, then the annual fee is \$250;

(3) over \$150,000 and not over \$200,000, then the annual fee is \$500;

(4) over \$200,000 and not over \$250,000, then the annual fee is \$750;

(5) over \$250,000 and not over \$300,000, then the annual fee is \$1,000;

(6) over \$300,000 and not over \$350,000, then the annual fee is \$1,250;

(7) over \$350,000 and not over \$400,000, then the annual fee is \$1,500;

(8) over \$400,000 and not over \$500,000, then the annual fee is \$2,000;

(9) over \$500,000 and not over \$600,000, then the annual fee is \$2,500;

(10) over \$600,000 and not over \$700,000, then the annual fee is \$3,000;

(11) over \$700,000 and not over \$800,000, then the annual fee is \$3,500;

(12) over \$800,000 and not over \$1,000,000, then the annual fee is \$4,500;

(13) over \$1,000,000, then the annual fee is \$10,000.

Sec. 04.09.110. Limited wholesale brewed beverage and wine license. (a) A limited wholesale brewed beverage and wine license authorizes the holder to sell brewed beverages and wine at wholesale. The holder of a limited wholesale brewed

1 beverage and wine license may not sell to a person not licensed under this title, except
2 as provided in AS 04.21.040.

3 (b) The biennial limited wholesale brewed beverage and wine license fee is
4 \$400.

5 (c) In addition to the license fee under (b) of this section, the holder of a
6 limited wholesale brewed beverage and wine license shall pay an annual fee based on
7 the total value of business transacted by the wholesale business, including the excise
8 tax imposed by AS 43.60.010. If the total value of business transacted during the
9 calendar year including the excise tax imposed by AS 43.60.010 is

- 10 (1) less than or equal to \$20,000, then the annual fee is \$0;
11 (2) over \$20,000 and not over \$50,000, then the annual fee is \$150;
12 (3) over \$50,000 and not over \$100,000, then the annual fee is \$500;
13 (4) over \$100,000 and not over \$150,000, then the annual fee is \$750;
14 (5) over \$150,000 and not over \$200,000, then the annual fee is
15 \$1,000;
16 (6) over \$200,000 and not over \$400,000, then the annual fee is
17 \$2,000;
18 (7) over \$400,000 and not over \$600,000, then the annual fee is
19 \$3,000;
20 (8) over \$600,000 and not over \$800,000, then the annual fee is
21 \$4,000;
22 (9) over \$800,000, then the annual fee is \$10,000.

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

- 27 (1) total value of business transacted under the license by the
28 wholesale business, including the excise tax imposed by AS 43.60.010, during the
29 preceding calendar year; and
30 (2) location of the licensed premises at which the business was
31 transacted.

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

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

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

- (1) one to 25 suppliers, the fee is \$500;
- (2) 26 to 50 suppliers, the fee is \$1,000;
- (3) 51 to 75 suppliers, the fee is \$1,500;
- (4) 76 or more suppliers, the fee is \$2,000.

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

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

- (1) distilled spirits at wholesale without a general wholesale license; or
- (2) brewed beverages or wine at wholesale without a general wholesale license or a limited wholesale brewed beverage and wine license.

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

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

(b) Failure to pay an annual wholesale fee or file a wholesale affidavit is a

violation.

Sec. 04.09.160. Failure to pay biennial fee or file declaration. (a) A person commits the offense of failure to pay a biennial supplier fee or file a supplier declaration if the person fails to pay the biennial supplier fee or file the declaration as required under AS 04.09.130.

(b) Failure to pay a biennial supplier fee or file a supplier declaration is a violation.

Article 4. Retail Licenses.

Sec. 04.09.200. Beverage dispensary license. (a) A beverage dispensary license authorizes the holder to sell or serve on the licensed premises alcoholic beverages for consumption only on the licensed premises.

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

(c) The holder of a beverage dispensary license may not maintain on the licensed premises more than one room in which there is regularly maintained a fixed counter or service bar that has plumbing connections to permanent plumbing at which alcoholic beverages are sold or served to members of the public for consumption, unless the license has a multiple fixed counter endorsement under AS 04.09.420.

(d) Except as provided under AS 04.09.610, 04.09.640, 04.09.670, and AS 04.16.120(c), the holder of a beverage dispensary license who sells or serves alcoholic beverages off the licensed premises or permits consumption off the premises of alcoholic beverages sold or served on the premises commits the offense of unauthorized beverage dispensary activity.

(e) Unauthorized beverage dispensary activity is a violation.

Sec. 04.09.210. Restaurant or eating place license. (a) A restaurant or eating place license authorizes a restaurant or eating place to

(1) sell brewed beverages and wine for consumption only on the licensed premises; and

(2) allow a person

(A) under 21 years of age access as provided in (d) of this section to the licensed premises; and

(B) to enter or remain on the licensed premises to consume

1 food or nonalcoholic beverages as authorized under AS 04.16.010(c)(5).

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

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

4 (1) board determines that

5 (A) the licensed premises is a bona fide restaurant as defined in
6 AS 04.21.080(b);

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

10 (C) it is unlikely that persons under 21 years of age not
11 employed on the premises will enter and remain on the licensed premises for
12 purposes other than dining; and

13 (2) sale and service of food and alcoholic beverages and any other
14 business conducted on the licensed premises of the restaurant or eating place is under
15 the sole control of the licensee.

16 (d) The board may authorize the holder of a restaurant or eating place license

17 (1) to allow a person who is at least 16 years of age but under 21 years
18 of age to enter and remain on the licensed premises for dining only;

19 (2) to allow a person who is under 16 years of age to enter and remain
20 on the licensed premises for dining only if

21 (A) the person is accompanied by a person who is 21 years of
22 age or older; and

23 (B) the parent or guardian of the person consents to the person
24 being on the licensed premises; and

25 (3) subject to AS 04.16.049, to employ or permit the employment of a
26 person who is at least 16 years of age but under 21 years of age on the licensed
27 premises if the employer provides adequate supervision to ensure that the person does
28 not obtain alcoholic beverages.

29 (e) The holder of a restaurant or eating place license shall ensure that gross
30 receipts from the sale of food for consumption on the licensed premises are not less
31 than the total of the gross receipts from the sale of alcoholic beverages for

1 consumption on the licensed premises in each calendar year. At the time the holder
2 submits an application for renewal of the license, the holder shall submit a statement
3 to the board certifying that the holder has met the requirement under this subsection
4 for the designated period of the license under AS 04.11.680. The board may renew a
5 restaurant or eating place license only if the licensee's statement provides evidence
6 satisfactory to the board that, during the designated period of the license under
7 AS 04.11.680, the gross receipts from the sale of food for consumption on the licensed
8 premises were not less than the total of the gross receipts from the sale of alcoholic
9 beverages for consumption on the licensed premises.

10 (f) The holder of a restaurant or eating place license may provide
11 entertainment on or adjacent to the licensed premises only between the hours of 10:00
12 a.m. and 11:00 p.m. unless additional hours are approved by the director upon the
13 written request of the licensee for a specific occasion. The director may not grant
14 approval for additional hours of entertainment on or adjacent to the licensed premises
15 of an individual licensee more than six times in a calendar year. In this subsection,
16 "entertainment" includes dancing, karaoke, live performances, or similar activities, but
17 does not include recorded or broadcast performances without live participation.

18 (g) Except as provided under AS 04.09.620, 04.09.640, 04.09.645, and
19 AS 04.16.120(c), the holder of a restaurant or eating place license commits the offense
20 of failure to comply with the terms of a restaurant or eating place license if the person
21 sells brewed beverages or wine in violation of (a) of this section, engages in activity
22 not authorized by the board under (d) of this section, or fails to comply with the
23 requirements of (d), (e), or (f) of this section.

24 (h) Failure to comply with the terms of a restaurant or eating place license is a
25 violation.

26 **Sec. 04.09.220. Club license.** (a) A club license authorizes a club or
27 organization to sell alcoholic beverages for consumption only on the licensed
28 premises.

29 (b) The biennial fee for a club license is \$1,500.

30 (c) The board may issue a club license only to an organization operated for
31 social, recreational, benevolent, or athletic purposes and not for profit. The board may

1 issue a club license only to a club, fraternal organization, patriotic organization, or
2 social organization that has been

3 (1) chartered by a state or national organization for a period of 10
4 consecutive years before application for a license under this section; or

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

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

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

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

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

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

15 (f) Guests who enter the club premises on the invitation of a member and in
16 the company of the member may be served but not sold alcoholic beverages. A guest
17 shall leave the premises immediately upon the departure of the member who extended
18 the invitation to enter.

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

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

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

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

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

31 (1) solicit public patronage of the club premises, except as approved by

1 the board;

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

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

6 (j) In this section, "member" means a holder of a full year of paid membership
7 entitling the holder to all voting rights and privileges of membership under the
8 constitution or bylaws of the club or organization.

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

12 (l) Failure to comply with the terms of a club license is a violation.

13 **Sec. 04.09.230. Package store license.** (a) A package store license authorizes
14 the holder to operate a package store to store alcoholic beverages with federally
15 compliant labels and to sell alcoholic beverages with federally compliant labels to a
16 person present on the licensed premises.

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

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

22 (d) If the holder of a package store license also holds a beverage dispensary
23 license, the licensed premises of the package store are contained within or are adjacent
24 to the licensed premises of the beverage dispensary, and the only public entrance to
25 the package store is by a door or other means within the beverage dispensary, the
26 board shall determine whether additional entrances to the package store are necessary
27 for enforcement purposes, to meet health and fire safety standards, or for the
28 convenience of the public.

29 (e) The holder of a package store license may not

30 (1) offer alcoholic beverages for consumption on the licensed premises
31 or allow the consumption of alcoholic beverages on the licensed premises except as

1 authorized by a package store sampling endorsement issued under AS 04.09.490 or a
2 package store tasting event permit issued under AS 04.09.670;

3 (2) subdivide alcoholic beverages except as authorized by a package
4 store repackaging endorsement issued under AS 04.09.480;

5 (3) offer alcoholic beverages for sale or sell alcoholic beverages to a
6 person not present on the licensed premises who makes an order for shipment except
7 as authorized by a package store shipping endorsement under AS 04.09.460; or

8 (4) deliver alcoholic beverages to a person not present on the licensed
9 premises except as authorized by a package store delivery endorsement under
10 AS 04.09.470.

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

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

16 **Sec. 04.09.240. Pub license.** (a) A pub license authorizes the holder to sell
17 brewed beverages and wine for consumption only at a designated premises located on
18 the campus of an accredited college or university.

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

20 (c) The board may not

21 (1) issue more than one pub license for each accredited college or
22 university campus in the state; and

23 (2) issue or renew a pub license without the written approval of the
24 governing body of the accredited college or university.

25 (d) The board may designate two alternating premises for a pub license if

26 (1) both premises are

27 (A) located on the accredited college or university campus;

28 (B) not located in contiguous rooms or adjacent buildings; and

29 (C) under the licensee's control;

30 (2) at any time, only one location is operating as a licensed premises
31 with specified operating hours approved by the board; and

1 (3) all alcoholic beverages are either removed from the alternate
2 premises or stored in a secure location that is not accessible to the general public
3 during times when the alternate premises is not operating as a licensed premises.

4 (e) The board may suspend or revoke a licensee's use of an alternate premises
5 under (d) of this section after providing written notice and an opportunity to be heard
6 to the licensee.

7 (f) In this section, "accredited college or university" means a college or
8 university accredited by the Northwest Commission on Colleges and Universities.

9 (g) The holder of a pub license commits the offense of failure to comply with
10 the terms of a pub license if the person sells brewed beverages or wine in violation of
11 (a) of this section.

12 (h) Failure to comply with the terms of a pub license is a violation.

13 **Sec. 04.09.250. Theater license.** (a) A theater license authorizes the holder of
14 a beverage dispensary license or a restaurant or eating place license to sell alcoholic
15 beverages for consumption on licensed premises at a specified theater site, except that
16 a restaurant or eating place licensee with a theater license may only sell brewed
17 beverages and wine.

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

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

22 (d) The holder of a theater license may not sell, serve, or permit the
23 consumption of alcoholic beverages in the audience viewing area.

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

26 (f) The board may not approve an application for transfer of a theater license
27 to another location.

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

31 (h) A person commits the offense of failure to comply with the terms of a

1 theater license if the person sells, serves, or permits the consumption of alcoholic
 2 beverages except as permitted in this section or fails to post the license as required by
 3 this section.

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

5 **Sec. 04.09.260. Common carrier dispensary license.** (a) A common carrier
 6 dispensary license authorizes the holder to sell alcoholic beverages for consumption
 7 aboard a boat or train licensed by a state or federal agency for passenger travel, or
 8 aboard aircraft operated by an airline licensed by a state or federal agency for
 9 passenger travel.

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

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

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

1 noncompliance.

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

4 **Sec. 04.09.270. Sporting activity or event license.** (a) A sporting activity or
5 event license authorizes the holder to sell brewed beverages and wine at multiple
6 noncontiguous locations at a sporting activity or event site during and one hour before
7 and after a sporting activity or event that is not a school activity or event, for
8 consumption on designated areas at the sporting activity or event site.

9 (b) The biennial sporting activity or event license fee is \$1,250.

10 (c) In this section, "sporting activity or event site" includes a location where
11 baseball, hockey, rugby, soccer, or football games, car races, dog sled racing events,
12 rodeos, skiing and snowboarding activities, bowling games or leagues, or curling
13 matches are regularly held.

14 (d) The holder of a sporting activity or event license who sells brewed
15 beverages or wine off the licensed premises or during hours not authorized under (a)
16 of this section or who permits consumption off the premises of brewed beverages or
17 wine sold on the premises commits the offense of unauthorized sporting activity or
18 event activity.

19 (e) Unauthorized sporting activity or event activity is a violation.

20 (f) The holder, on the day before the effective date of this section, of a
21 recreational site license issued under former AS 04.11.210 who offered brewed
22 beverages and wine for sale to the public for consumption on the licensed premises
23 may continue to offer brewed beverages and wine for sale to the public for
24 consumption on the premises until December 31, 2027, for a license renewing on an
25 odd-numbered year, or December 31, 2028, for a license renewing on an even-
26 numbered year, if the holder of the license is otherwise in compliance with the
27 requirements of this title as it read on the day before the effective date of this section.

28 **Sec. 04.09.280. Outdoor recreation lodge license.** (a) An outdoor recreation
29 lodge license authorizes the holder to sell alcoholic beverages to a registered overnight
30 guest or off-duty staff of the lodge for consumption on the licensed premises or in
31 conjunction with purchased outdoor recreation activities provided by the licensee.

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

2 (c) The board may not grant an application for transfer of an outdoor
3 recreation lodge license to another location.

4 (d) In this section, "outdoor recreation lodge" means a licensed business that
5 provides overnight accommodations and meals, is primarily involved in offering
6 opportunities for persons to engage in outdoor recreation activities, and has a
7 minimum of two guest rooms.

8 (e) The holder of an outdoor recreation lodge license who sells alcoholic
9 beverages in violation of the authority granted under (a) of this section commits the
10 offense of unauthorized outdoor recreation lodge activity.

11 (f) Unauthorized outdoor recreation lodge activity is a violation.

12 **Sec. 04.09.290. Fair license.** (a) A fair license authorizes the holder to sell
13 beer and wine at multiple noncontiguous locations during an event held on fairgrounds
14 for consumption on the licensed premises.

15 (b) The biennial fair license fee is \$1,250.

16 (c) The board may issue a fair license only to a nonprofit organization that is
17 incorporated under AS 10.20 and has been active for a period of at least five years
18 before the effective date of sec. 13 of this Act.

19 **Sec. 04.09.300. Golf course license.** (a) A golf course license authorizes the
20 holder to sell brewed beverages and wine for consumption on the licensed premises.

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

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

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

25 (2) a sample food menu.

26 (d) The board may not approve an application for transfer of a golf course
27 license to another location.

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

31 (f) The holder of a golf course license may not allow a person other than the

holder or an agent or employee of the holder, in the regular course of employment, to bring alcoholic beverages onto the licensed premises or other portions of the course for consumption.

(g) In this section, "licensed premises" includes the golf course, a driving range, a club house, and other buildings located on the course, and a vending cart carrying beverages or food to, from, or on the course, and does not include the parking lot.

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

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

Sec. 04.09.310. Destination resort license. (a) A destination resort license authorizes the holder to sell alcoholic beverages at multiple noncontiguous locations at a destination resort for consumption on the licensed premises in conjunction with the visitor activities provided by the licensee to cruise ship passengers and staff and other visitors while the cruise ship is in port at the resort.

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

(c) The board may not approve an application for transfer of a destination resort license to another location.

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

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

(f) Failure to comply with the terms of a destination resort license is a violation.

Sec. 04.09.320. Brewery retail license. (a) A brewery retail license authorizes the holder to store, sell, or serve on the licensed premises brewed beverages for consumption on and off the premises.

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

2 (c) The board may issue a brewery retail license only to the holder of a
3 brewery manufacturer license under AS 04.09.020. The brewery retail licensed
4 premises may be all or part of the brewery manufacturer licensed premises, or the
5 brewery retail licensed premises may be at a single different site that is adjacent to the
6 brewery manufacturer licensed premises.

7 (d) Each day, the holder of a brewery retail license may sell, to a person on the
8 licensed premises for consumption on the licensed premises, not more than

9 (1) 36 ounces of the holder's beer; or

10 (2) 18 ounces of the holder's sake.

11 (e) Except as provided under (g) of this section and AS 04.09.685, the holder
12 of a brewery retail license may not

13 (1) allow live music or performances, disc jockeys, karaoke,
14 televisions, pool tables, dart games, or organized games or tournaments on the
15 premises where the consumption occurs;

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

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

19 (4) serve brewed beverages after 10:00 p.m.

20 (f) Each day, the holder of a brewery retail license is authorized to sell, to a
21 person on the licensed premises for consumption off the licensed premises, not more
22 than 5.167 gallons of the holder's beer or sake.

23 (g) The holder of a brewery retail license may allow on the premises where the
24 consumption occurs

25 (1) activities, presentations, television or video displays, or other
26 displays that directly promote or educate customers about the brewery's products,
27 processes, or establishment; and

28 (2) other community organizations or businesses to provide
29 presentations, classes, or product displays or host fundraisers.

30 (h) The holder of a brewery retail license commits the offense of failure to
31 comply with the terms of a brewery retail license if the person stores, sells, or serves

1 brewed beverages in violation of (a) of this section or violates (d), (e), or (f) of this
2 section.

3 (i) Failure to comply with the terms of a brewery retail license is a violation.

4 **Sec. 04.09.330. Winery retail license.** (a) A winery retail license authorizes
5 the holder to store, sell, or serve on the licensed premises wine for consumption on
6 and off the premises.

7 (b) The biennial winery retail license fee is \$1,000.

8 (c) The board may issue a winery retail license only to the holder of a winery
9 manufacturer license issued under AS 04.09.030. The winery retail licensed premises
10 may be all or part of the winery manufacturer licensed premises, or the winery retail
11 licensed premises may be at a single different site that is adjacent to the winery
12 manufacturer licensed premises.

13 (d) Each day, the holder of a winery retail license may sell, to a person on the
14 licensed premises for consumption on the licensed premises, a total volume that does
15 not exceed

16 (1) 18 ounces of the holder's wine, mead, or cider containing 8.5
17 percent or more alcohol by volume;

18 (2) 36 ounces of the holder's mead or cider containing less than 8.5
19 percent alcohol by volume; or

20 (3) the alcoholic equivalent of (1) or (2) of this subsection.

21 (e) Except as provided under (g) of this section and AS 04.09.685, the holder
22 of a winery retail license may not

23 (1) allow live music or performances, disc jockeys, karaoke,
24 televisions, pool tables, dart games, or organized games or tournaments on the
25 premises where the consumption occurs;

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

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

28 (4) serve wine after 10:00 p.m.

29 (f) Each day, the holder of a winery retail license is authorized to sell, to a
30 person on the licensed premises for consumption off the licensed premises, not more
31 than 5.167 gallons of the holder's wine, mead, or cider.

1 (g) The holder of a winery retail license may allow on the premises where the
2 consumption occurs

3 (1) activities, presentations, television or video displays, or other
4 displays that directly promote or educate customers about the winery's products,
5 processes, or establishment; and

6 (2) other community organizations or businesses to provide
7 presentations, classes, or product displays or host fundraisers.

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

11 (i) Failure to comply with the terms of a winery retail license is a violation.

12 **Sec. 04.09.340. Distillery retail license.** (a) A distillery retail license
13 authorizes the holder to store, sell, or serve on the licensed premises distilled spirits
14 for consumption on and off the premises.

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

16 (c) The board may issue a distillery retail license only to the holder of a
17 distillery manufacturer license under AS 04.09.040. The distillery retail licensed
18 premises may be all or part of the distillery manufacturer licensed premises, or the
19 distillery retail licensed premises may be at a single different site that is adjacent to the
20 distillery manufacturer licensed premises.

21 (d) The holder of a distillery retail license may sell not more than three ounces
22 of the holder's distilled spirits each day to a person on the licensed premises for
23 consumption on the licensed premises. The holder of a distillery retail license may
24 combine the holder's distilled spirits under this subsection with other ingredients that
25 are not alcoholic beverages, including mixers, liquids, and garnishes.

26 (e) Except as provided under (g) of this section and AS 04.09.685, the holder
27 of a distillery retail license may not

28 (1) allow live music or performances, disc jockeys, karaoke,
29 televisions, pool tables, dart games, or organized games or tournaments on the
30 premises where the consumption occurs;

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

1 served;

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

3 (4) serve distilled spirits after 10:00 p.m.

4 (f) The holder of a distillery retail license is authorized to sell not more than
5 3.75 liters of the holder's distilled spirits each day to a person on the licensed premises
6 for consumption off the licensed premises.

7 (g) The holder of a distillery retail license may allow on the premises where
8 the consumption occurs

9 (1) activities, presentations, television or video displays, or other
10 displays that directly promote or educate customers about the distillery's products,
11 processes, or establishment; and

12 (2) other community organizations or businesses to provide
13 presentations, classes, or product displays or host fundraisers.

14 (h) The holder of a distillery retail license commits the offense of failure to
15 comply with the terms of a distillery retail license if the person stores, sells, or serves
16 distilled spirits in violation of (a) of this section or violates (d), (e), or (f) of this
17 section.

18 (i) Failure to comply with the terms of a distillery retail license is a violation.

19 **Sec. 04.09.350. Beverage dispensary tourism license.** (a) A beverage
20 dispensary tourism license authorizes the holder to sell or serve on the licensed
21 premises alcoholic beverages for consumption only on the licensed premises.

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

23 (c) The board may

24 (1) issue a new beverage dispensary tourism license if it appears that
25 the issuance will encourage the tourist trade by promoting the construction or
26 improvement of

27 (A) a hotel, motel, resort, or similar business relating to the
28 tourist trade with a dining facility or having kitchen facilities in a majority of
29 its rental rooms and at least a minimum number of rental rooms required
30 according to the population of the incorporated city, unified municipality, or
31 population area established under AS 04.11.400(a) in which the facility will be

located, as follows:

- (i) 10 rental rooms if the population is less than 1,501;
- (ii) 20 rental rooms if the population is 1,501 - 2,500;
- (iii) 25 rental rooms if the population is 2,501 - 5,000;
- (iv) 30 rental rooms if the population is 5,001 - 15,000;
- (v) 35 rental rooms if the population is 15,001 - 25,000;
- (vi) 40 rental rooms if the population is 25,001 -

50,000; and

- (vii) 50 rental rooms if the population is greater than

50,000; or

(B) an airport terminal; and

(2) approve the renewal or transfer of ownership of a beverage dispensary tourism license initially issued under (1) of this subsection or initially issued as a beverage dispensary license under AS 04.11.400, as that section read on the date of the initial licensure, if the

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

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

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

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

(d) The holder of a beverage dispensary tourism license may not maintain on the licensed premises more than one room in which there is regularly maintained a fixed counter or service bar that has plumbing connections to permanent plumbing at which alcoholic beverages are sold or served to members of the public for consumption unless the license has a multiple fixed counter endorsement under AS 04.09.420, a hotel or motel endorsement under AS 04.09.430, or a large resort endorsement under AS 04.09.440.

(e) Except as provided under AS 04.09.610, 04.09.640, 04.09.670, and

AS 04.16.120(c), the holder of a beverage dispensary tourism license who sells or serves alcoholic beverages off the licensed premises or permits consumption off the premises of alcoholic beverages sold or served on the premises commits the offense of unauthorized beverage dispensary tourism activity.

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

Sec. 04.09.360. Seasonal restaurant or eating place tourism license. (a) A seasonal restaurant or eating place tourism license authorizes a restaurant or eating place to

(1) sell brewed beverages and wine for consumption only on the licensed premises for a period not to exceed six months in each calendar year; and

(2) allow a person

(A) under 21 years of age access as provided in (f) of this section to the licensed premises; and

(B) to enter or remain on the licensed premises to consume food or nonalcoholic beverages as authorized under AS 04.16.010(c)(5).

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

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

(1) the board determines that

(A) the licensed premises is a bona fide restaurant as defined in AS 04.21.080(b);

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

(C) it is unlikely that persons under 21 years of age not employed on the premises will enter and remain on the licensed premises for purposes other than dining; and

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

(d) The board may issue a license under this section only in a municipality or

1 established village that

2 (1) has a population of 40,000 or less; and

3 (2) receives more than 4,000 visitors a year, as determined by the
4 board in regulation.

5 (e) The board may issue a license or approve an application for the transfer of
6 ownership of a license under this section if it appears that issuance or transfer will
7 encourage the tourism trade.

8 (f) The board may authorize the holder of a seasonal restaurant or eating place
9 tourism license

10 (1) to allow a person who is at least 16 years of age but under 21 years
11 of age to enter and remain on the licensed premises for dining only;

12 (2) to allow a person who is under 16 years of age to enter and remain
13 on the licensed premises for dining only if

14 (A) the person is accompanied by a person who is 21 years of
15 age or older; and

16 (B) the parent or guardian of the person consents to the person
17 being on the licensed premises; and

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

22 (g) The holder of a seasonal restaurant or eating place tourism license shall
23 ensure that gross receipts from the sale of food for consumption on the licensed
24 premises are not less than the total of the gross receipts from the sale of alcoholic
25 beverages for consumption on the licensed premises in each calendar year. At the time
26 the holder submits an application for renewal of the license, the holder shall submit a
27 statement to the board certifying that the holder has met the requirement under this
28 subsection for the designated period of the license under AS 04.11.680. The board
29 may renew a seasonal restaurant or eating place tourism license only if the licensee
30 provides evidence satisfactory to the board that, during the designated period of the
31 license under AS 04.11.680, the gross receipts from the sale of food for consumption

1 on the licensed premises were not less than the total of the gross receipts from the sale
2 of alcoholic beverages for consumption on the licensed premises.

3 (h) The board shall adopt a regulation establishing a formula to limit the
4 number of seasonal restaurant or eating place tourism licenses.

5 (i) The holder of a seasonal restaurant or eating place tourism license may
6 provide entertainment on or adjacent to the licensed premises only between the hours
7 of 10:00 a.m. and 11:00 p.m. unless additional hours are approved by the director
8 upon the written request of the licensee for a specific occasion. The director may not
9 grant approval for additional hours of entertainment on or adjacent to the licensed
10 premises of an individual licensee more than three times in a calendar year. In this
11 subsection, "entertainment" includes dancing, karaoke, live performances, or similar
12 activities, but does not include recorded or broadcast performances without live
13 participation.

14 (j) Except as provided under AS 04.09.620, 04.09.640, and AS 04.16.120(c),
15 the holder of a seasonal restaurant or eating place tourism license commits the offense
16 of failure to comply with the terms of a seasonal restaurant or eating place tourism
17 license if the person sells brewed beverages or wine in violation of (a) of this section,
18 engages in activity not authorized by the board under (f) of this section, or fails to
19 comply with the requirements of (f), (g), or (i) of this section.

20 (k) Failure to comply with the terms of a seasonal restaurant or eating place
21 tourism license is a violation.

22 **Sec. 04.09.370. Winery direct shipment license.** (a) A winery direct shipment
23 license authorizes the holder of a winery retail license issued under AS 04.09.330, or
24 the holder of a winery license issued in another state, to sell the holder's wine in
25 response to an order for shipment to a person, for personal use only and not for resale,
26 who is located in the state. A winery direct shipment license may not be transferred to
27 another person or another location.

28 (b) The biennial fee for a winery direct shipment license is \$200.

29 (c) An applicant for issuance or renewal of a winery direct shipment license
30 shall

31 (1) submit an application on a form prescribed by the board;

(2) consent to the jurisdiction of the board, the Department of Revenue, and any other state agency or state court concerning enforcement of this title; and

(3) if the applicant is the holder of a license or permit authorizing the holder to manufacture and sell wine to the public issued in another state, provide to the board a copy of the holder's license or permit issued

(A) in the state; and

(B) by the Alcohol and Tobacco Tax and Trade Bureau.

(d) All wine shipped to a purchaser in the state by the holder of a winery direct shipment license is subject to the state excise tax.

(e) The holder of a winery direct shipment license may not

(1) ship wine to an address with a zip code located in an area that has adopted a local option under AS 04.11.491;

(2) sell more than the equivalent of six nine-liter cases of wine to a purchaser in one transaction, or more than the equivalent of 12 nine-liter cases of wine to a purchaser in a calendar year; and

(3) ship wine using a common carrier who is not approved by the board to ship alcoholic beverages to persons in the state under AS 04.09.750(b).

(f) Before shipping an order under this section, the holder of a winery direct shipment license shall

(1) verify that the person submitting the order is at least 21 years of age, using an age verification service or other method, and that the named recipient of the shipment, if not the same person as the person submitting the order, is at least 21 years of age;

(2) determine that the order will not exceed the limits of (e)(2) of this section;

(3) provide written or electronic information to the person submitting the order on fetal alcohol syndrome and fetal alcohol effects resulting from a woman's consumption of alcohol during pregnancy; and

(4) label the shipping container as containing alcoholic beverages and requiring a signature by a person who is at least 21 years of age upon delivery.

- 1 (g) The holder of a winery direct shipment license shall
- 2 (1) retain records of sales made under this license for at least two
- 3 years; and
- 4 (2) make records of sales available for inspection and audit by the
- 5 board and the Department of Revenue.
- 6 (h) The board shall compile a list that is available for public inspection of zip
- 7 codes that are located within a local option area and notify the holder of a winery
- 8 direct shipment license of any change to the list.
- 9 (i) The holder of a winery direct shipment license commits the offense of
- 10 failure to comply with the terms of a winery direct shipment license if the person fails
- 11 to comply with (e) - (g) of this section.
- 12 (j) Failure to comply with the terms of a winery direct shipment license is a
- 13 violation.

14 **Article 5. Endorsements.**

15 **Sec. 04.09.400. Types of endorsements.** (a) An endorsement expands the

16 boundaries of a licensed premises or the authorized activities of a licensed business.

17 (b) Only the board may issue an endorsement. The board may issue only the

18 endorsements authorized in AS 04.09.400 - 04.09.520.

19 (c) An endorsement is valid only in conjunction with a license. An

20 endorsement may be transferred to another person only if the license for which the

21 endorsement was issued is also transferred to that person. An endorsement expires if

22 the licensed premises are relocated, the license expires, or the license is revoked.

23 (d) Except as provided in (c) of this section, an endorsement is valid for the

24 duration of the license as designated in AS 04.11.680. The holder of the endorsement

25 shall renew the endorsement biennially.

26 (e) An application for an endorsement under AS 04.09.400 - 04.09.520 must

27 (1) be made in writing on a form prescribed by the board; and

28 (2) demonstrate that the holder of the license has authority over and

29 will exercise control over conduct of the business in all areas of the licensed premises,

30 including premises newly licensed by the endorsement.

31 **Sec. 04.09.410. Manufacturer sampling endorsement.** (a) A manufacturer

1 sampling endorsement authorizes the holder of a brewery manufacturer license,
 2 winery manufacturer license, or distillery manufacturer license to offer for
 3 consumption on the licensed premises at no charge a small sample of an alcoholic
 4 beverage produced by the manufacturer.

5 (b) The biennial fee for a manufacturer sampling endorsement is \$200.

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

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

11 (1) for the holder of a brewery manufacturer license,

12 (A) 12 ounces of beer;

13 (B) six ounces of sake; or

14 (C) the alcoholic equivalent of (A) or (B) of this paragraph;

15 (2) for the holder of a winery manufacturer license,

16 (A) six ounces of wine, mead, or cider containing 8.5 percent
 17 or more alcohol by volume;

18 (B) 12 ounces of mead or cider containing less than 8.5 percent
 19 alcohol by volume; or

20 (C) the alcoholic equivalent of (A) or (B) of this paragraph;

21 (3) for the holder of a distillery manufacturer license, 1.5 ounces of
 22 distilled spirits; the holder of the distillery manufacturer license may combine the
 23 holder's distilled spirits under this paragraph with other ingredients that are not
 24 alcoholic beverages, including mixers, liquids, and garnishes.

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

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

29 (g) The holder of a manufacturer sampling endorsement who fails to comply
 30 with the requirements of (c) or (d) of this section commits the offense of failure to
 31 comply with the terms of a manufacturer sampling endorsement.

1 (h) Failure to comply with the terms of a manufacturer sampling endorsement
2 is a violation.

3 **Sec. 04.09.420. Multiple fixed counter endorsement.** (a) A multiple fixed
4 counter endorsement authorizes the holder of a beverage dispensary license or a
5 beverage dispensary tourism license to sell or serve alcoholic beverages on the
6 licensed premises from multiple fixed counters.

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

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

10 (d) An initial application for a multiple fixed counter endorsement must
11 include an annotated drawing of the location of each fixed counter in the licensed
12 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 as set out in regulation, except as
18 provided for the holder of a hotel or motel endorsement under AS 04.09.430 or a large
19 resort endorsement under AS 04.09.440. The board shall adopt regulations to
20 implement this subsection.

21 (f) The holder of a beverage dispensary license or a beverage dispensary
22 tourism license who maintains multiple fixed counters without an endorsement under
23 this section commits the offense of unendorsed service at multiple fixed counters.

24 (g) The holder of a multiple fixed counter endorsement who fails to comply
25 with the requirements of (e) of this section commits the offense of multiple fixed
26 counter endorsement noncompliance.

27 (h) Unendorsed service at multiple fixed counters is a violation and is
28 punishable by a fine of \$500.

29 (i) Multiple fixed counter endorsement noncompliance is a violation.

30 **Sec. 04.09.430. Hotel or motel endorsement.** (a) A hotel or motel
31 endorsement authorizes the holder of a beverage dispensary license or a beverage

1 dispensary tourism license that is a hotel, motel, resort, or similar business premises
 2 that caters to the traveling public as a substantial part of its business to sell or serve
 3 alcoholic beverages on the licensed premises, including in a dining room, banquet
 4 room, and other public areas approved by the board, and in guest rooms.

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

6 (c) The holder of a beverage dispensary license or a beverage dispensary
 7 tourism license that is a hotel, motel, resort, or similar business premises that caters to
 8 the traveling public as a substantial part of its business shall apply for a multiple fixed
 9 counter endorsement under AS 04.09.420 to sell or serve alcoholic beverages at a
 10 secondary location located in a building different than the licensed premises for the
 11 beverage dispensary license or a beverage dispensary tourism license if the different
 12 building

13 (1) is located on the same property as, adjacent to, or attached to the
 14 originally licensed premises;

15 (2) principally caters to guests of the hotel or motel; and

16 (3) principally encourages the tourism trade at the hotel or motel.

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

27 (e) The holder of a hotel or motel endorsement shall exercise control over
 28 conduct of the business in all areas of the licensed premises.

29 (f) The holder of a beverage dispensary license or a beverage dispensary
 30 tourism license who engages in activity under this section without an endorsement
 31 under this section commits the offense of unendorsed hotel or motel service.

1 (g) The holder of a hotel or motel endorsement who fails to comply with the
2 requirements of this section commits the offense of hotel or motel endorsement
3 noncompliance.

4 (h) Unendorsed hotel or motel service is a violation and is punishable by a fine
5 of \$500.

6 (i) Hotel or motel endorsement noncompliance is a violation.

7 **Sec. 04.09.440. Large resort endorsement.** (a) A large resort endorsement
8 authorizes the holder of a beverage dispensary license or a beverage dispensary
9 tourism license that is a large resort to sell or serve alcoholic beverages from multiple
10 locations on the resort property to guests for consumption in areas on the site of the
11 large resort, including a dining room, banquet room, guest room, open air venue, and
12 ingress or egress route between those areas.

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

14 (c) The holder of a large resort endorsement shall apply for a multiple fixed
15 counter endorsement under AS 04.09.420 to sell or serve alcoholic beverages from
16 multiple locations within the large resort's property. The locations do not need to be
17 located in the same building or on the same parcel, but must be within the boundary of
18 the large resort, as that term is defined in (h) of this section.

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

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

25 (f) The holder of a large resort endorsement shall exercise control over
26 conduct of the business in all areas of the licensed premises.

27 (g) A holder of a beverage dispensary license with a large resort endorsement
28 may stock alcoholic beverages in guest rooms, for sale and consumption only in the
29 guest room. Alcoholic beverages stocked under this subsection must be stocked by an
30 employee who is 21 years of age or older, may not be supplied or resupplied during
31 hours that the sale of alcoholic beverages is prohibited as provided under

AS 04.16.010(a) and (d), and must be stored in a unit using a key or combination lock system within the guest room. A key lock system must be designed to prevent the removal of the key unless the unit is locked. Except for the licensee, or an agent or employee of the licensee, a key or combination enabling a person to obtain alcoholic beverages stocked in a guest room may be provided only to a guest who occupies the room and who is 21 years of age or older.

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

(i) The holder of a beverage dispensary license or a beverage dispensary tourism license who engages in activity for which a large resort endorsement is required under this section without an endorsement under this section commits the offense of unendorsed large resort service.

(j) The holder of a large resort endorsement who fails to comply with the requirements of (c) - (g) of this section commits the offense of large resort endorsement noncompliance.

(k) Unendorsed large resort service is a violation and is punishable by a fine of \$500.

(l) Large resort endorsement noncompliance is a violation.

Sec. 04.09.450. Restaurant endorsement. (a) A restaurant endorsement authorizes the holder of a beverage dispensary license, fair license, golf course license, sporting activity or event license, club license, outdoor recreation lodge license, destination resort license, or beverage dispensary tourism license to allow a person

(1) under 21 years of age access as provided in (e) of this section to the premises of a bona fide restaurant on the licensed premises; and

(2) to enter or remain on the licensed premises to consume food or nonalcoholic beverages as authorized under AS 04.16.010(c)(5).

(b) The biennial fee for a restaurant endorsement is \$200.

(c) An application for a restaurant endorsement must specify the establishment

1 or portion of the establishment that constitutes a bona fide restaurant.

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

4 (1) that the establishment or portion of the establishment for which the
5 endorsement is requested is a bona fide restaurant;

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 for
10 purposes other than dining.

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

13 (1) to allow a person who is at least 16 years of age but under 21 years
14 of age to enter and remain on the licensed premises for dining only;

15 (2) to allow a person who is under 16 years of age to enter and remain
16 on the licensed premises for dining only if

17 (A) the person is accompanied by a person who is 21 years of
18 age or older; and

19 (B) the parent or guardian of the person consents to the person
20 being on the licensed premises; and

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

25 (f) The holder of a license who engages in activity under this section without
26 an endorsement under this section commits the offense of unendorsed restaurant
27 service.

28 (g) The holder of a restaurant endorsement who engages in activity not
29 authorized by the board under (e) of this section or fails to comply with the
30 requirements of (e) of this section commits the offense of restaurant endorsement
31 noncompliance.

1 (h) Unendorsed restaurant service is a violation and is punishable by a fine of
2 \$500.

3 (i) Restaurant endorsement noncompliance is a violation.

4 **Sec. 04.09.460. Package store shipping endorsement.** (a) A package store
5 shipping endorsement authorizes the holder of a package store license to sell alcoholic
6 beverages to a person who makes an order to that licensee for shipment.

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

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

16 (d) An endorsement holder shall provide written or electronic information on
17 fetal alcohol syndrome and fetal alcohol effects resulting from a woman's
18 consumption of alcohol during pregnancy to the purchaser in response to an order.

19 (e) If a shipment is to an area that has restricted the sale of alcoholic beverages
20 under AS 04.11.491(a)(1), (2), or (3) or (b)(1) or (2), an endorsement holder may not
21 ship to a purchaser more than 10.5 liters of distilled spirits or 24 liters or more of wine,
22 or either a half-barrel keg of brewed beverages or 12 gallons or more of brewed
23 beverages in individual containers in a calendar month, or a lower amount of distilled
24 spirits, wine, or brewed beverages if the municipality or established village has
25 adopted the lower amount by local option under AS 04.11.491(g). Before shipping
26 alcohol to a purchaser in a restricted area, an endorsement holder shall consult the
27 database maintained by the board under AS 04.06.095 for any alcoholic beverage
28 shipments made to the purchaser during that calendar month by a package store. An
29 endorsement holder may not ship an amount of alcoholic beverages to a purchaser in a
30 restricted area that, when added to the amount already shipped, exceeds the amount
31 authorized by this subsection. An endorsement holder shall immediately enter into the

1 database the date and the amount of alcoholic beverages shipped to the purchaser.

2 (f) An endorsement holder may not divide or combine shipments of alcoholic
3 beverages so as to circumvent the limitation imposed under (e) of this section.

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

7 (h) The holder of a package store license who ships alcoholic beverages
8 without an endorsement under this section commits the offense of unendorsed package
9 store shipping.

10 (i) The holder of a package store shipping endorsement who fails to comply
11 with the requirements of (c) - (f) of this section commits the offense of package store
12 shipping endorsement noncompliance.

13 (j) Unendorsed package store shipping is a violation and is punishable by a
14 fine of \$500.

15 (k) Package store shipping endorsement noncompliance is a violation.

16 **Sec. 04.09.470. Package store delivery endorsement.** (a) A package store
17 delivery endorsement authorizes the holder of a package store license to deliver
18 alcoholic beverages to the location of a social event as set out in this section. For
19 purposes of this subsection, the board shall define by regulation the term "social
20 event."

21 (b) The biennial fee for a package store delivery endorsement is \$200.

22 (c) The holder of a package store delivery endorsement may deliver alcoholic
23 beverages only in response to an order. The board shall adopt regulations specifying
24 the occasions for which delivery of alcoholic beverages is allowed and the manner of
25 delivery by the licensee.

26 (d) The holder of a package store delivery endorsement may deliver alcoholic
27 beverages only to a responsible adult at the delivery location specified on the order.
28 The responsible adult shall provide identification and acceptable proof of age under
29 AS 04.21.050 and acknowledge in writing receipt of the alcoholic beverages.

30 (e) The holder of a package store license who delivers alcoholic beverages
31 without an endorsement under this section commits the offense of unendorsed package

1 store delivery.

2 (f) The holder of a package store delivery endorsement who fails to comply
3 with the requirements of (c) and (d) of this section commits the offense of package
4 store delivery endorsement noncompliance.

5 (g) Unendorsed package store delivery is a violation and is punishable by a
6 fine of \$500.

7 (h) Package store delivery endorsement noncompliance is a violation.

8 **Sec. 04.09.480. Package store repackaging endorsement.** (a) A package
9 store repackaging endorsement authorizes the holder of a package store license to
10 subdivide and sell alcoholic beverages from original packages with federally
11 compliant labels to smaller containers with the standard federal government warnings
12 and the product name.

13 (b) The biennial fee for a package store repackaging endorsement is \$200.

14 (c) A package store licensee with a package store repackaging endorsement
15 may

16 (1) subdivide alcoholic beverages

17 (A) for sale on the licensed premises by opening the original
18 package for the purpose of subdividing the contents into smaller packages; or

19 (B) in response to a purchase request from a person who is on
20 the licensed premises or purchase order submitted in accordance with
21 AS 04.09.470(c);

22 (2) permit an agent or employee to subdivide alcoholic beverages, but
23 may not permit a customer or another person who is not an agent or employee of the
24 licensee to subdivide alcoholic beverages.

25 (d) The holder of a package store license who repackages alcoholic beverages
26 without an endorsement under this section commits the offense of unendorsed package
27 store repackaging.

28 (e) The holder of a package store repackaging endorsement who fails to
29 comply with the requirements of this section commits the offense of package store
30 repackaging endorsement noncompliance.

31 (f) Unendorsed package store repackaging is a violation and is punishable by a

1 fine of \$500.

2 (g) Package store repackaging endorsement noncompliance is a violation.

3 **Sec. 04.09.490. Package store sampling endorsement.** (a) A package store
4 sampling endorsement authorizes the holder of a package store license to offer for
5 consumption on the licensed premises at no charge a small sample of an alcoholic
6 beverage from its inventory during the package store's stated hours of business, but not
7 between the hours of midnight and 8:00 a.m.

8 (b) The biennial fee for a package store sampling endorsement is \$200.

9 (c) Only the license holder or an agent or employee of the license holder may
10 serve a sample.

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

13 (1) 12 ounces of beer or mead, or cider, if the mead or cider contains
14 less than 8.5 percent alcohol by volume;

15 (2) six ounces of wine, sake, or mead or cider, if the mead or cider
16 contains 8.5 percent or more alcohol by volume;

17 (3) 1.5 ounces of distilled spirits; or

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

19 (e) The holder of a package store 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 package store sampling
22 endorsement may notify existing customers of sampling activities, including by
23 electronic means.

24 (f) A person who offers a sample of an alcoholic beverage for consumption on
25 the licensed premises of a package store without an endorsement under this section
26 commits the offense of unendorsed package store sampling.

27 (g) Unendorsed package store sampling is a violation and is punishable by a
28 fine of \$500.

29 (h) The holder of a package store sampling endorsement who fails to comply
30 with the requirements of (a) and (c) - (e) of this section commits the offense of failure
31 to comply with the terms of a package store sampling endorsement.

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

Sec. 04.09.500. Bowling alley endorsement. (a) A bowling alley endorsement authorizes the holder of a beverage dispensary license or a beverage dispensary tourism license to sell or serve alcoholic beverages in the concourse or lane areas of the bowling alley adjacent to the main bar area.

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

(c) The board may issue a bowling alley endorsement only if the concourse or lane areas of the bowling alley or both are

(1) designated as part of the licensed premises for the beverage dispensary license or a beverage dispensary tourism license; and

(2) adjacent to the main bar area.

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

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

(f) The holder of a beverage dispensary license or a beverage dispensary tourism license who sells or serves alcoholic beverages in the concourse or lane areas of a bowling alley without an endorsement under this section commits the offense of unendorsed bowling alley service.

(g) The holder of a bowling alley endorsement under this section who fails to comply with the requirements of (e) of this section or who permits access by a person under 21 years of age to the concourse or lane areas of the bowling alley during hours when alcoholic beverages are being served in the concourse or lane areas commits the offense of bowling alley endorsement noncompliance.

(h) Unendorsed bowling alley service is a violation and is punishable by a fine of \$500.

(i) Bowling alley endorsement noncompliance is a violation.

Sec. 04.09.510. Golf course endorsement. (a) A golf course endorsement

1 authorizes the owner of a golf course who has obtained a beverage dispensary license
 2 or a beverage dispensary tourism license to sell or serve alcoholic beverages on the
 3 golf course, driving range, club house and other buildings located on the course, and a
 4 vending cart carrying beverages or food to, from, or on the course, excluding the
 5 parking lot.

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

7 (c) An application for a golf course endorsement must include a drawing of
 8 the golf course with an annotated illustration and a description of the portions of the
 9 course that are licensed premises and that are intended to be covered by the
 10 endorsement.

11 (d) The holder of a beverage dispensary license or beverage dispensary
 12 tourism license who sells or serves alcoholic beverages on a golf course without an
 13 endorsement under this section commits the offense of unendorsed golf course service.

14 (e) The holder of a golf course endorsement who fails to comply with (a) of
 15 this section commits the offense of golf course endorsement noncompliance.

16 (f) Unendorsed golf course service is a violation and is punishable by a fine of
 17 \$500.

18 (g) Golf course endorsement noncompliance is a violation.

19 **Sec. 04.09.520. Brewery repackaging endorsement.** (a) A brewery
 20 repackaging endorsement authorizes the holder of a brewery manufacturer license who
 21 held a license to operate a brewpub under former AS 04.11.135 and was operating a
 22 brewpub on the day before the effective date of this section and who also holds,
 23 wholly or in part, a beverage dispensary license, beverage dispensary tourism license,
 24 restaurant or eating place license, or a seasonal restaurant or eating place tourism
 25 license to offer the holder's brewed beverages for sale for consumption off the licensed
 26 premises and to subdivide and sell the holder's brewed beverages from original
 27 packages with federally compliant labels to smaller containers with the standard
 28 federal government warnings and the product name.

29 (b) The biennial fee for a brewery repackaging endorsement is \$200.

30 (c) A brewery manufacturer licensee with a brewery repackaging endorsement
 31 (1) is authorized to sell, each day to a person on the licensed premises

1 for consumption off the licensed premises, not more than 5.167 gallons of the holder's
2 beer or sake;

3 (2) may permit an agent or employee to subdivide the holder's brewed
4 beverages, but may not permit a customer or another person who is not an agent or
5 employee of the licensee to subdivide the holder's brewed beverages.

6 (d) In this section, "licensed premises" means a premises licensed under a
7 beverage dispensary license, beverage dispensary tourism license, restaurant or eating
8 place license, or a seasonal restaurant or eating place tourism license that is controlled
9 by a brewery manufacturer licensee.

10 (e) The holder of a brewery manufacturer license who repackages brewed
11 beverages without an endorsement under this section or a brewery retail license under
12 AS 04.09.320 commits the offense of unendorsed brewery repackaging.

13 (f) The holder of a brewery repackaging endorsement who fails to comply
14 with the requirements of this section commits the offense of brewery repackaging
15 endorsement noncompliance.

16 (g) Unendorsed brewery repackaging is a violation, punishable by a fine of
17 \$500.

18 (h) Brewery repackaging endorsement noncompliance is a violation.

19 **Article 6. Permits.**

20 **Sec. 04.09.600. Types of permits.** (a) A permit allows catering and serving
21 activities for a specific period on a single specified premises and allows an eligible
22 nonprofit organization to host a fundraising or not-for-profit event.

23 (b) The director may issue only the permits authorized in AS 04.09.600 -
24 04.09.690. An application for a permit must be received by the director not less than
25 three business days before the first day of the event. Except for a conditional
26 contractor's permit issued under AS 04.09.690, the director shall require every person
27 who will serve or sell alcohol or check identification of a patron during a permitted
28 event to complete an alcohol server education course under AS 04.21.025 before the
29 first day of the permitted event.

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

1 (d) A permit, other than an inventory resale permit under AS 04.09.680 and a
 2 conditional contractor's permit under AS 04.09.690, is valid only on the premises, for
 3 the event, and for the period specified.

4 (e) The holder of an approved permit may submit a written request for
 5 amendment of the approved permit to change the event date, site, designated area, or
 6 designated time. The holder of the approved permit shall submit the request to the
 7 director not later than three business days before the event and shall include approval
 8 of the law enforcement agency having jurisdiction over the site of the event for which
 9 the amended permit is sought.

10 (f) The holder of an approved permit shall ensure that the individuals serving
 11 alcohol have completed alcohol server training as required under AS 04.21.025 before
 12 the first day of the permitted event.

13 (g) A permit may not be transferred to another person or another location and,
 14 except for a conditional contractor's permit under AS 04.09.690, may not be renewed.

15 (h) Except as otherwise provided in AS 04.09.680 for an inventory resale
 16 permit and AS 04.09.690 for a conditional contractor's permit, the fee for a permit
 17 shall be set by the board in regulation. The fee must be at least \$50 for each day of the
 18 event.

19 (i) The director shall approve or deny a permit application. If the director
 20 denies a permit application, the applicant may appeal to the board.

21 **Sec. 04.09.610. Beverage dispensary caterer's permit.** A beverage
 22 dispensary caterer's permit authorizes the holder of a beverage dispensary license or
 23 beverage dispensary tourism license to sell or dispense alcoholic beverages at
 24 conventions, picnics, sporting activities or events, concerts, street festivals, or similar
 25 affairs held off the holder's licensed premises for which a beverage dispensary license
 26 or beverage dispensary tourism license would not otherwise be required. The permit
 27 may be issued only for designated premises for a specific occasion and for a limited
 28 period.

29 **Sec. 04.09.620. Restaurant caterer's dining permit.** (a) A restaurant caterer's
 30 dining permit authorizes the holder of a restaurant or eating place license or a seasonal
 31 restaurant or eating place tourism license to sell brewed beverages and wine before

1 and during the service of food provided by the licensee at a single dining event held
2 off the holder's licensed premises.

3 (b) The director may issue a restaurant caterer's dining permit only for
4 designated premises, for a specific occasion, and for a limited period.

5 (c) The licensee shall provide food in conjunction with the service of brewed
6 beverages and wine under a restaurant caterer's dining permit. The licensee shall
7 comply with the requirements for gross receipts from food sales for a restaurant or
8 eating place license under AS 04.09.210(e) or a seasonal restaurant or eating place
9 tourism license under AS 04.09.360(g).

10 **Sec. 04.09.630. Club caterer's permit.** (a) A club caterer's permit authorizes
11 the holder of a club license to sell or dispense alcoholic beverages at an event held off
12 the club's licensed premises.

13 (b) The application for a club caterer's permit filed under AS 04.11.260 must
14 be signed by two officers of the organization.

15 (c) A restriction or prohibition under AS 04.09.220 regarding a club member
16 or a guest of a club member applies at the premises covered by the permit.

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

19 **Sec. 04.09.640. Art exhibit event permit.** (a) An art exhibit event permit
20 authorizes the holder of a beverage dispensary license, a beverage dispensary tourism
21 license, a restaurant or eating place license, or a seasonal restaurant or eating place
22 tourism license to sell and serve brewed beverages and wine for consumption at a
23 specific art exhibit event.

24 (b) The director may issue an art exhibit event permit only for a specific art
25 exhibit event at premises designated in the application for a limited period specified in
26 the application.

27 (c) The director may not grant more than 12 art exhibit event permits to a
28 licensee in a calendar year.

29 (d) An art exhibit event permit may not be exercised during an event that is
30 expected to attract attendees under 21 years of age.

31 (e) Food must be provided in conjunction with the service of brewed

1 beverages and wine under an art exhibit event permit.

2 **Sec. 04.09.645. Music festival permit.** (a) A music festival permit authorizes
3 the holder of a restaurant or eating place license to sell or dispense beer and wine for
4 consumption at a festival with multiple live music performances held off the holder's
5 licensed premises.

6 (b) The board may issue a music festival permit to the holder of a restaurant or
7 eating place license only if the licensed premises of the restaurant or eating place is
8 located in the unorganized borough.

9 (c) The board may issue a music festival permit only for

10 (1) a designated premises and for a limited period, not to exceed four
11 calendar days;

12 (2) a music festival that has existed at the same location for a period of
13 at least 10 years before the application for the permit is filed; and

14 (3) a music festival that is located in the unorganized borough.

15 (d) The board may not issue more than one music festival permit to the holder
16 of a restaurant or eating place license in a calendar year.

17 **Sec. 04.09.650. Nonprofit organization event permit.** (a) A nonprofit
18 organization event permit authorizes the holder to sell or dispense brewed beverages
19 or wine for consumption at an event organized by the nonprofit organization.

20 (b) Only a nonprofit organization, such as a fraternal, civic, professional, or
21 patriotic organization, that is incorporated under AS 10.20 and has been active for a
22 period of at least two years before filing an application is eligible for a nonprofit
23 organization event permit.

24 (c) The application for a nonprofit organization event permit filed under
25 AS 04.11.260 must be signed by two officers of the organization. The nonprofit
26 organization shall submit, together with the application,

27 (1) either a signed copy of a resolution adopted by the board of
28 directors or a copy of the minutes from a board meeting of the nonprofit organization
29 authorizing the application; and

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

(d) The director may not issue more than 10 nonprofit organization event permits to a nonprofit organization, including an auxiliary of the organization, in a calendar year. A nonprofit organization event permit may be issued only for designated premises for a specific occasion and for a limited period as specified in the application.

(e) The nonprofit organization shall ensure that all profits derived from the sale of brewed beverages or wine under a nonprofit organization event permit are paid to the organization that holds the permit and not to an individual.

Sec. 04.09.660. Alcoholic beverage auction permit. (a) An alcoholic beverage auction permit authorizes the holder to sell alcoholic beverages by outcry or silent auction. An alcoholic beverage auction permit is sufficient to authorize a nonprofit organization under (b) of this section to sell alcoholic beverages by outcry or silent auction, and no other permit or license is required. An alcoholic beverage auction permit may be operated on the licensed premises of a beverage dispensary license, beverage dispensary tourism license, club license, restaurant or eating place license, or seasonal restaurant or eating place license.

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

(c) The application for an alcoholic beverage auction permit filed under AS 04.11.260 must be signed by two officers of the organization. The nonprofit organization shall submit, together with the application,

(1) either a signed copy of a resolution adopted by the board of directors or a copy of the minutes of a board meeting of the nonprofit organization authorizing the application; and

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

(d) The director may not issue more than five alcoholic beverage auction permits to a nonprofit organization, including an auxiliary of the organization, in a calendar year. The director may issue a permit only for designated premises for a

specific event and for a limited period as specified in the application.

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

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

Sec. 04.09.670. Package store tasting event permit. (a) A package store tasting event permit authorizes the holder of a package store license to sell or dispense alcoholic beverages at a tasting event held on the licensed premises, or unlicensed areas of the property where the package store is located, excluding the parking lot.

(b) A tasting event must be for the purpose of promoting products available for purchase from the package store licensee; only products sold by the package store licensee may be sold or dispensed at the event.

(c) The director may issue a package store tasting event permit only for a specific tasting event at premises designated in the application for a limited period specified in the application.

(d) The director may not issue more than six package store tasting event permits in a calendar year to a package store licensee. If a person holds two or more package store licenses, then the director shall treat each license as separate and distinct when applying the limitation under this subsection, regardless of how many other licenses the person holds, wholly or in part.

(e) The director may not issue a package store tasting event permit for a period that

(1) is longer than four hours;

(2) ends later than 9:00 p.m.

(f) Food must be provided in conjunction with the service of alcoholic beverages under a package store tasting event permit.

Sec. 04.09.680. Inventory resale permit. (a) An inventory resale permit authorizes the holder to sell the remaining inventory of alcoholic beverages of a business when the owner of the business no longer has a valid license under this title.

1 (b) The fee for an inventory resale permit is \$100.

2 (c) The holder of an inventory resale permit may sell the remaining alcoholic
3 beverage inventory only to the holder of a valid license under this chapter.

4 (d) The director may issue an inventory resale permit for a period ending 90
5 days after the date of expiration or forfeiture of the license. The director may not issue
6 a permit if the license was suspended or revoked.

7 **Sec. 04.09.685. Live music or entertainment permit.** (a) A live music or
8 entertainment permit authorizes the holder of a brewery retail license, winery retail
9 license, or distillery retail license to allow live music or other entertainment on the
10 licensed premises where consumption occurs.

11 (b) The director may not issue more than four live music or entertainment
12 permits to a licensee in a calendar year. The director may issue a live music or
13 entertainment permit only for designated premises for a specific occasion and for a
14 limited period during a single day between the hours of 9:00 a.m. and 10:00 p.m., as
15 specified in the application.

16 **Sec. 04.09.690. Conditional contractor's permit.** (a) A conditional
17 contractor's permit authorizes the holder to sell brewed beverages or wine for
18 consumption only on designated premises for the designated period of the permit
19 under AS 04.11.680 at construction sites that are located outside a city and inside the
20 boundaries of a military or naval reservation.

21 (b) The biennial conditional contractor's permit fee is \$1,250.

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

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

31 **Sec. 04.09.700. Failure to comply with a permit requirement.** (a) A person

1 who engages in activity that requires a permit under AS 04.09.600 - 04.09.690 without
 2 having a permit and a person who violates the terms of a permit issued under
 3 AS 04.09.600 - 04.09.690 commits the offense of failure to comply with a permit
 4 requirement.

5 (b) Except as provided in (c) of this section, failure to comply with a permit
 6 requirement is a violation.

7 (c) Failure to comply with a permit requirement of an inventory resale permit
 8 under AS 04.09.680 or a conditional contractor's permit under AS 04.09.690 is a
 9 violation punishable by a fine of \$500.

10 **Article 7. Common Carrier Approval.**

11 **Sec. 04.09.750. Common carrier approval.** (a) A common carrier may not
 12 transport or deliver alcoholic beverages to a person in the state unless the board has
 13 approved the common carrier under (b) of this section.

14 (b) A common carrier may apply to the board, on a form prescribed by the
 15 board, for approval to transport and deliver alcoholic beverages to persons in the state.
 16 The board shall approve an application if the common carrier certifies that it will meet
 17 the requirements under (c) and (d) of this section.

18 (c) A common carrier delivering alcoholic beverages to a person in the state
 19 shall ensure that the package containing alcoholic beverages is delivered directly to a
 20 person who

21 (1) presents identification and acceptable proof of age under
 22 AS 04.21.050 showing that the person is 21 years of age or older; and

23 (2) provides a signature acknowledging that the person received the
 24 package.

25 (d) A common carrier approved by the board under (b) of this section shall
 26 make records of shipments of alcoholic beverages to persons in the state available for
 27 inspection and audit by the board. The board may require periodic reporting of
 28 approved common carriers on a form prescribed by the board.

29 (e) The board shall maintain, periodically review, and make available for
 30 public inspection a list of approved common carriers for transport and delivery of
 31 alcoholic beverages to persons in the state.

(f) The board may remove a previously approved common carrier from the list if the common carrier transports or delivers alcoholic beverages in violation of (c) or (d) of this section.

(g) In this section,

(1) "common carrier" means a motor vehicle, watercraft, aircraft, or railroad car available for public hire to transport freight or passengers;

(2) "transport" has the meaning given in AS 04.11.499.

(h) A common carrier that has not been approved by the board to transport and deliver alcoholic beverages and that transports or delivers alcoholic beverages into or within the state commits the offense of unapproved common carrier transport or delivery of alcoholic beverages.

(i) An approved common carrier that violates a provision under (c) or (d) of this section commits the offense of common carrier noncompliance for transport or delivery of alcoholic beverages.

(j) Unapproved common carrier transport or delivery of alcoholic beverages is a violation and is punishable by a fine of \$500.

(k) Common carrier noncompliance for transport or delivery of alcoholic beverages is a violation.

Article 8. Prohibited Acts.

Sec. 04.09.850. Unlicensed retail sale. (a) A person commits the crime of unlicensed retail sale if the person knowingly operates without the appropriate license a retail operation that requires a license under this chapter.

(b) Unlicensed retail sale is a class A misdemeanor.

* **Sec. 14.** AS 04.11.010(a) is amended to read:

(a) Except as provided in AS 04.11.020, a person may not knowingly

(1) [MANUFACTURE, SELL, OFFER FOR SALE,] possess for [SALE OR] barter, traffic in, or barter an alcoholic beverage unless under license or permit issued under this title; or

(2) manufacture an alcoholic beverage, sell an alcoholic beverage, offer an alcoholic beverage for sale, or possess an alcoholic beverage for sale in an area that has adopted a local option under AS 04.11.491 unless under license or

1 **permit issued under this title.**

2 * **Sec. 15.** AS 04.11.010(b) is amended to read:

3 (b) Except as provided in this subsection, a person may not solicit or receive
4 orders for the delivery of an alcoholic beverage in an area that has adopted a local
5 option under AS 04.11.491. If the area has adopted a local option under
6 AS 04.11.491(a)(1), (2), or (3) [,] or (b)(1) or (2), a package store licensee outside of
7 that local option area may receive orders as provided under **a package store shipping**
8 **endorsement under AS 04.09.460** [AS 04.11.150] but may not solicit in that area or
9 receive orders through an agent or employee in that area. This subsection does not
10 apply to a package store licensee who operates a package store in an area that has
11 adopted a local option under AS 04.11.491(a)(2)(C) or (3)(C) or (b)(2)(C). A person
12 who violates this subsection is punishable upon conviction as provided under
13 AS 04.16.200(a) or (b).

14 * **Sec. 16.** AS 04.11.010(c) is amended to read:

15 (c) Unless a municipality or established village has adopted a more restrictive
16 local option under AS 04.11.491(g), in a criminal prosecution for possession of
17 alcoholic beverages for **barter or** sale in violation of (a) of this section, **AS 04.09.060,**
18 **04.09.140, or 04.09.850,** the fact that a person

19 (1) possessed more than 10 1/2 liters of distilled spirits or 24 liters or
20 more of wine, or either a **half-barrel keg** [HALF-KEG] of **brewed** [MALT]
21 beverages or 12 gallons or more of **brewed** [MALT] beverages in individual
22 containers in an area where the sale of alcoholic beverages is restricted or prohibited
23 under AS 04.11.491 creates a presumption that the person possessed the alcoholic
24 beverages for **barter or** sale;

25 (2) sends, transports, or brings more than 10 1/2 liters of distilled
26 spirits or 24 liters or more of wine, or either a **half-barrel keg** [HALF-KEG] of
27 **brewed** [MALT] beverages or 12 gallons or more of **brewed** [MALT] beverages in
28 individual containers to an area where the sale of alcoholic beverages is restricted or
29 prohibited under AS 04.11.491 creates a presumption that the person sent, transported,
30 or brought the alcoholic beverages for **barter or** sale in the area.

31 * **Sec. 17.** AS 04.11.015 is amended to read:

1 **Sec. 04.11.015. Purchase from nonlicensee prohibited.** (a) A person may not
 2 purchase or barter for alcoholic beverages from a person who is not a licensee,
 3 permittee, or an agent or employee of a licensee or permittee.

4 (b) A person who violates (a) of this section is guilty of a violation.

5 * **Sec. 18.** AS 04.11.030(b) is amended to read:

6 (b) If an application for the transfer of ownership of a license from a deceased
 7 licensee is not made within 180 [90] days of the death of the licensee or within an
 8 additional 90 days if an application for transfer of ownership made by the executor is
 9 denied, or no petition is made to the board for an extension of time under (c) of this
 10 section within the time, the license is forfeited.

11 * **Sec. 19.** AS 04.11.040 is amended by adding new subsections to read:

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

15 (e) Unauthorized transfer of an alcoholic beverage license or permit is a
 16 violation.

17 * **Sec. 20.** AS 04.11.045 is amended by adding new subsections to read:

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

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

22 * **Sec. 21.** AS 04.11.050 is amended by adding new subsections to read:

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

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

28 * **Sec. 22.** AS 04.11.055 is amended by adding new subsections to read:

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

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

* **Sec. 23.** AS 04.11.060 is amended to read:

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

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

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

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

* **Sec. 24.** AS 04.11.060 is amended by adding a new subsection to read:

(b) A person who violates (a) of this section is guilty of a class A misdemeanor.

* **Sec. 25.** AS 04.11.260 is amended to read:

Sec. 04.11.260. Application for new license, endorsement, or permit. (a) An applicant for a new license, endorsement, or permit shall file with the director a written application, signed and sworn to by the applicant, giving the applicant's name, mailing address, telephone number, and electronic mail address. If the applicant is a corporation, the application shall be executed by an [THE] authorized officer [OFFICERS] of the corporation. If the applicant is a partnership, including a limited partnership, the application shall be executed by an authorized general partner. The application must include

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

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

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

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

1 **(5) [(4)] the duration of the license, endorsement, or permit desired,**
 2 **including, for a permit, a statement of the event dates and the specific hours of**
 3 **intended operation;**

4 **(6) [(5)] any other information required by the board.**

5 (b) A corporation applying for a license or **conditional contractor's** permit
 6 **under AS 04.09.690** shall provide the names and addresses of the president, vice-
 7 president, secretary, managing officer, and all stockholders who own 10 percent or
 8 more of the stock in the corporation, together with any other information required by
 9 the board.

10 (c) An applicant for a new license or permit must include with the application

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

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

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

17 **(A) written approval under AS 04.09.240 from the**
 18 **governing body of a college or university for a pub license;**

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

22 **(C) permission from the commanding officer and the prime**
 23 **contractor for a conditional contractor's permit under AS 04.09.690;**

24 **(D) for a permit other than a conditional contractor's**
 25 **permit, approval of the law enforcement agency having jurisdiction over**
 26 **the site of the event for which the permit is sought.**

27 (d) A partnership, including a limited partnership, that applies for a license or
 28 **conditional contractor's** permit **under AS 04.09.690** shall provide information
 29 required by the board including the names and addresses of all general partners and all
 30 partners with an interest of 10 percent or more.

31 (e) A limited liability organization that applies for a license or **conditional**

contractor's permit **under AS 04.09.690** shall provide information required by the board, including the names and addresses of all members with an ownership interest of 10 percent or more and the names and addresses of all managers.

* **Sec. 26.** AS 04.11.260 is amended by adding a new subsection to read:

(f) This section does not apply to a winery direct shipment license issued under AS 04.09.370.

* **Sec. 27.** AS 04.11.270 is amended to read:

Sec. 04.11.270. Application for renewal of license, license with one or more endorsements, or conditional contractor's permit. (a) An application for renewal of a license, **license with one or more endorsements,** or [RENEWAL OF A] conditional contractor's permit **under AS 04.09.690** must include

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

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

(b) A license, **license with one or more endorsements, or permit** shall be renewed as follows:

(1) on or before November 1, the director shall mail a renewal application to each licensee whose license, **license with one or more endorsements, or permit,** unless renewed, will expire on December 31 of that year; the application shall be mailed to the licensee **or permittee** [AT THE LICENSED PREMISES OR] at a mailing address **or electronic mail address** furnished by the licensee **or permittee**;

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

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

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

* **Sec. 28.** AS 04.11.270 is amended by adding a new subsection to read:

(c) This section does not apply to a winery direct shipment license issued under AS 04.09.370.

* **Sec. 29.** AS 04.11.280 is amended to read:

Sec. 04.11.280. Application for transfer of a license to another person. (a)

An application for transfer of a license or a license with one or more endorsements to another person must contain the same information about the transferee as is required of an applicant for a new license or endorsement under AS 04.11.260 and must include other information required by the board.

(b) An application for the transfer of a license or a license with one or more endorsements to another person must be accompanied by a statement, under oath, executed by the transferor, listing all debts of the business and all taxes due by the business. The board shall promptly inform each listed creditor of the application and the amount shown as owed to that creditor.

* **Sec. 30.** AS 04.11.280 is amended by adding new subsections to read:

(c) A license is automatically transferred as requested in an application for transfer of the license to another person if

(1) the board does not approve or deny the completed application within 90 days after receiving the application;

(2) the application is for transfer of a

(A) restaurant or eating place license under AS 04.09.210;

(B) seasonal restaurant or eating place tourism license under AS 04.09.360;

(C) restaurant or eating place license under AS 04.09.210 with one or more endorsements; or

(D) seasonal restaurant or eating place tourism license under AS 04.09.360 with one or more endorsements; and

(3) the applicant for transfer of a license has not previously had a license or permit suspended or revoked under AS 04.11.370.

(d) The board may suspend or revoke a license that was automatically transferred to another person under (c) of this section if, after receiving criminal justice information and records obtained under AS 04.11.295, the board determines

1 that the licensee does not meet the qualifications for transfer of a license to another
2 person under this title.

3 * **Sec. 31.** AS 04.11.295(a) is amended to read:

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

18 * **Sec. 32.** AS 04.11.295(c)(1) is amended to read:

19 (1) "applicant" means all individuals whose names and addresses are
20 required to be provided with an application for a new license or **conditional**
21 **contractor's** permit under **AS 04.09.690** [AS 04.11.260];

22 * **Sec. 33.** AS 04.11.310 is amended by adding a new subsection to read:

23 (c) This section does not apply to a winery direct shipment license issued
24 under AS 04.09.370.

25 * **Sec. 34.** AS 04.11 is amended by adding a new section to article 3 to read:

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

30 * **Sec. 35.** AS 04.11.320(a) is amended to read:

31 (a) An application requesting issuance of a new license **or endorsement** shall

1 be denied if

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

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

7 (3) the application has not been completed in accordance with
8 AS 04.11.260;

9 (4) issuance of the license **or endorsement** would violate the
10 restrictions pertaining to the particular license **or endorsement** imposed under this
11 title;

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

14 (6) the requirements of AS 04.11.420 - 04.11.450 relating to zoning,
15 ownership and location of the license, **and the identity and financing of a licensee**
16 **have not been met or the requirements of AS 04.11.430(b) relating to location of**
17 **the endorsement** [, AND THE IDENTITY AND FINANCING OF A LICENSEE]
18 have not been met;

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

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

22 (9) the license is sought for the sale of alcoholic beverages in a first or
23 second class city where there are no licensed premises at the time of application unless
24 a majority of the voters have voted not to approve a local option to restrict or prohibit
25 the sale of alcoholic beverages under AS 04.11.491, have voted to approve a local
26 option to allow the type of premises under AS 04.11.491(a)(2) or (3), or have voted to
27 remove a restriction or prohibition on the sale of alcoholic beverages under
28 AS 04.11.495; or

29 (10) the license is sought for the sale of alcoholic beverages in an
30 established village where there are no licensed premises at the time of application
31 unless a majority of the voters have voted not to approve a local option to restrict or

1 prohibit the sale of alcoholic beverages under AS 04.11.491, have voted to approve a
 2 local option to allow the type of premises under AS 04.11.491(b)(2), or have voted to
 3 remove a restriction or prohibition on the sale of alcoholic beverages under
 4 AS 04.11.495.

5 * **Sec. 36.** AS 04.11.330(a) is amended to read:

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

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

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

10 (3) the applicant has not operated the licensed premises for at least 240
 11 hours during each of the two preceding calendar years, unless the board determines
 12 that the licensed premises are under construction or cannot be operated through no
 13 fault of the applicant;

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

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

18 (6) renewal of the license would violate the restrictions pertaining to
 19 the particular license under this title or the license has been operated in violation of a
 20 condition or restriction imposed by the board;

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

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

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

28 * **Sec. 37.** AS 04.11.330(a), as amended by sec. 36 of this Act, 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

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

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

(3) the applicant has not operated the licensed premises for at least 240 hours during each of the two preceding calendar years, unless the board determines that the licensed premises are under construction or cannot be operated through no fault of the applicant;

(4) the board finds that issuance of an existing beverage dispensary tourism license under AS 04.09.350 or seasonal restaurant or eating place tourism license under AS 04.09.360 [AS 04.11.400(d)] has not encouraged tourist trade;

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

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

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

(8) the application has not been completed in accordance with AS 04.09.370 or AS 04.11.270.

* **Sec. 38.** AS 04.11.330(b) is amended to read:

(b) An application for renewal of a license may be denied if the applicant is delinquent in the payment of taxes, fees, or penalties due to the state or a local government if the tax liability or fees or penalties assessed arise [ARISES] in whole or in part out of the licensed business.

* **Sec. 39.** AS 04.11.330(d) is amended to read:

(d) Notwithstanding (a)(3) of this section, a theater license issued under AS 04.09.250, a common carrier dispensary license issued under AS 04.09.260, or a sporting activity or event [RECREATIONAL SITE] license issued under AS 04.09.270 [AS 04.11.210] may be renewed if the license was exercised at least once during each of the two preceding calendar years.

* **Sec. 40.** AS 04.11.330 is amended by adding a new subsection to read:

(e) The requirements of (a)(3), (a)(5), and (a)(7) of this section do not apply to a winery direct shipment license issued under AS 04.09.370.

* **Sec. 41.** AS 04.11.340 is amended to read:

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

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

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

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

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

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

(6) relocation of the license would result in violation of a local zoning **regulation or ordinance** [LAW];

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

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

(9) the license was issued under AS 04.11.400(d) [, (e), OR (g)].

* **Sec. 42.** AS 04.11.340, as amended by sec. 41 of this Act, is amended to read:

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

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

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

(3) the license would be relocated out of the established village, incorporated city, unified municipality, or population area established under

AS 04.11.400(a) within which it is located except as provided under AS 04.11.400(k);

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

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

(6) relocation of the license would result in violation of a local zoning regulation or ordinance;

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

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

(9) THE LICENSE WAS ISSUED UNDER AS 04.11.400(d)].

* **Sec. 43.** AS 04.11.360 is amended to read:

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

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

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

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

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

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

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

1 the earlier transfer of the license;

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

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

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

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

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

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

19 * **Sec. 44.** AS 04.11.360, as amended by sec. 43 of this Act, is amended to read:

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

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

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

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

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

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

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

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

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

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

(8) the prospective transferee does not have the qualifications required under this title of an original applicant; however, an application may not be denied because a prospective transferee under AS 04.09.350(c)(2) [AS 04.11.400(d)(2)] does not have the qualifications required under AS 04.09.350(c)(1) [AS 04.11.400(d)(1);

(9) THE LICENSE WAS ISSUED UNDER AS 04.11.100(f); HOWEVER, THIS PARAGRAPH DOES NOT APPLY TO A BEVERAGE DISPENSARY LICENSE ISSUED BEFORE JUNE 6, 1985, UNDER FORMER AS 04.11.400(j) IF THE TRANSFER DOES NOT INVOLVE A CHANGE IN LOCATION; OR

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

* **Sec. 45.** AS 04.11.365 is amended to read:

Sec. 04.11.365. Licensed premises in multi-unit residential housing developments owned or financed by the Alaska Housing Finance Corporation. For premises located in a multi-unit residential housing development owned or financed by the Alaska Housing Finance Corporation, the board may issue a new license under AS 04.11.320, renew a license under AS 04.11.330, or approve a request for relocation under AS 04.11.340 if the Alaska Housing Finance Corporation

1 authorizes the use under AS 18.56.230 and

2 (1) the license is [FOR] a

3 (A) restaurant or eating place **license** under **AS 04.09.210**
 4 [AS 04.11.100]; or

5 (B) **seasonal restaurant or eating place tourism license**
 6 **under AS 04.09.360; or**

7 (2) the premises are **covered by a restaurant endorsement**
 8 [DESIGNATED BY THE BOARD AS A RESTAURANT] under **AS 04.09.450**
 9 [AS 04.16.049].

10 * **Sec. 46.** AS 04.11.370(a) is amended to read:

11 (a) A license, **endorsement**, or permit shall be suspended or revoked if the
 12 board finds

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

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

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

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

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

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

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

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

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

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

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

* **Sec. 47.** AS 04.11.395 is amended to read:

Sec. 04.11.395. Conditions [BOARD IMPOSED CONDITIONS] or restrictions imposed on a license, endorsement, or permit. The board may, in the best interests of the public, impose conditions or restrictions on a license, **endorsement**, or permit issued under this chapter.

* **Sec. 48.** AS 04.11.395 is amended by adding a new subsection to read:

(b) Except for a conditional contractor's permit issued under AS 04.09.690, the board may delegate to the director the authority to impose, in the best interests of the public, conditions or restrictions on a permit issued under this chapter.

* **Sec. 49.** AS 04.11.400(a) is amended to read:

(a) Except as provided in **(d), (f), and (h) - (k)** [(d) - (k)] of this section **and AS 04.11.405**, a new license may not be issued and the board may prohibit relocation

1 of an existing license

2 (1) outside an established village, incorporated city, unified
 3 municipality, or organized borough if, after the issuance or relocation, there would be
 4 (A) more than one restaurant or eating place license for each 1,500 population or
 5 fraction of that population, or (B) more than one license of each other type, including
 6 licenses that have been issued under (d) [OR (e)] of this section, for each 3,000
 7 population or fraction of that population, in a radius of five miles of the licensed
 8 premises, excluding the populations of established villages, incorporated cities, unified
 9 municipalities, and organized boroughs that are wholly or partly included within the
 10 radius;

11 (2) inside an established village, incorporated city, or unified
 12 municipality if, after the issuance or relocation, there would be inside the established
 13 village, incorporated city, or unified municipality

14 (A) more than one restaurant or eating place license for each
 15 1,500 population or fraction of that population; or

16 (B) more than one license of each other type, including licenses
 17 that have been issued under (d) [OR (e)] of this section, for each 3,000
 18 population or fraction of that population;

19 (3) inside an organized borough but outside an established village or
 20 incorporated city located within the borough if, after the issuance or relocation, there
 21 would be inside the borough, but outside the established villages and incorporated
 22 cities located within the borough,

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 license of each other type, including licenses
 26 that have been issued under (d) [OR (e)] of this section, for each 3,000
 27 population or fraction of that population excluding the population of those
 28 established villages that have adopted a local option under AS 04.11.491(b)(1),
 29 (3), or (4), and excluding the population of incorporated cities located within
 30 the organized borough.

31 * **Sec. 50.** AS 04.11.400(a), as amended by sec. 49 of this Act, is amended to read:

(a) Except as provided in **(f), (i), and (k)** [(d), (f), and (h) - (k)] of this section and AS 04.11.405, a new license may not be issued and the board may prohibit relocation of an existing license

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

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

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

(C) more than one license of each other type, **except a type listed in (i) of this section** [INCLUDING LICENSES THAT HAVE BEEN ISSUED UNDER (d) OF THIS SECTION], for each 3,000 population or fraction of that population [, IN A RADIUS OF FIVE MILES OF THE LICENSED PREMISES, EXCLUDING THE POPULATIONS OF ESTABLISHED VILLAGES, INCORPORATED CITIES, UNIFIED MUNICIPALITIES, AND ORGANIZED BOROUGHs THAT ARE WHOLLY OR PARTLY INCLUDED WITHIN THE RADIUS];

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

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

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

(C) more than one license of each other type, **except a type listed in (i) of this section** [INCLUDING LICENSES THAT HAVE BEEN

ISSUED UNDER (d) OF THIS SECTION], for each 3,000 population or fraction of that population;

(3) inside an organized borough but outside an established village or incorporated city located within the borough if, after the issuance or relocation, there would be inside the borough, but outside the established villages and incorporated cities located within the borough, **excluding the population of those established villages that have adopted a local option under AS 04.11.491(b)(1) or (3), and excluding the population of incorporated cities located within the organized borough;**

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

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

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

* **Sec. 51.** AS 04.11.400(i) is repealed and reenacted to read:

(i) This section does not apply to a

- (1) brewery manufacturer license issued under AS 04.09.020;
- (2) winery manufacturer license issued under AS 04.09.030;
- (3) distillery manufacturer license issued under AS 04.09.040;
- (4) general wholesale license issued under AS 04.09.100;
- (5) limited wholesale brewed beverage and wine license under AS 04.09.110;
- (6) outdoor recreation lodge license issued under AS 04.09.280;

- 1 (7) destination resort license issued under AS 04.09.310;
 2 (8) beverage dispensary tourism license issued under AS 04.09.350;
 3 (9) seasonal restaurant or eating place tourism license issued under
 4 AS 04.09.360;
 5 (10) winery direct shipment license issued under AS 04.09.370;
 6 (11) conditional contractor's permit issued under AS 04.09.690.

7 * **Sec. 52.** AS 04.11.400(k) is amended to read:

8 (k) The board may allow the relocation of an existing beverage dispensary
 9 license under AS 04.09.200 or former AS 04.11.090 to a restaurant, eating place, or
 10 hotel, motel, resort, or similar business that contains a restaurant or eating place, or of
 11 an existing package store license under AS 04.09.230 or former AS 04.11.150, in a
 12 borough with a population of 50,000 [60,000] or more [IF THE GOVERNING BODY
 13 OF THE BOROUGH APPROVES THE RELOCATION. HOWEVER, IF THE
 14 RELOCATION OF THE LICENSE IS] into or within an incorporated city in the
 15 borough. The [, THE] board may not approve the relocation unless, at the time of
 16 application, the existing number of issued licenses of the type under consideration
 17 for relocation located within the borough exceeds the maximum allowed under
 18 (a) of this section, and the governing bodies of both the borough and the incorporated
 19 city approve the relocation. The board may allow not more than three relocations into
 20 each city [IN A BOROUGH] under this subsection each decade. In this subsection,
 21 "decade" means each 10-year period beginning April 1 in a year ending in zero.

22 * **Sec. 53.** AS 04.11 is amended by adding a new section to read:

23 **Sec. 04.11.405. Petition for additional licenses for certain local governing**
 24 **bodies.** (a) A municipality may submit a resolution to the board, adopted by its
 25 legislative body, petitioning the board for the issuance of additional licenses under this
 26 chapter that exceed the limits under AS 04.11.400(a) in accordance with this section.

27 (b) The board, following a public hearing, may issue one or more additional
 28 licenses of each type under this chapter, within the boundaries of the municipality, if
 29 the board finds that

30 (1) the municipality

31 (A) exercises planning or land-use authority; and

(B) at the time of the petition, meets or exceeds the maximum limit under AS 04.11.400(a) for each type of license requested in the petition; and

(2) the number of additional licenses does not exceed the number of additional licenses requested by the municipality in the petition.

(c) A resolution submitted by a municipality under (a) of this section must include

(1) information demonstrating that the petitioner meets the criteria in (b) of this section; and

(2) the number of existing licenses of each type requested in the petition within the boundaries of the municipality.

* **Sec. 54.** AS 04.11.405(a), enacted by sec. 53 of this Act, is amended to read:

(a) A municipality may submit a resolution to the board, adopted by its legislative body, petitioning the board for the issuance of additional licenses under **AS 04.09** [THIS CHAPTER] that exceed the limits under AS 04.11.400(a) in accordance with this section.

* **Sec. 55.** AS 04.11.405(b), enacted by sec. 53 of this Act, is amended to read:

(b) The board, following a public hearing, may issue one or more additional licenses of each type under **AS 04.09** [THIS CHAPTER], within the boundaries of the municipality, if the board finds that

(1) the municipality

(A) exercises planning or land-use authority; and

(B) at the time of the petition, meets or exceeds the maximum limit under AS 04.11.400(a) for each type of license requested in the petition; and

(2) the number of additional licenses does not exceed the number of additional licenses requested by the municipality in the petition.

* **Sec. 56.** AS 04.11.420(a) is amended to read:

(a) A person may not be issued a **new** license, **endorsement**, or permit **or transfer a license or a license with endorsement to a new location** in a municipality if a zoning regulation or ordinance prohibits the **land use** [SALE OR

1 CONSUMPTION OF ALCOHOLIC BEVERAGES] unless a variance of the
2 regulation or ordinance has been approved.

3 * **Sec. 57.** AS 04.11.420 is amended by adding a new subsection to read:

4 (c) Notwithstanding (a) of this section, a license may be renewed if

5 (1) the license was issued before the effective date of a change to a
6 local zoning regulation or ordinance that would prohibit the renewal; and

7 (2) at the time the license was issued, the license conformed with local
8 zoning regulations and ordinances.

9 * **Sec. 58.** AS 04.11.430 is amended to read:

10 **Sec. 04.11.430. Person and location.** (a) Each license shall be issued to a
11 specific individual or individuals, to a partnership, including a limited partnership, to a
12 limited liability organization, [OR] to a corporation, to a government entity, or to a
13 tribal organization. If the license is issued to a corporation or a limited liability
14 organization, the registered agent of the corporation or limited liability organization
15 may [MUST] be either an individual resident of the state or a domestic corporation
16 authorized to transact business in this state whose business office is the same as
17 the registered office.

18 (b) Except for a license authorizing the sale of alcoholic beverages on a
19 common carrier, a specific location shall be indicated on the license, endorsement, or
20 permit as the licensed premises, the principal address of which shall be indicated on
21 the license, endorsement, or permit. The mailing address, telephone number, and
22 electronic mailing address of a licensee or, if the licensee is a corporation, the
23 address, telephone number, and electronic mailing address of the registered office
24 of the corporation must be kept current and on file in the main office of the board.

25 * **Sec. 59.** AS 04.11.450(b) is amended to read:

26 (b) A person who is a representative or owner of a wholesale business
27 licensed under AS 04.09.100 or 04.09.110 [, BREWERY, WINERY, BOTTLING
28 WORKS, OR DISTILLERY] may not be issued, solely or together with others, a
29 manufacturer license issued under AS 04.09.020 - 04.09.040, or a retail license
30 issued under AS 04.09.200 - 04.09.370 [BEVERAGE DISPENSARY LICENSE, A
31 RESTAURANT OR EATING PLACE LICENSE, OR PACKAGE STORE

LICENSE. A HOLDER OF A BEVERAGE DISPENSARY LICENSE MAY BE ISSUED A BREWPUB LICENSE, SUBJECT TO THE PROVISIONS OF AS 04.11.135. THE PROHIBITION AGAINST ISSUANCE OF A RESTAURANT OR EATING PLACE LICENSE IMPOSED UNDER THIS SUBSECTION DOES NOT APPLY TO A RESTAURANT OR EATING PLACE LICENSE ISSUED ON OR BEFORE OCTOBER 1, 1996 OR A RESTAURANT OR EATING PLACE LICENSE ISSUED UNDER AN APPLICATION FOR A RESTAURANT OR EATING PLACE LICENSE APPROVED ON OR BEFORE OCTOBER 1, 1996].

* **Sec. 60.** AS 04.11.450(e) is amended to read:

(e) A holder of either a general wholesale license or a **limited** wholesale **brewed** [MALT] beverage and wine license may not be employed by or act as the agent or employee of the holder of a **manufacturer** [BEVERAGE DISPENSARY OR PACKAGE STORE] license **under AS 04.09.020 - 04.09.040 or a retail license under AS 04.09.200 - 04.09.370.**

* **Sec. 61.** AS 04.11.450 is amended by adding new subsections to read:

(g) The holder of a manufacturer license that annually produces in total 300,000 barrels or more of brewed beverages or mead or cider containing less than 8.5 percent alcohol by volume, 50,000 nine-liter-equivalent cases or more of wine, sake, or mead or cider containing 8.5 percent or more alcohol by volume, or 50,000 nine-liter-equivalent cases or more of distilled spirits may not be issued, solely or together with others, a license under AS 04.09.100 - 04.09.370.

(h) For purposes of calculating the volume that the holder of a manufacturer license produces under this section, the volume of production must include all production by

(1) the holder of the manufacturer's license; and

(2) an officer, director, agent, employee, or affiliate of the holder; in this paragraph, "affiliate" means a person that directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, a corporation.

* **Sec. 62.** AS 04.11.460 is amended by adding a new subsection to read:

(d) This section does not apply to a winery direct shipment license issued

1 under AS 04.09.370.

2 * **Sec. 63.** AS 04.11.470 is amended to read:

3 **Sec. 04.11.470. Objection.** A person may object to an application for issuance,
 4 renewal, transfer of location, or transfer to another person of a license, for issuance,
 5 renewal, or transfer to another person of a license with one or more
 6 endorsements, for issuance of an endorsement or for issuance of a permit, by
 7 serving upon the applicant and the board the reasons for the objection. The board shall
 8 consider the objections and testimony received at a hearing conducted under
 9 AS 04.11.510(b)(2) when it considers the application. An objection and the record of a
 10 hearing conducted under AS 04.11.510(b)(2) shall be retained as part of the board's
 11 permanent record of its review of the application.

12 * **Sec. 64.** AS 04.11.480(a) is amended to read:

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

unreasonable.

* **Sec. 65.** AS 04.11.480(b) is amended to read:

(b) If the permanent residents residing outside of but within two miles of an incorporated city or an established village wish to protest the issuance, renewal, or transfer of a license or a license with one or more endorsements within the city or village, they shall file with the board a petition meeting the requirements of AS 04.11.510(b)(3) requesting a public hearing not later than [WITHIN] 30 days after [OF] the posting of notice required under AS 04.11.310, or by December 31 of the year application is made for renewal of a license. The board shall consider testimony received at a hearing conducted under AS 04.11.510(b)(3) when it considers the application, and the record of a hearing conducted under AS 04.11.510(b)(3) shall be retained as part of the board's permanent record of its review of the application.

* **Sec. 66.** AS 04.11.480(c) is amended to read:

(c) A local governing body may recommend that a license be issued, renewed, relocated, or transferred, or that a license with one or more endorsements be issued, renewed, or transferred to another person, with conditions. The board shall consider recommended conditions and testimony received at a hearing conducted under AS 04.11.510(b)(2) or (4) when it considers the application or continued operation, and the recommended conditions and the record of the hearing conducted under AS 04.11.510(b)(2) or (4) shall be kept as part of the board's permanent record of its review. If the local governing body recommends conditions, the board shall impose the recommended conditions unless the board finds that the recommended conditions are arbitrary, capricious, or unreasonable. If a condition recommended by a local governing body is imposed on a licensee, the local governing body shall assume responsibility for monitoring compliance with the condition, except as otherwise provided by the board.

* **Sec. 67.** AS 04.11.480 is amended by adding a new subsection to read:

(e) If the location or proposed location of a license is within the boundaries of more than one local government, each local governing body may protest the issuance, renewal, relocation, or transfer of a license.

* **Sec. 68.** AS 04.11.491(a) is amended to read:

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

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

(A) a restaurant or eating place licensee;

(B) a beverage dispensary licensee;

(C) a package store licensee;

(D) a caterer holding a beverage dispensary caterer's permit under AS 04.09.610 [AS 04.11.230] to sell alcoholic beverages at a site within the municipality who is also licensed under a beverage dispensary license for premises outside of the municipality;

(E) a winery manufacturer licensee;

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

(G) an outdoor recreation lodge licensee;

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

(A) a restaurant or eating place license;

(B) a beverage dispensary license; or

(C) a package store license;

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

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

* **Sec. 69.** AS 04.11.491(b) is amended to read:

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

(1) the sale of alcoholic beverages;

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

(A) a restaurant or eating place licensee;

(B) a beverage dispensary licensee;

(C) a package store licensee;

(D) a caterer holding a **beverage dispensary caterer's** permit under **AS 04.09.610** [AS 04.11.230] to sell alcoholic beverages at a site within the established village who is also licensed under a beverage dispensary license for premises outside of the established village;

(E) a winery **manufacturer** licensee;

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

(G) an outdoor recreation lodge licensee;

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

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

* **Sec. 70.** AS 04.11.491(d) is amended to read:

(d) The ballot for an election on the option set out in (a)(2)(A), (a)(3)(A), or (b)(2)(A) of this section must include a summary explanation of the authority to sell alcoholic beverages given to a restaurant or eating place under **AS 04.09.210(a)** [AS 04.11.100(a)]. The ballot for an election on the option set out in (a)(2)(B) or (D), (a)(3)(B), or (b)(2)(B) or (D) of this section must include a statement that a beverage dispensary license is commonly known as a "bar" and a summary explanation of the authority to sell alcoholic beverages given to a beverage dispensary licensee under **AS 04.09.200** [AS 04.11.090(a)]. The ballot for an election on the option set out in (a)(2)(C), (a)(3)(C), or (b)(2)(C) of this section must include a statement that a package store license is commonly known as a "liquor store" and a summary explanation of the authority to sell alcoholic beverages given to a package store licensee under **AS 04.09.230** [AS 04.11.150(a)].

* **Sec. 71.** AS 04.11.491(g) is amended to read:

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

(1) adopt an amount of alcoholic beverages that may be imported that

1 is less than the amounts set out in **AS 04.09.460(e)** [AS 04.11.150(g)];

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

5 (3) opt to not apply a class C felony to violations of AS 04.16.051 that
6 apply solely by reason of the municipality or established village adopting a local
7 option under this section.

8 * **Sec. 72.** AS 04.11.510(b) is amended to read:

9 (b) The board may review an application for the issuance, renewal, transfer of
10 location, or transfer to another person of a license without affording the applicant
11 notice or hearing, except

12 (1) if an application is denied, **written** [THE] notice of denial shall be
13 furnished **immediately to** the applicant [IMMEDIATELY IN WRITING] stating the
14 reason for the denial in clear and concise language; the notice of denial must inform
15 the applicant that the applicant is entitled to **submit a request to the director, within**
16 **15 days after receiving the notice of denial, for** an informal conference with either
17 the director or the board, and that, if not satisfied by the informal conference, the
18 applicant is then entitled to a formal hearing conducted by the office of administrative
19 hearings (AS 44.64.010); **the director shall respond to a request for an informal**
20 **conference or a formal hearing in a timely manner and shall hold an informal**
21 **conference within 15 days after receiving a request for an informal conference**
22 **unless the applicant and the director agree in writing to waive or extend the time**
23 **limit; if the applicant requests an informal conference, the running of the period**
24 **for requesting a formal hearing is tolled from the date the director receives the**
25 **request for the conference until the day after the date of the conference;** if the
26 applicant requests a formal hearing, the office of administrative hearings shall adhere
27 to AS 44.62.330 - 44.62.630 (Administrative Procedure Act); all interested persons
28 may be heard at the hearing [AND UNLESS WAIVED BY THE APPLICANT AND
29 THE BOARD, THE FORMAL HEARING SHALL BE HELD IN THE AREA FOR
30 WHICH THE APPLICATION IS REQUESTED];

31 (2) the board may, on its own initiative or in response to an objection

or protest, hold a hearing to ascertain the reaction of the public or a local governing body to an application if a hearing is not required under this subsection; the board shall send notice of a hearing conducted under this paragraph 20 days in advance of the hearing to the person who filed the objection or protest, to a [EACH] community council, if the licensed premises or proposed licensed premises described in the application is located within the boundaries of the community council, [ESTABLISHED WITHIN THE MUNICIPALITY] and to each nonprofit community organization entitled to notification under AS 04.11.310(b);

(3) if a petition containing the signatures of 35 percent of the adult residents having a permanent place of abode outside of but within two miles of an incorporated city or an established village is filed with the board, the board shall hold a public hearing on the question of whether the issuance, renewal, or transfer of the license in the city or village would be in the public interest;

(4) if a protest to the issuance, renewal, transfer of location or transfer to another person of a license made by a local governing body is based on a question of law, the board shall hold a public hearing.

* **Sec. 73.** AS 04.11.510(c) is amended to read:

(c) Unless the grounds for the suspension or revocation are under AS 04.11.370(a)(4), board proceedings to suspend or revoke a license shall be conducted in accordance with AS 44.62.360 - 44.62.630 [AS 44.62.330 - 44.62.630] (Administrative Procedure Act), except that the licensee may submit a request to the director within 15 days after the accusation is served on the licensee for [IS ENTITLED TO] an opportunity to informally confer with the director or the board [WITHIN 10 DAYS AFTER THE ACCUSATION IS SERVED UPON THE LICENSEE]. Notice of the opportunity for an informal conference shall be served on [UPON] the licensee along with the accusation. The director shall respond to a request for an informal conference or a formal hearing in a timely manner. The director shall hold an informal conference within 15 days after receiving a request for an informal conference unless the applicant and the director agree in writing to waive or extend the time limit. After the informal conference, the board shall hold a formal hearing on the accusation at the next regularly

1 scheduled board meeting that occurs 20 days or more after service of the
 2 accusation [IF AN INFORMAL CONFERENCE IS REQUESTED, THE RUNNING
 3 OF THE PERIOD OF TIME SPECIFIED IN AS 44.62.380 FOR FILING A NOTICE
 4 OF DEFENSE IS TOLLED FROM THE DATE OF RECEIPT OF THE REQUEST
 5 FOR THE CONFERENCE UNTIL THE DAY FOLLOWING THE DATE OF THE
 6 CONFERENCE UNLESS EXTENDED BY THE BOARD. AFTER THE
 7 CONFERENCE, THE LICENSEE, IF NOT SATISFIED BY THE RESULTS OF
 8 THE CONFERENCE, MAY OBTAIN A HEARING BY FILING A NOTICE OF
 9 DEFENSE AS PROVIDED IN AS 44.62.390]. If the grounds for suspension or
 10 revocation are under AS 04.11.370(a)(4), the licensee is not entitled to notice and
 11 hearing under AS 44.62.360 - 44.62.630 [AS 44.62.330 - 44.62.630] on the merits of
 12 the suspension or revocation. However, the board shall afford the licensee notice and
 13 hearing on the issue of what administrative sanction to impose under AS 04.16.180.

14 * **Sec. 74.** AS 04.11.520 is amended to read:

15 **Sec. 04.11.520. Notice to local governing body.** After receipt of an
 16 application for the issuance or renewal of a license, the renewal of a license with
 17 one or more endorsements, the transfer of a license or a license with one or more
 18 endorsements to another person, transfer of a license to a new location, or the
 19 issuance of an endorsement from within [(1)] an established village, [(2)] an
 20 incorporated city, [(3)] an organized borough, or [(4)] a unified municipality, the
 21 board shall **notify** [TRANSMIT WRITTEN NOTICE TO] the local governing body **in**
 22 **writing** within 10 **business** days so that the local governing body may protest under
 23 AS 04.11.480.

24 * **Sec. 75.** AS 04.11.535(a) is amended to read:

25 (a) If, in a proceeding to suspend or revoke a license, endorsement, or permit
 26 under AS 04.11.370(a)(5), the board finds that a sentencing report, record of
 27 conviction, or judgment sent to the board under AS 12.55.025(b) or a report prepared
 28 by the investigating or arresting officers in connection with the violation, contains
 29 information that if uncontradicted or unexplained would provide a ground for
 30 suspension or revocation under AS 04.11.370(a)(5), the licensee or permittee has the
 31 burden of proof to establish that the licensee or permittee neither knowingly allowed

1 the violation nor recklessly or with criminal negligence failed to act in accordance
2 with the duty prescribed under AS 04.21.030.

3 * **Sec. 76.** AS 04.11.540 is amended to read:

4 **Sec. 04.11.540. License, endorsement, and conditional contractor's permit**
5 **renewal and expiration.** Notwithstanding AS 04.11.680, an application for renewal
6 of a license, endorsement, or a conditional contractor's permit under
7 AS 04.09.690 issued for the two calendar years ending December 31 or of a seasonal
8 license issued for parts of those calendar years may be submitted up until the next
9 February 28. If a complete application for renewal has not been filed by February 28
10 or the required fees and the penalty fees have not been paid by that date, the license,
11 endorsement, or conditional contractor's permit expires at 12:00 midnight
12 February 28. A new license may not be issued to the holder of an expired license for
13 the same premises except on proof satisfactory to the board of good cause for the
14 failure to file and pay.

15 * **Sec. 77.** AS 04.11.560(b) is amended to read:

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

19 * **Sec. 78.** AS 04.11.570 is amended to read:

20 **Sec. 04.11.570. Refund and forfeiture of fees.** (a) If an application for a
21 license or endorsement is denied, the board shall refund the license fee but not
22 [LESS] the application fee.

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

26 (c) If a license, endorsement, or permit is revoked on grounds that
27 statements made in the application are untrue, the [LICENSE] fee paid by the
28 applicant is forfeited to the state.

29 * **Sec. 79.** AS 04.11.580(b) is amended to read:

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

1 * **Sec. 80.** AS 04.11.590(a) is amended to read:

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

5 * **Sec. 81.** AS 04.11.610 is amended to read:

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

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

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

26 * **Sec. 82.** AS 04.11.630(b) is amended to read:

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

31 * **Sec. 83.** AS 04.11.680 is amended to read:

1 **Sec. 04.11.680. Duration of licenses, endorsements, and permits.** (a) Upon
 2 application [AND PAYMENT OF ONE-HALF OF THE BIENNIAL FEE], the board
 3 may issue a seasonal license under this title that is effective for the intervals stated on
 4 the license. [A SEASONAL LICENSE MAY NOT BE EFFECTIVE FOR MORE
 5 THAN 12 MONTHS IN A TWO-YEAR PERIOD.] Otherwise, **a license or**
 6 **endorsement** [ALL LICENSES] issued under this title **and a conditional**
 7 **contractor's permit issued under AS 04.09.690 is** [OTHER THAN A RETAIL
 8 STOCK SALE LICENSE ARE] effective for the two calendar years ending
 9 December 31, unless a shorter period is prescribed by the board or by law.

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

13 * **Sec. 84.** AS 04.16.010(c) is amended to read:

14 (c) **Except as provided in (e) of this section, a** [A] licensee, an agent, or
 15 employee may not permit a person to enter and a person may not enter premises
 16 licensed under this title between the hours of 5:00 a.m. and 8:00 a.m. each day, **unless**
 17 **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 04.09.260;**

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
 29 A BONA FIDE RESTAURANT OR EATING PLACE LICENSED UNDER THIS
 30 TITLE] to consume food or nonalcoholic beverages **and the premises are**

31 **(A) licensed under a restaurant or eating place license**

issued under AS 04.09.210 or a seasonal restaurant or eating place
tourism license issued under AS 04.09.360; or

(B) covered under a restaurant endorsement issued under
AS 04.09.450.

* **Sec. 85.** AS 04.16.010 is amended by adding new subsections to read:

(e) A brewery, winery, or distillery retail licensee or an agent or employee of a brewery, winery, or distillery retail licensee may not permit a person to enter and a person may not enter a premises licensed under this title between the hours of 10:00 p.m. and 9:00 a.m. each day, unless the person is

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

(2) an employee of the licensee who is on the premises to prepare for the next day's business; or

(3) performing maintenance or improvements authorized by the licensee.

(f) A person who violates (a), (b), (c), or (e) of this section is guilty of a violation.

* **Sec. 86.** AS 04.16.015(a) is amended to read:

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

(1) offer or deliver, as a marketing device to the general public, free alcoholic beverages to a patron, except as provided for the holder of a manufacturer sampling endorsement under AS 04.09.410 or a package store sampling endorsement under AS 04.09.490;

(2) deliver an alcoholic beverage to a person already possessing two or more;

(3) sell, offer to sell, or deliver alcoholic beverages to a person or group of persons at a price less than the price regularly charged for the beverages during a consecutive seven-day period [THE SAME CALENDAR WEEK], except at private functions not open to the general public;

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

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

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

* **Sec. 87.** AS 04.16.015 is amended by adding a new subsection to read:

(e) A person who violates this section is guilty of a violation.

* **Sec. 88.** AS 04.16 is amended by adding a new section to read:

Sec. 04.16.017. Trade practices. (a) A person holding a license under AS 04.09.020, 04.09.030, 04.09.040, 04.09.100, or 04.09.110 or engaged in the alcoholic beverage industry in another state or country as a brewer, vintner, distiller, or importer, or as an agent of a brewer, vintner, distiller, or importer, may not, except as provided in regulations adopted by the board under (b) of this section, induce a person holding a license under this title to

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

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

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

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

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

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

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

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

8 (A) commercial bribery; or

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

11 (4) enter into an agreement for consignment sales, or to purchase, offer
12 to purchase, or contract to purchase products on consignment, under conditional sale,
13 or with the privilege of return on any basis other than a bona fide sale, or where part of
14 the transaction involves, directly or indirectly, the acquisition by an entity from the
15 licensee or the entity's agreement to acquire from the licensee other alcoholic
16 beverages, except that this paragraph does not apply to transactions involving solely
17 the return of merchandise for ordinary and usual commercial reasons arising after the
18 merchandise has been sold.

19 (b) The board shall adopt regulations providing exceptions to the practices
20 listed under (a) of this section that are

21 (1) consistent with federal law at the time of the effective date of this
22 section;

23 (2) necessary to avoid practical difficulty or undue hardship on a
24 licensee;

25 (3) in the best interests of the public; and

26 (4) consistent with the requirements of this title.

27 (c) The board shall adopt regulations establishing administrative penalties for
28 a violation of this section.

29 (d) In this section, "commercial bribery," "consignment sales," "exclusive
30 outlet," and "tied house" have the meanings given in 27 U.S.C. 205 and regulations
31 adopted under that section.

1 * **Sec. 89.** AS 04.16.020 is amended by adding new subsections to read:

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

4 (e) Unauthorized solicitation or purchase of alcoholic beverages is a violation
5 and is punishable by a fine of \$100.

6 * **Sec. 90.** AS 04.16 is amended by adding a new section to read:

7 **Sec. 04.16.022. Online sale and purchase of alcoholic beverages.** (a) A
8 licensee or a licensee's agent or employee may not sell or offer to sell alcoholic
9 beverages to the public online unless the licensee holds a winery direct shipment
10 license issued under AS 04.09.370 or a package store shipping endorsement under
11 AS 04.09.460.

12 (b) A person may not purchase alcoholic beverages online except from the
13 holder of a winery direct shipment license issued under AS 04.09.370 or a package
14 store shipping endorsement under AS 04.09.460.

15 (c) A person who violates (a) of this section is, upon conviction, guilty of a
16 class A misdemeanor.

17 (d) A person who violates (b) of this section is guilty of a violation.

18 * **Sec. 91.** AS 04.16.025(a) is amended to read:

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

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

22 (A) AS 04.09.060, 04.09.850, or AS 04.11.010; or

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

24 (b); or

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

29 * **Sec. 92.** AS 04.16.030 is amended by adding new subsections to read:

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

(d) Prohibited conduct relating to a drunken person is a violation, punishable by a fine of \$500.

(e) The holder of a license is strictly and vicariously liable for an offense committed under (c) of this section by an employee or agent of the licensee on the licensed premises, punishable by an administrative penalty of \$250. Notwithstanding AS 04.11.370(a)(4) and (5) and AS 04.16.180(b)(1), the board may not order suspension of the license for the first violation committed on the licensed premises under this section.

(f) A licensee who knowingly allows an agent or employee of the licensee to commit the offense of prohibited conduct relating to a drunken person under (c) of this section commits the offense of failure to ensure compliance relating to a drunken person.

(g) Failure to ensure compliance relating to a drunken person is a class A misdemeanor.

* **Sec. 93.** AS 04.16.035 is amended to read:

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

* **Sec. 94.** AS 04.16.035 is amended by adding new subsections to read:

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

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

* **Sec. 95.** AS 04.16.040 is amended by adding new subsections to read:

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

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

* **Sec. 96.** AS 04.16.045 is amended by adding new subsections to read:

(b) A person who violates this section commits the offense of permitting

consumption not authorized under a license.

(c) Permitting consumption not authorized under a license is a violation.

* **Sec. 97.** AS 04.16.047 is amended by adding new subsections to read:

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

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

* **Sec. 98.** AS 04.16.049(a) is amended to read:

(a) A person under 21 years of age may not knowingly enter or remain in premises licensed under this title unless

(1) accompanied by a parent, guardian, or spouse who has attained 21 years of age;

(2) the person is allowed to enter and remain on [AT LEAST 16 YEARS OF AGE,] the premises under a restaurant or eating place license issued under AS 04.09.210, seasonal restaurant or eating place tourism license issued under AS 04.09.360, or restaurant endorsement issued under AS 04.09.450 [ARE DESIGNATED BY THE BOARD AS A RESTAURANT FOR THE PURPOSES OF THIS SECTION, AND THE PERSON ENTERS AND REMAINS ONLY FOR DINING;

(3) THE PERSON IS UNDER 16 YEARS OF AGE, IS ACCOMPANIED BY A PERSON OVER 21 YEARS OF AGE, THE PARENT OR GUARDIAN OF THE UNDERAGED PERSON CONSENTS, THE PREMISES ARE DESIGNATED BY THE BOARD AS A RESTAURANT FOR THE PURPOSES OF THIS SECTION, AND THE PERSON ENTERS AND REMAINS ONLY FOR DINING];

(3) [(4)] the person is permitted on the premises under a club license issued under AS 04.09.220(g) or former AS 04.11.110(g); or

(4) [(5)] otherwise provided under (c), (d), or (g) of this section.

* **Sec. 99.** AS 04.16.049(c) is amended to read:

(c) Notwithstanding any other provision in this section, a person 16 or 17 years of age may enter and remain within the licensed premises of a hotel or motel,

1 **large resort**, golf course, **general wholesaler, limited brewed beverage and wine**
 2 **wholesaler, common carrier dispensary, outdoor recreation lodge**, or restaurant
 3 [OR EATING PLACE] in the course of employment if

4 (1) the employment does not involve the serving, mixing, delivering,
 5 or dispensing of alcoholic beverages;

6 (2) the person has the written consent of a parent or guardian; and

7 (3) an exemption from the prohibition of AS 23.10.355 is granted by
 8 the Department of Labor and Workforce Development. [THE BOARD, WITH THE
 9 APPROVAL OF THE GOVERNING BODY HAVING JURISDICTION AND AT
 10 THE LICENSEE'S REQUEST, SHALL DESIGNATE WHICH PREMISES ARE
 11 HOTELS, GOLF COURSES, RESTAURANTS, OR EATING PLACES FOR THE
 12 PURPOSES OF THIS SUBSECTION.]

13 * **Sec. 100.** AS 04.16.049(d) is amended to read:

14 (d) Notwithstanding any other provision in this section, a person 18, 19, or 20
 15 years of age may be employed within the licensed premises of a hotel **or motel, large**
 16 **resort**, golf course, **general wholesaler, limited brewed beverage and wine**
 17 **wholesaler, common carrier dispensary, outdoor recreation lodge**, or restaurant
 18 [OR EATING PLACE], may enter and remain within those premises for the purpose
 19 of employment, but may not, in the course of employment, sell, serve, deliver, or
 20 dispense alcoholic beverages.

21 * **Sec. 101.** AS 04.16.049 is amended by adding a new subsection to read:

22 (j) Notwithstanding any other provision in this section, a person under 21
 23 years of age may be present on the licensed premises of a common carrier dispensary,
 24 destination resort, or outdoor recreation lodge for the purpose of travel, travel lodging,
 25 or outdoor recreation activities provided by the licensee if the person is

26 (1) at least 16 years of age; or

27 (2) under 16 years of age and a parent or legal guardian of the
 28 underaged person consents.

29 * **Sec. 102.** AS 04.16.051(d) is repealed and reenacted to read:

30 (d) A person who, with criminal negligence, furnishes or delivers an alcoholic
 31 beverage to a person under 21 years of age in violation of (a) of this section commits

1 the crime of furnishing or delivering to a minor.

2 * **Sec. 103.** AS 04.16.051 is amended by adding a new subsection to read:

3 (e) Furnishing or delivering to a minor is

4 (1) a class A misdemeanor, except as provided in (2) of this
5 subsection;

6 (2) a class C felony if

7 (A) within the five years preceding the violation, the person has
8 been previously convicted under

9 (i) this section; or

10 (ii) a law or ordinance of this or another jurisdiction
11 with elements substantially similar to this section;

12 (B) the person who receives the alcoholic beverage negligently
13 causes serious physical injury to or the death of another person while under the
14 influence of the alcoholic beverage received in violation of this section; in this
15 subparagraph,

16 (i) "negligently" means acting with civil negligence;

17 and

18 (ii) "serious physical injury" has the meaning given in
19 AS 11.81.900; or

20 (C) the violation occurs within the boundaries of a municipality
21 or the perimeter of an established village that has adopted a local option under
22 AS 04.11.491 and has not opted out of applying a class C felony to violations
23 of this section under AS 04.11.491(g).

24 * **Sec. 104.** AS 04.16.052 is amended by adding new subsections to read:

25 (b) The holder of a license is strictly liable for an offense committed under (a)
26 of this section by an employee or agent of the licensee on the licensed premises,
27 punishable by an administrative penalty of \$250. Notwithstanding AS 04.11.370(a)(4)
28 and (5) and AS 04.16.180(b)(1), the board may not order suspension of the license for
29 the first violation committed on the licensed premises under this section.

30 (c) A person who violates (a) of this section commits the offense of licensee,
31 employee, or agent furnishing alcohol to a minor.

(d) Licensee, employee, or agent furnishing alcohol to a minor is a violation and is punishable by a fine of \$500.

(e) A licensee who knowingly allows an agent or employee of the licensee to commit the offense of licensee, employee, or agent furnishing alcohol to a minor under (c) of this section commits the offense of failure to ensure compliance relating to furnishing alcohol to a minor.

(f) Failure to ensure compliance relating to furnishing alcohol to a minor is a class A misdemeanor.

* **Sec. 105.** AS 04.16.055 is amended by adding new subsections to read:

(b) A person who knowingly rents a room in a hotel, motel, resort, or similar business for the purpose of providing alcoholic beverages to a person under 21 years of age commits the crime of renting a room for the purpose of providing alcoholic beverages to a person under 21 years of age.

(c) Renting a room for the purpose of providing alcoholic beverages to a person under 21 years of age is a class A misdemeanor.

* **Sec. 106.** AS 04.16.057(b) is amended to read:

(b) A person who violates this section is guilty of a violation and **is punishable by a fine of \$500** [SHALL BE PUNISHED AS PROVIDED IN AS 12.55].

* **Sec. 107.** AS 04.16.060(e) is amended to read:

(e) A person under the age of 21 who is seeking to enter and remain in a licensed premises under AS 04.16.049(a)(2) [OR (3)] may not misrepresent the person's age or having obtained the consent of the parent or guardian required by that section.

* **Sec. 108.** AS 04.16.060 is amended by adding new subsections to read:

(g) A person who violates (a) of this section commits the offense of purchase by a person under 21 years of age.

(h) A person who violates (b) or (c) of this section commits the offense of delivery to a person under 21 years of age.

(i) Purchase by a person under 21 years of age is a violation and is punishable by a fine of \$500.

(j) Delivery to a person under 21 years of age is a violation and is punishable by a fine of \$500.

(k) For a person under 21 years of age who commits an offense under (g) of this section, the violation must be charged and filed with the court as a separate case and may not be combined or joined with any other minor offense or criminal charge in one action at the time of filing. A court may reduce the fine to \$50 for a person who has not more than one previous violation or to \$250 for a person who has two or more previous violations if the person provides the court, not later than six months after a judgment of conviction is entered, with proof of completion of

(1) an alcohol safety action program or a juvenile alcohol safety action program developed, designated, or approved by the Department of Health and Social Services under AS 47.37; or

(2) a community diversion panel.

* **Sec. 109.** AS 04.16.080 is amended to read:

Sec. 04.16.080. Consumption [SALES OR CONSUMPTION] at school events. A person **who is 21 years of age or older** may not [SELL OR] consume alcoholic beverages during a school event at the site of the event **if the event is expected to attract attendees under 21 years of age.**

* **Sec. 110.** AS 04.16.080 is amended by adding new subsections to read:

(b) A person who is 21 years of age or older who consumes an alcoholic beverage during a school event at the site of the event under (a) of this section commits the offense of consuming at a school event.

(c) Consuming at a school event is a violation and is punishable by a fine of \$100.

* **Sec. 111.** AS 04.16.090(c) is amended to read:

(c) **In** [FOR THE PURPOSES OF] this section, "consideration" includes [BUT IS NOT LIMITED TO] cover charge, the sale of food, ice, mixers, or other liquids used with alcoholic beverage drinks, [OR] the furnishing of glassware or other containers for use in the consumption of alcoholic beverages, **other charges for access to the licensed premises, or other services or products provided on the licensed premises.**

1 * **Sec. 112.** AS 04.16.090 is amended by adding new subsections to read:

2 (d) A person who knowingly violates this section commits the crime of
3 maintaining a bottle club.

4 (e) Maintaining a bottle club is a class A misdemeanor.

5 * **Sec. 113.** AS 04.16.110 is amended by adding new subsections to read:

6 (b) A person who knowingly sells an alcoholic beverage in violation of (a) of
7 this section commits the crime of sale of a prohibited alcoholic beverage.

8 (c) Sale of a prohibited alcoholic beverage is a class A misdemeanor.

9 * **Sec. 114.** AS 04.16.120 is amended by adding new subsections to read:

10 (d) A person who removes an alcoholic beverage from licensed premises in
11 violation of (a) of this section and a person who brings an alcoholic beverage onto
12 licensed premises in violation of (b) of this section commits the offense of removal or
13 introduction of alcoholic beverages.

14 (e) Notwithstanding (a) of this section, the holder of a beverage dispensary
15 license under AS 04.09.200, the holder of a beverage dispensary tourism license under
16 AS 04.09.350, or the holder's employee may transport alcoholic beverages across
17 unlicensed portions of a hotel, motel, or large resort if the

18 (1) licensee holds an endorsement under AS 04.09.430 or 04.09.440;

19 and

20 (2) licensee or employee is walking directly from one licensed area of
21 the premises to another licensed area.

22 (f) Notwithstanding (a) of this section, a person may remove alcoholic
23 beverages from the licensed premises of a beverage dispensary license under
24 AS 04.09.200 or a beverage dispensary tourism license under AS 04.09.350 for
25 consumption on unlicensed portions of a large resort if the licensee holds a large resort
26 endorsement under AS 04.09.440.

27 (g) Removal or introduction of alcoholic beverages is a violation and is
28 punishable by a fine of \$100.

29 * **Sec. 115.** AS 04.16.125(a) is amended to read:

30 (a) A person may not use a common carrier to transport alcoholic beverages
31 into an area that has restricted the sale of alcoholic beverages under

AS 04.11.491(a)(1), (2), or (3) or (b)(1) or (2) unless

(1) the shipping container holding the alcoholic beverages is clearly labeled as containing alcoholic beverages [WITH LETTERS THAT CONTRAST IN COLOR TO THE SHIPPING CONTAINER AND THAT ARE AT LEAST TWO INCHES IN HEIGHT]; and

(2) an itemized invoice showing the quantity and purchase value of distilled spirits, [OF] wine, and **brewed** [OF MALT] beverages is attached to the outside of the shipping container.

* **Sec. 116.** AS 04.16.125(b) is amended to read:

(b) **The requirements in (a) of this section do** [THIS SECTION DOES] not apply to

(1) a person transporting [NOT MORE THAN]

(A) two liters **or less** of wine;

(B) one gallon **or less** of **brewed** [MALT] beverages; or

(C) one liter **or less** of distilled spirits; or

(2) the transportation of alcoholic beverages for use on premises allowed under **AS 04.11.491(a)(2) or (3)** [AS 04.11.491(a)(2) - (3)] or (b)(2) or for use under a permit allowed under AS 04.11.491(a)(2).

* **Sec. 117.** AS 04.16.125 is amended by adding new subsections to read:

(d) A person who knowingly violates this section commits the crime of unauthorized transportation of alcoholic beverages by common carrier into a local option area.

(e) Unauthorized transportation of alcoholic beverages by common carrier into a local option area is a class A misdemeanor.

* **Sec. 118.** AS 04.16.130 is amended by adding new subsections to read:

(c) A person who violates this section commits the offense of unauthorized storage of alcoholic beverages.

(d) Unauthorized storage of alcoholic beverages is a violation.

* **Sec. 119.** AS 04.16.140 is amended by adding new subsections to read:

(b) A person who knowingly violates (a) of this section commits the offense of sale or consumption of an alcoholic beverage in a warehouse.

(c) Sale or consumption of an alcoholic beverage in a warehouse is a violation.

* **Sec. 120.** AS 04.16.150 is amended by adding new subsections to read:

(b) Except as provided under AS 04.16.030(f) and 04.16.052(e), a licensee who knowingly violates (a) of this section commits the offense of failure to ensure compliance.

(c) Failure to ensure compliance is a violation.

* **Sec. 121.** AS 04.16.160 is amended by adding new subsections to read:

(c) A person who knowingly fails to comply with a restriction on purchasing alcoholic beverages in violation of (a) of this section commits the crime of failure to comply with a restriction on purchasing alcoholic beverages.

(d) Failure to comply with a restriction on purchasing alcoholic beverages is a class A misdemeanor.

* **Sec. 122.** AS 04.16.170(b) is amended to read:

(b) A person transporting alcoholic beverages into the state may not sell those alcoholic beverages to a person not licensed under this title, unless the alcoholic beverages are used for religious, industrial, pharmaceutical, or medical purposes, **or as allowed under AS 04.09.370.**

* **Sec. 123.** AS 04.16.170 is amended by adding new subsections to read:

(c) A licensee who knowingly violates (a) or (b) of this section commits the crime of sale of alcoholic beverages from or to an unlicensed person.

(d) Sale of alcoholic beverages from or to an unlicensed person is a class A misdemeanor.

* **Sec. 124.** AS 04.16.172 is amended to read:

Sec. 04.16.172. Restrictions on purchase and sale of alcoholic beverages. A person licensed under **AS 04.09.200, 04.09.210, 04.09.220, 04.09.230, 04.09.270, 04.09.280, 04.09.290, 04.09.300, 04.09.310, 04.09.320, 04.09.330, 04.09.340, 04.09.350, or 04.09.360** [AS 04.11.090, 04.11.100, 04.11.110, OR 04.11.150] may not purchase, sell, or offer for sale an alcoholic beverage unless the alcoholic beverage being purchased, sold, or offered for sale was obtained from a person licensed under

(1) **AS 04.09.100 or 04.09.110** [AS 04.11.160] as a primary source of supply for the alcoholic beverage being purchased, sold, or offered for sale;

(2) AS 04.09.230 [AS 04.11.150] and the alcoholic beverage being purchased, sold, or offered for sale was obtained from a person licensed under AS 04.09.100 or 04.09.110 [AS 04.11.160] as a primary source of supply; or

(3) AS 04.09.020, 04.09.030, or 04.09.040 [AS 04.11.130, 04.11.140, OR 04.11.170].

* **Sec. 125.** AS 04.16.172 is amended by adding new subsections to read:

(b) A licensee who knowingly violates (a) of this section commits the crime of licensee obtaining alcoholic beverages from an unlicensed seller.

(c) Licensee obtaining alcoholic beverages from an unlicensed seller is a class A misdemeanor.

* **Sec. 126.** AS 04.16.175 is amended by adding new subsections to read:

(c) A person who knowingly furnishes an alcoholic beverage to a player in violation of (a) of this section commits the crime of furnishing an alcoholic beverage in aid of a gambling enterprise.

(d) Furnishing an alcoholic beverage in aid of a gambling enterprise is a class A misdemeanor.

* **Sec. 127.** AS 04.16.180(b) is amended to read:

(b) A suspension or revocation of a license ordered by the board under AS 04.11.370(a)(4) and (5) shall be as follows:

(1) on first conviction, the license of the premises involved may not be revoked, but, except as provided in AS 04.16.030 and 04.16.052, may be suspended for not more than 45 days;

(2) on second conviction, the license of the premises involved may not be revoked, but may be suspended for not more than 90 days;

(3) on third conviction, the license of the premises involved may be suspended or revoked.

* **Sec. 128.** AS 04.16.180(e) is amended to read:

(e) In this section,

(1) "conviction" includes a conviction of a violation, a misdemeanor, and a felony;

(2) [THE TERMS] "second conviction" and "third conviction" include

only convictions for violations that occur within five years after [OF] the first conviction; the [. THE] terms refer to the cumulative number of convictions of a licensee of any combination of violations of the provisions of this title, regulations adopted under this title, or ordinances adopted under AS 04.21.010; [. THE TERMS] "second conviction" and "third conviction" include a conviction of the agent or employee of a licensee of a violation of a law, regulation, or ordinance if the conviction constitutes a ground for suspension or revocation under AS 04.11.370(a)(5).

* **Sec. 129.** AS 04.16.180 is amended by adding new subsections to read:

(f) In addition to the criminal penalties specified in this title and AS 12.55, a holder of a license under this title who is convicted of a crime or offense involving the violation of a provision of this title or a regulation adopted under this title is subject to suspension or revocation of the license under this section and other administrative penalties imposed by the board. For purposes of administrative penalties under this subsection, each violation is a separate offense.

(g) The holder of a license subject to suspension or revocation under (b)(2) or (3) of this section may request a hearing to petition the board to reduce the administrative penalty. The board may reduce the administrative penalty if the licensee shows, by a preponderance of the evidence, that

(1) the licensee complied with the alcohol server education course requirement of AS 04.21.025 and adopted and enforced a compliance program and a disciplinary program for agents and employees of the licensee;

(2) the licensee has a pattern and practice of exercising the degree of care required under AS 04.16.030;

(3) the licensee posted warning signs as required under AS 04.21.065;
and

(4) in the case of a conviction for a violation of AS 04.16.030 or 04.16.052, the agent or employee convicted under AS 04.16.030 or 04.16.052 completed an alcohol server education course under AS 04.21.025.

* **Sec. 130.** AS 04.16.220(a) is amended to read:

(a) The following are subject to forfeiture:

(1) alcoholic beverages manufactured, sold, offered for sale, possessed for sale, or bartered or exchanged for goods and services in this state in violation of AS 04.09.060, 04.09.850, or AS 04.11.010; alcoholic beverages possessed, stocked, warehoused, or otherwise stored in violation of AS 04.21.060; alcoholic beverages sold or offered for sale in violation of a local option adopted under AS 04.11.491; alcoholic beverages transported into the state and sold to persons not licensed under this title [CHAPTER] in violation of AS 04.16.170(b); alcoholic beverages transported in violation of AS 04.09.750 or AS 04.16.125;

(2) materials and equipment used in the manufacture, sale, offering for sale, possession for sale, or barter or exchange of alcoholic beverages for goods and services in this state in violation of AS 04.09.060, 04.09.850, or AS 04.11.010; materials and equipment used in the stocking, warehousing, or storage of alcoholic beverages in violation of AS 04.21.060; materials and equipment used in the sale or offering for sale of an alcoholic beverage in an area in violation of a local option adopted under AS 04.11.491;

(3) aircraft, vehicles, or vessels used to transport or facilitate the transportation of

(A) alcoholic beverages manufactured, sold, offered for sale, possessed for sale, or bartered or exchanged for goods and services in this state in violation of AS 04.09.060, 04.09.850, or AS 04.11.010;

(B) property stocked, warehoused, or otherwise stored in violation of AS 04.21.060;

(C) alcoholic beverages imported into a municipality or established village in violation of AS 04.11.499(a);

(4) alcoholic beverages found on licensed premises that do not bear federal excise stamps if excise stamps are required under federal law;

(5) alcoholic beverages, materials, or equipment used in violation of AS 04.16.175;

(6) money, securities, negotiable instruments, or other things of value used in financial transactions or items of value purchased from the proceeds derived from activity prohibited under AS 04.09.060, 04.09.850, or AS 04.11.010 or in

violation of a local option adopted under AS 04.11.491;

(7) a firearm used in furtherance of a violation of this title.

* **Sec. 131.** AS 04.16.220(d) is amended to read:

(d) Property subject to forfeiture under (a) of this section may be forfeited

(1) upon conviction of a person for a violation of AS 04.09.060, 04.09.750, 04.09.850, AS 04.11.010, 04.11.499, AS 04.16.125, AS 04.21.060, or AS 04.11.501 or an ordinance adopted under AS 04.11.501; or

(2) upon judgment by the superior court in a proceeding in rem that the property was used in a manner subjecting it to forfeiture under (a) of this section.

* **Sec. 132.** AS 04.16.220(g) is amended to read:

(g) It is no defense in an in rem forfeiture proceeding brought under (d)(2) of this section that a criminal proceeding is pending or has resulted in conviction or acquittal of a person charged with violating AS 04.09.060, 04.09.850, AS 04.11.010, 04.11.499, or AS 04.21.060.

* **Sec. 133.** AS 04.16.220(i) is amended to read:

(i) Upon conviction for a violation of AS 04.09.060, 04.09.850, AS 04.11.010, or 04.11.499(a), if an aircraft, vehicle, or watercraft is subject to forfeiture under (a) of this section, the court shall, subject to remission to innocent parties under this section,

(1) order the forfeiture of an aircraft to the state;

(2) order the forfeiture of a vehicle or watercraft if

(A) the defendant has a prior felony conviction for a violation of AS 11.41 or a similar law in another jurisdiction;

(B) the defendant is on felony probation or parole;

(C) the defendant has a prior conviction for violating AS 04.11.010 or 04.11.499(a); or

(D) the quantity of alcohol transported in violation of this title was twice the presumptive amounts in AS 04.11.010(c).

* **Sec. 134.** AS 04.21 is amended by adding a new section to read:

Sec. 04.21.012. Keg registration. (a) A person may not purchase a keg or similar container holding four or more gallons of an alcoholic beverage unless the person provides proof that the person is over 21 years of age and completes and signs

1 a registration form. The purchaser of a keg or similar container holding four or more
 2 gallons of an alcoholic beverage may not remove or obliterate the temporary
 3 identifying tag on the keg or container.

4 (b) A licensee or an agent or employee of a licensee who sells or offers for
 5 sale a keg or similar container holding four or more gallons of an alcoholic beverage
 6 shall require a purchaser to show acceptable proof of age under AS 04.21.050(b) and
 7 sign the sworn statement on a registration form. The licensee shall complete the
 8 registration form and affix a temporary tag with a unique identifier to the keg or
 9 container before releasing the container to the purchaser. The licensee shall retain a
 10 copy of the form for one year and make the form available for inspection.

11 (c) The board shall prescribe a registration form for use by licensees and
 12 purchasers. The board may approve for use a registration form adopted by a local
 13 governing body. A registration form must include

- 14 (1) the name of the seller;
- 15 (2) the name of the purchaser;
- 16 (3) a description of the proof of age provided by the buyer, including
 17 the identification number, if any;
- 18 (4) the unique identifier on the temporary tag attached to the keg or
 19 container under (b) of this section.

20 (d) A licensee or an agent or employee of a licensee who sells a keg or similar
 21 container holding four or more gallons of an alcoholic beverage without completing a
 22 registration form or affixing a temporary identification tag to the keg or container
 23 commits the crime of selling alcoholic beverages in an unregistered keg.

24 (e) A person who is not licensed under this title or the employee or agent of a
 25 person who is not licensed under this title who possesses a keg or similar container
 26 holding four or more gallons of an alcoholic beverage without a temporary
 27 identification tag commits the crime of possessing alcoholic beverages in an
 28 unregistered keg.

29 (f) Selling alcoholic beverages in an unregistered keg is a violation.

30 (g) Possessing alcoholic beverages in an unregistered keg is a violation and is
 31 punishable by a fine of \$100.

1 * **Sec. 135.** AS 04.21.020(a) is amended to read:

2 (a) Except as provided under (b) and (d) of this section, a person who provides
3 alcoholic beverages to another person may not be held civilly liable for injuries
4 resulting from the intoxication of that person unless the person who provides the
5 alcoholic beverages holds a license authorized under AS 04.09.020 - 04.09.370
6 [AS 04.11.080 - 04.11.220] or is an agent or employee of [SUCH] a licensee and

7 (1) the alcoholic beverages are provided to a person under [THE AGE
8 OF] 21 years of age in violation of AS 04.16.051, unless the licensee, agent, or
9 employee secures in good faith from the person a signed statement, liquor
10 identification card, or driver's license meeting the requirements of AS 04.21.050(a)
11 and (b), that indicates that the person is 21 years of age or older; or

12 (2) the alcoholic beverages are provided to a drunken person in
13 violation of AS 04.16.030.

14 * **Sec. 136.** AS 04.21.020(b) is amended to read:

15 (b) A person who sells or barter an alcoholic beverage to another person in
16 violation of AS 04.09.060, 04.09.850, or AS 04.11.010 is strictly liable (1) to the
17 recipient or another person for civil damages if, while under the influence of the
18 alcoholic beverage, the person receiving the alcoholic beverage engages in conduct
19 that results in civil damages and the recipient's being under the influence of the
20 alcoholic beverage substantially contributes to the civil damages; and (2) for the cost
21 to the state or a political subdivision of the state to criminally prosecute a person who
22 receives an alcoholic beverage from a person who violates AS 04.11.010 if the
23 prosecution results from the violation of AS 04.11.010 described in this subsection.

24 * **Sec. 137.** AS 04.21.025(a) is repealed and reenacted to read:

25 (a) Except as provided under (e) and (f) of this section, as a condition of
26 issuance or renewal of a license or conditional contractor's permit and selling alcoholic
27 beverages under a license or conditional contractor's permit, the board shall require a
28 licensee or permittee who sells or serves alcoholic beverages and a licensee's or
29 permittee's agents and employees who sell or serve alcoholic beverages or check the
30 identification of a patron to complete an alcohol server education course approved by
31 the board.

1 * **Sec. 138.** AS 04.21.025(b) is amended to read:

2 (b) The subjects that are included in an approved alcohol server education
3 course shall be determined under regulations adopted by the board. In approving
4 alcohol server education courses, the board shall consider the needs of both urban and
5 rural licensees regarding access to an approved alcohol server education course **and**
6 **allow a licensee, permittee, agent, or employee to complete an alcohol server**
7 **education course online or in person.** A licensee, **permittee,** agent, or employee
8 who sells or serves alcoholic beverages shall keep the card described in (c) of this
9 section or other proof acceptable to the board of successful completion of an approved
10 alcohol server education course on the licensed premises during working hours.

11 * **Sec. 139.** AS 04.21.025(c) is amended to read:

12 (c) A licensee, **permittee,** agent, or employee shall complete the course
13 required under (a) of this section and pass a written test, **online or in person,**
14 demonstrating an understanding of the course subjects not more than 30 days after
15 being licensed, **permitted,** or employed. The course provider shall issue a card to each
16 individual who completes the course and passes the written test. A card issued under
17 this subsection is valid for three years from the date of issue. A licensee, **permittee,**
18 agent, or employee may renew a card issued under this section; to renew the card, the
19 licensee, **permittee,** agent, or employee must pass a written test demonstrating an
20 understanding of the course subjects. **Notwithstanding the 30-day period for**
21 **completing the course and passing the written test under this subsection, a person**
22 **may not sell or serve alcoholic beverages or check the identification of a patron at**
23 **a permitted event under AS 04.09.600 - 04.09.690 unless the person possesses a**
24 **valid card issued before the event.**

25 * **Sec. 140.** AS 04.21.025 is amended by adding new subsections to read:

26 (f) This section does not apply to the following licenses:

- 27 (1) brewery manufacturer license under AS 04.09.020, unless the
28 licensee holds a manufacturer sampling endorsement;
- 29 (2) winery manufacturer license under AS 04.09.030, unless the
30 licensee holds a manufacturer sampling endorsement;
- 31 (3) distillery manufacturer license under AS 04.09.040, unless the

licensee holds a manufacturer sampling endorsement;

(4) general wholesale license under AS 04.09.100;

(5) limited wholesale brewed beverage and wine license under AS 04.09.110;

(6) winery direct shipment license under AS 04.09.370.

(g) A person who violates (a) - (c) or (e) of this section commits the offense of failure to comply with alcohol server education requirements.

(h) Failure to comply with alcohol server education requirements is a violation.

* **Sec. 141.** AS 04.21.050(a) is amended to read:

(a) If a licensee or an agent or employee of the licensee questions or has reason to question whether a person entering licensed premises, or ordering, purchasing, attempting to purchase, or otherwise procuring or attempting to procure alcoholic beverages,

(1) has attained the age of 21 years or is entering without consent in violation of AS 04.16.049(a)(2) [AS 04.16.049(a)(3)] and has not attained the age of 16 years, that licensee, agent, or employee shall require the person to furnish proof of age acceptable under (b) of this section or proof of consent in a form determined by the board; if the person questioned does not furnish proof of age acceptable under (b) of this section, or if a licensee, agent, or employee questions or has reason to question the validity of the proof of age furnished, the licensee, employee, or agent shall require the person to sign a statement that the person is over the age of 21 or 16 years, as appropriate; this statement shall be made on a form prepared by and furnished to the licensee by the board;

(2) is restricted from purchasing alcoholic beverages under AS 04.16.160, the licensee, agent, or employee may, but has no duty or obligation to, require the person to furnish proof acceptable under (b) of this section that the person is not restricted from purchasing alcoholic beverages or require the person to sign a statement that the person is not restricted from purchasing alcoholic beverages under AS 04.16.160; this statement shall be made on a form prepared by and furnished to the licensee by the board.

1 * **Sec. 142.** AS 04.21.060 is amended by adding new subsections to read:

2 (b) A licensee who stores alcoholic beverages elsewhere than on the licensed
3 premises and who fails to comply with (a)(1) - (3) of this section commits the offense
4 of unauthorized warehousing.

5 (c) Unauthorized warehousing is a violation.

6 * **Sec. 143.** AS 04.21.065(a) is repealed and reenacted to read:

7 (a) A holder of one of the following types of licenses or permits shall post on
8 the licensed or designated premises three separate warning signs as described in (b) of
9 this section:

10 (1) brewery manufacturer license under AS 04.09.020 with a
11 manufacturer sampling endorsement under AS 04.09.410;

12 (2) winery manufacturer license under AS 04.09.030 with a
13 manufacturer sampling endorsement under AS 04.09.410;

14 (3) distillery manufacturer license under AS 04.09.040 with a
15 manufacturer sampling endorsement under AS 04.09.410;

16 (4) beverage dispensary license under AS 04.09.200;

17 (5) restaurant or eating place license under AS 04.09.210;

18 (6) club license under AS 04.09.220;

19 (7) package store license under AS 04.09.230;

20 (8) pub license under AS 04.09.240;

21 (9) theater license under AS 04.09.250;

22 (10) common carrier dispensary license under AS 04.09.260;

23 (11) sporting activity or event license under AS 04.09.270;

24 (12) outdoor recreation lodge license under AS 04.09.280;

25 (13) fair license under AS 04.09.290;

26 (14) golf course license under AS 04.09.300;

27 (15) destination resort license under AS 04.09.310;

28 (16) brewery retail license under AS 04.09.320;

29 (17) winery retail license under AS 04.09.330;

30 (18) distillery retail license under AS 04.09.340;

31 (19) beverage dispensary tourism license under AS 04.09.350;

(20) seasonal restaurant or eating place tourism license under AS 04.09.360;

(21) beverage dispensary caterer's permit under AS 04.09.610;

(22) restaurant caterer's dining permit under AS 04.09.620;

(23) club caterer's permit under AS 04.09.630;

(24) art exhibit event permit under AS 04.09.640;

(25) music festival permit under AS 04.09.645;

(26) nonprofit organization event permit under AS 04.09.650;

(27) package store tasting event permit under AS 04.09.670;

(28) conditional contractor's permit under AS 04.09.690;

(29) another license or permit issued by the board authorizing consumption of alcoholic beverages.

* **Sec. 144.** AS 04.21 is amended by adding new sections to read:

Sec. 04.21.072. Fines and other criminal penalties. (a) A violation under this title, unless otherwise specified in the provision of this title defining the offense, is punishable by a fine of \$250.

(b) A misdemeanor or felony under this title, unless otherwise specified in the provision of this title defining the offense, is punishable as provided in AS 12.55.

Sec. 04.21.074. Bail forfeiture schedule. The supreme court shall establish by rule or order a schedule of bail amounts for violations under this title that allow the disposition of a citation without a court appearance. The bail amount may not exceed the maximum penalty prescribed by law for the violation.

Sec. 04.21.076. Suspension of fine or sentence. The court may not suspend a fine for an offense other than a misdemeanor or felony under this title, or suspend imposition or execution of sentence for an offense other than a misdemeanor or felony under this title, unless otherwise expressly provided in this title.

* **Sec. 145.** AS 04.21.078 is amended to read:

Sec. 04.21.078. Court records of persons under 21 years of age. The Alaska Court System may not publish on a publicly available website the court records of a violation of AS 04.16.049, [OR] 04.16.050, 04.16.060(g), or a similar ordinance of a municipality, if the violation was charged separately and was not joined with any other

1 minor offense or criminal charge at the time of filing.

2 * **Sec. 146.** AS 04.21.080(b)(6) is amended to read:

3 (6) "designated premises" means any or all designated portions of a
 4 building or structure, rooms or enclosures in the building or structure, or real estate
 5 leased, used, controlled, or operated by a licensee or permittee for the purpose for
 6 which the license or permit is issued by the board at the location of the site for which
 7 the license or permit is issued;

8 * **Sec. 147.** AS 04.21.080(b)(15) is amended to read:

9 (15) "licensed premises" means any or all designated portions of a
 10 building or structure, rooms or enclosures in the building or structure, or real estate
 11 leased, used, controlled, or operated by a licensee in the conduct of business for which
 12 the licensee is licensed by the board at the specific address for which the license or an
 13 endorsement to the license is issued;

14 * **Sec. 148.** AS 04.21.080(b) is amended by adding new paragraphs to read:

15 (21) "bona fide restaurant" means an establishment or a portion of an
 16 establishment where, during all times alcoholic beverages are served or consumed,

17 (A) the patron's principal activity is consumption of food; and

18 (B) a variety of types of food items appropriate for meals is
 19 prepared on site and available for sale as shown on a menu provided to patrons
 20 and filed with the board;

21 (22) "brewed beverage" means an alcoholic beverage made by
 22 fermenting cereal grains, including beer and malt beverages, sake, and kombucha;

23 (23) "calendar year" means the period beginning January 1 and ending
 24 December 31;

25 (24) "cider" means a type of wine made primarily from fermented
 26 apples, apple juice, or concentrate;

27 (25) "distilled spirit" means an alcoholic beverage that is first
 28 fermented and then distilled;

29 (26) "golf course" means a course that is open to the public, having at
 30 least nine holes and covering at least 2,950 yards;

31 (27) "kombucha" means a brewed beverage made from fermented tea

1 and containing at least one-half percent alcohol by volume;

2 (28) "mead" means a type of wine made primarily from honey;

3 (29) "sake" means a type of brewed beverage made primarily from
4 fermented rice;

5 (30) "wine" means an alcoholic beverage made from fermented grapes
6 or other fruit or honey.

7 * **Sec. 149.** AS 05.15.690(48) is amended to read:

8 (48) "vendor" means a business whose primary activity is not regulated
9 by this chapter but that

10 (A) is engaged in the sale of pull-tabs on behalf of a permittee;

11 (B) holds a business license under AS 43.70; and

12 (C) is an establishment holding a

13 (i) beverage dispensary license under **AS 04.09.200 or**
14 **beverage dispensary tourism license under AS 04.09.350 without a**
15 **restaurant endorsement issued under AS 04.09.450** [AS 04.11.090]
16 that [HAS NOT BEEN DESIGNATED BY THE ALCOHOLIC
17 BEVERAGE CONTROL BOARD UNDER AS 04.16.049(a)(2) - (3),]
18 has not been exempted by the Department of Labor and Workforce
19 Development under AS 04.16.049(c) and AS 23.10.355 [,] and, if the
20 establishment is a hotel, motel, resort, or similar business that caters to
21 the traveling public as a substantial part of its business, does not allow
22 the sale of pull-tabs in a dining room, banquet room, guest room, or
23 other public areas other than a room in which there is regularly
24 maintained a fixed counter or service bar **that has plumbing**
25 **connections to permanent plumbing** at which alcoholic beverages are
26 sold or served to members of the public for consumption;

27 (ii) package store license under **AS 04.09.230** [AS 04.11.150];

28 * **Sec. 150.** AS 09.65.315(b) is amended to read:

29 (b) A person licensed under **AS 04.09.020 - 04.09.370** [AS 04.11.080 -
30 04.11.255], or an agent or employee of the person, is not liable for damages resulting
31 from a motor vehicle accident described under (a) of this section. A person or entity

1 that participates in making arrangements for transportation of a vehicle under (a) of
 2 this section is not liable for damages resulting from a motor vehicle accident described
 3 in (a) of this section.

4 * **Sec. 151.** AS 11.61.220(d) is amended to read:

5 (d) In a prosecution under (a)(2) of this section, it is

6 (1) an affirmative defense that

7 (A) [REPEALED]

8 (B) the loaded firearm was a concealed handgun as defined in
 9 AS 18.65.790; and

10 (C) the possession occurred at a place **covered by a restaurant**
 11 **or eating place license under AS 04.09.210, seasonal restaurant or eating**
 12 **place tourism license under AS 04.09.360, or restaurant endorsement**
 13 **under AS 04.09.450** [DESIGNATED AS A RESTAURANT FOR THE
 14 PURPOSES OF AS 04.16.049] and the defendant did not consume
 15 intoxicating liquor at the place;

16 (2) a defense that the defendant, at the time of possession, was on
 17 business premises

18 (A) owned by or leased by the defendant; or

19 (B) in the course of the defendant's employment for the owner
 20 or lessee of those premises.

21 * **Sec. 152.** AS 11.76.100(b) is amended to read:

22 (b) Notwithstanding the provisions of (a) of this section, a person who
 23 maintains a vending machine is not in violation of (a)(3) of this section if the vending
 24 machine is located

25 (1) on premises licensed as a beverage dispensary under **AS 04.09.200**
 26 **or 04.09.350** [AS 04.11.090], licensed as a club under **AS 04.09.220** [AS 04.11.110],
 27 or licensed as a package store under **AS 04.09.230** [AS 04.11.150]; and

28 (A) as far as practicable from the primary entrance; and

29 (B) in a place that is directly and continually supervised by a
 30 person employed on the licensed premises during the hours the vending
 31 machine is accessible to the public; or

(2) in an employee break room or other controlled area of a private work place that is not generally considered a public place and the room or area contains a posted warning sign at least 11 inches by 14 inches indicating that possession of tobacco by a person under 19 years of age is prohibited under AS 11.76.105.

* **Sec. 153.** AS 11.76.107(a) is amended to read:

(a) A person commits the offense of failure to supervise a vending machine if the person owns premises licensed as a beverage dispensary under AS 04.09.200 or 04.09.350 [AS 04.11.090], licensed as a club under AS 04.09.220 [AS 04.11.110], or licensed as a package store under AS 04.09.230 [AS 04.11.150] and with criminal negligence fails to have an employee supervise a vending machine on those premises that dispenses cigarettes, cigars, tobacco, products containing tobacco, electronic smoking products, or products containing nicotine as required by AS 11.76.100(b)(1)(B) and 11.76.109(d)(1)(B).

* **Sec. 154.** AS 11.76.109(d) is amended to read:

(d) Notwithstanding (a)(3) of this section, a person who maintains a vending machine is not in violation of (a)(3) of this section if the vending machine is located

(1) on premises licensed as a beverage dispensary under AS 04.09.200 or 04.09.350 [AS 04.11.090], licensed as a club under AS 04.09.220 [AS 04.11.110], or licensed as a package store under AS 04.09.230 [AS 04.11.150], and is located

(A) as far as practicable from the primary entrance; and

(B) in a place that is directly and continually supervised by a person employed on the licensed premises during the hours the vending machine is accessible to the public; or

(2) in an employee break room or other controlled area of a private work place that is not generally considered a public place and the room or area contains a posted warning sign at least 11 inches by 8.5 inches indicating that possession of electronic smoking products or products containing nicotine by a person under 19 years of age without a prescription is prohibited under this section [AS 11.76.109].

* **Sec. 155.** AS 12.62.400(a) is amended to read:

(a) To obtain a national criminal history record check for determining a person's qualifications for a license, permit, registration, employment, or position, a person shall submit the person's fingerprints to the department with the fee established by AS 12.62.160. The department may submit the fingerprints to the Federal Bureau of Investigation to obtain a national criminal history record check of the person for the purpose of evaluating a person's qualifications for

(1) a license or conditional contractor's permit to manufacture, sell, offer for sale, possess for sale or barter, traffic in, or barter an alcoholic beverage under AS 04.09 [AS 04.11];

(2) licensure as a mortgage lender, a mortgage broker, or a mortgage loan originator under AS 06.60;

(3) admission to the Alaska Bar Association under AS 08.08;

(4) licensure as a collection agency operator under AS 08.24;

(5) a certificate of fitness to handle explosives under AS 08.52;

(6) licensure as a massage therapist under AS 08.61;

(7) licensure to practice nursing or certification as a nurse aide under AS 08.68;

(8) certification as a real estate appraiser under AS 08.87;

(9) a position involving supervisory or disciplinary power over a minor or dependent adult for which criminal justice information may be released under AS 12.62.160(b)(9);

(10) a teacher certificate under AS 14.20;

(11) a registration or license to operate a marijuana establishment under AS 17.38;

(12) admittance to a police training program under AS 18.65.230 or for certification as a police officer under AS 18.65.240 if that person's prospective employer does not have access to a criminal justice information system;

(13) licensure as a security guard under AS 18.65.400 - 18.65.490;

(14) a concealed handgun permit under AS 18.65.700 - 18.65.790;

(15) licensure as an insurance producer, managing general agent, reinsurance intermediary broker, reinsurance intermediary manager, surplus lines

broker, or independent adjuster under AS 21.27;

(16) serving and executing process issued by a court by a person designated under AS 22.20.130;

(17) a school bus driver license under AS 28.15.046;

(18) licensure as an operator or an instructor for a commercial driver training school under AS 28.17;

(19) registration as a broker-dealer, agent, investment adviser representative, or investment adviser under AS 45.56.300 - 45.56.350;

(20) licensure, license renewal, certification, certification renewal, or payment from the Department of Health and Social Services of an individual and an entity subject to the requirements for a criminal history check under AS 47.05.310, including

(A) a public home care provider described in AS 47.05.017;

(B) a provider of home and community-based waiver services financed under AS 47.07.030(c);

(C) a case manager to coordinate community mental health services under AS 47.30.530;

(D) an entity listed in AS 47.32.010(b), including an owner, officer, director, member, partner, employee, volunteer, or contractor of an entity; or

(E) an individual or entity not described in (A) - (D) of this paragraph that is required by statute or regulation to be licensed or certified by the Department of Health and Social Services or that is eligible to receive payments, in whole or in part, from the Department of Health and Social Services to provide for the health, safety, and welfare of persons who are served by the programs administered by the Department of Health and Social Services.

* **Sec. 156.** AS 18.56.230(b) is amended to read:

(b) The corporation may not authorize the commercial use of space in a multi-unit residential housing development owned or financed by the corporation for

(1) a business that offers adult entertainment;

(2) the sale of alcoholic beverages, unless the sale [IS IN A RESTAURANT OR EATING PLACE LICENSED UNDER AS 04.11.100 OR] is in premises

(A) licensed under a restaurant or eating place license issued by the Alcoholic Beverage Control Board under AS 04.09.210 or seasonal restaurant or eating place tourism license issued by the Alcoholic Beverage Control Board under AS 04.09.360; or

(B) covered by a restaurant endorsement issued [DESIGNATED] by the Alcoholic Beverage Control Board under AS 04.09.450 [AS A RESTAURANT UNDER AS 04.16.049];

(3) substance abuse treatment; or

(4) a business that primarily sells, transfers, or stores cigarettes or tobacco-related products.

* **Sec. 157.** AS 18.65.085(c) is amended to read:

(c) The Department of Public Safety may establish and administer a reward program, and provide grants to municipalities, established villages, and, at the request of a municipality or established village, to a nonprofit association that administers a village public safety officer program, for reward programs leading to the apprehension and conviction of persons who violate AS 04.09.060, 04.09.850, or AS 04.11.010 by selling, importing, or possessing alcoholic beverages in violation of a local option adopted by a municipality or established village under AS 04.11.491.

* **Sec. 158.** AS 18.80.230(b) is amended to read:

(b) Notwithstanding (a) of this section, a physical fitness facility may limit public accommodation to only males or only females to protect the privacy interests of its users. Public accommodation may be limited under this subsection only to those rooms in the facility that are primarily used for weight loss, aerobic, and other exercises, or for resistance weight training. Public accommodation may not be limited under this subsection to rooms in the facility primarily used for other purposes, including conference rooms, dining rooms, and premises licensed under AS 04.09 [AS 04.11]. This subsection does not apply to swimming pools or golf courses.

* **Sec. 159.** AS 43.60 is amended by adding a new section to read:

Sec. 43.60.060. Winery direct shipment tax; statement; audit. A holder of a winery direct shipment license under AS 04.09.370 who sells wine in the state or who consigns shipments of wine into the state shall

- (1) be subject to the taxes provided under AS 43.60.010(a);
- (2) provide monthly statements and other information required under AS 43.60.020 with the remittance of a tax collected under this section;
- (3) allow the Department of Revenue to perform an audit of the holder's records upon request; and
- (4) consent to the jurisdiction of a state court concerning enforcement of this section relating to the collection of taxes and other money owed by the holder, including interest and penalties.

* **Sec. 160.** AS 43.70.105(a) is amended to read:

- (a) This chapter does not apply to
 - (1) a fisheries business;
 - (2) the sale of liquor under a license issued under **AS 04.09** [AS 04.11];
 - (3) an insurance business;
 - (4) a mining business;
 - (5) supplying services as an employee;
 - (6) furnishing goods or services by a person who does not represent to be regularly engaged in furnishing goods or services;
 - (7) the activities of an investment club; in this paragraph,
 - (A) "investment club" means a group of individuals, incorporated or otherwise organized, that engages primarily in investing in securities, that does not sell investment services to another person, that does not advertise, and the primary purpose of which is educational;
 - (B) "security" has the meaning given in AS 45.56.900.

* **Sec. 161.** AS 45.45.590(1) is amended to read:

- (1) "business proprietor" means a person who owns a place of business in which the public may assemble and in which copyrighted musical works may be performed, broadcasted, or otherwise transmitted; in this paragraph, "place of

business" includes a store, professional office, sports facility, entertainment facility, restaurant, hotel, or [AN] alcoholic beverage establishment licensed under **AS 04.09** [AS 04.11];

* **Sec. 162.** The uncodified law of the State of Alaska is amended by adding a new section to read:

DIRECT COURT RULE AMENDMENT. Rule 17(h), Alaska Rules of Minor Offense Procedure, is amended to read:

(h) **Joinder Limits.** A prosecutor may not join a violation of AS 04.16.049, [OR] 04.16.050, **or 04.16.060(g)** or a similar municipal ordinance with a related criminal charge.

* **Sec. 163.** AS 04.11.070, 04.11.080, 04.11.090, 04.11.100, 04.11.110, 04.11.115, 04.11.120, 04.11.130, 04.11.135, 04.11.140, 04.11.150, 04.11.160, 04.11.170, 04.11.180, 04.11.200, 04.11.210, 04.11.220, 04.11.225, 04.11.230, 04.11.240, 04.11.250, 04.11.255, 04.11.400(d), 04.11.400(h), 04.11.400(j); AS 04.16.070, 04.16.100, 04.16.180(a), 04.16.180(d), 04.16.210; and AS 04.21.080(b)(3) are repealed.

* **Sec. 164.** AS 04.11.400(e) and 04.11.400(g) are repealed.

* **Sec. 165.** AS 04.09.270(f) is repealed January 1, 2029.

* **Sec. 166.** The uncodified law of the State of Alaska is amended by adding a new section to read:

APPLICABILITY. (a) The provisions of secs. 13 - 24, 34, 84 - 87, 89 - 134, 139 - 142, 144, and 152 - 154 of this Act apply to offenses committed on or after the effective date of each of those respective sections.

(b) References to previous convictions in AS 04.11.270(a), as amended by sec. 27 of this Act, AS 04.16.180(b), as amended by sec. 127 of this Act, AS 04.16.180(e), as amended by sec. 128 of this Act, and AS 04.16.220(i), as amended by sec. 133 of this Act, apply to convictions occurring before, on, or after the effective date of each of those respective sections.

* **Sec. 167.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: IMPLEMENTATION. Notwithstanding sec. 174 of this Act, to timely provide for the issuance, renewal, and transfer of licenses, endorsements, and permits,

beginning on January 1, 2023, the Alcoholic Beverage Control Board may begin to implement the changes that will be made under secs. 6, 7, 12, 13, 25, 27, 74, and 168 of this Act by sending out notices relating to, accepting applications for, and collecting fees for licenses, endorsements, and permits according to the changes that will be made when secs. 6, 7, 12, 13, 25, 27, 74, and 168 of this Act take effect. However, the Alcoholic Beverage Control Board may not issue licenses, endorsements, and permits under secs. 6, 7, 12, 13, 25, 27, 74, and 168 of this Act before January 1, 2023.

* **Sec. 168.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: CONVERSION OF APPLICATIONS AND LICENSES. (a) Notwithstanding the population limits under AS 04.11.400(a) or (b), the Alcoholic Beverage Control Board shall convert, within 90 days after the effective date of this subsection,

(1) a license issued or renewed as necessary for the public convenience under former AS 04.11.400(e) or 04.11.400(g), repealed by sec. 164 of this Act, into a restaurant or eating place license under AS 04.11.100; if the license was issued as a restaurant or eating place license, or into a beverage dispensary license under AS 04.11.090, if the license was issued as a beverage dispensary license under former AS 04.11.400(j), as that subsection read on June 5, 1985;

(2) an application submitted to the board that meets all of the requirements under former AS 04.11.400(e) or 04.11.400(g), repealed by sec. 164 of this Act, into an application for a restaurant or eating place license under AS 04.11.100.

(b) Notwithstanding the population limits under AS 04.11.400(a) or (b), the Alcoholic Beverage Control Board shall convert, within 90 days after the effective date of this subsection,

(1) a license issued or renewed as a bottling works license under former AS 04.11.120, repealed by sec. 163 of this Act, into a brewery manufacturer license under AS 04.09.020, added by sec. 13 of this Act, or into a winery manufacturer license under AS 04.09.030, added by sec. 13 of this Act;

(2) a license issued or renewed as a brewpub license under former AS 04.11.135, repealed by sec. 163 of this Act, into a brewery manufacturer license under AS 04.09.020, added by sec. 13 of this Act;

(3) a license issued or renewed as a beverage dispensary license or restaurant or eating place license for a premises that is a theater under former AS 04.11.090 or AS 04.11.100, repealed by sec. 163 of this Act, into a theater license under AS 04.09.250, added by sec. 13 of this Act;

(4) a license issued or renewed as a wholesale license under former AS 04.11.160(a), repealed by sec. 163 of this Act, into a general wholesale license under AS 04.09.100, added by sec. 13 of this Act;

(5) a license issued or renewed as a wholesale license under former AS 04.11.160(b), repealed by sec. 163 of this Act, into a limited wholesale brewed beverage and wine license under AS 04.09.110, added by sec. 13 of this Act;

(6) a license issued or renewed as a beverage dispensary license under former AS 04.11.400(d), repealed by sec. 163 of this Act, into a beverage dispensary tourism license under AS 04.09.350, added by sec. 13 of this Act;

(7) a duplicate license issued or renewed as a duplicate beverage dispensary license under former AS 04.11.090(e), repealed by sec. 163 of this Act, into a multiple fixed counter endorsement under AS 04.09.420, added by sec. 13 of this Act.

(c) Notwithstanding the population limits under AS 04.11.400(a) or (b), the Alcoholic Beverage Control Board shall, upon application by the licensee, convert a license issued or renewed as a recreational site license under former AS 04.11.210, repealed by sec. 163 of this Act, into a sporting activity or event license under AS 04.09.270, added by sec. 13 of this Act, or another applicable license under AS 04.09.

(d) Notwithstanding the population limits under AS 04.11.400(a) or (b), the Alcoholic Beverage Control Board may

(1) convert a license issued or renewed as a brewery license under former AS 04.11.130, repealed by sec. 163 of this Act, into a brewery manufacturer license under AS 04.09.020, added by sec. 13 of this Act, and a brewery retail license under AS 04.09.320, added by sec. 13 of this Act, upon application by the licensee;

(2) convert an application submitted to the board that meets all of the requirements under former AS 04.11.130, repealed by sec. 163 of this Act, into an application for a brewery manufacturer license under AS 04.09.020, added by sec. 13 of this Act, and a brewery retail license under AS 04.09.320, added by sec. 13 of this Act;

(3) issue a brewery manufacturer license under AS 04.09.020, added by sec. 13 of this Act, and a brewery retail license under AS 04.09.320, added by sec. 13 of this Act, to an applicant who submits an application to the board under former AS 04.11.130, repealed by sec. 163 of this Act, if the board converts the application under (2) of this subsection;

(4) convert a license issued or renewed as a winery license under former AS 04.11.140, repealed by sec. 163 of this Act, into a winery manufacturer license under AS 04.09.030, added by sec. 13 of this Act, and a winery retail license under AS 04.09.330, added by sec. 13 of this Act, upon application by the licensee;

(5) convert an application submitted to the board that meets all of the requirements under former AS 04.11.140, repealed by sec. 163 of this Act, into an application for a winery manufacturer license under AS 04.09.030, added by sec. 13 of this Act, and a winery retail license under AS 04.09.330, added by sec. 13 of this Act;

(6) issue a winery manufacturer license under AS 04.09.030, added by sec. 13 of this Act, and a winery retail license under AS 04.09.330, added by sec. 13 of this Act, to an applicant who submits an application to the board under former AS 04.11.140, repealed by sec. 163 of this Act, if the board converts the application under (5) of this subsection;

(7) convert a license issued or renewed as a distillery license under former AS 04.11.170, repealed by sec. 163 of this Act, into a distillery manufacturer license under AS 04.09.040, added by sec. 13 of this Act, and a distillery retail license under AS 04.09.340, added by sec. 13 of this Act, upon application by the licensee;

(8) convert an application submitted to the board that meets all of the requirements under former AS 04.11.170, repealed by sec. 163 of this Act, into an application for a distillery manufacturer license under AS 04.09.040, added by sec. 13 of this Act, and a distillery retail license under AS 04.09.340, added by sec. 13 of this Act;

(9) issue a distillery manufacturer license under AS 04.09.040, added by sec. 13 of this Act, and a distillery retail license under AS 04.09.340, added by sec. 13 of this Act, to an applicant who submits an application to the board under former AS 04.11.170, repealed by sec. 163 of this Act, if the board converts the application under (8) of this subsection;

(10) establish an application form and procedure for conversion applications under this subsection.

* **Sec. 169.** The uncodified law of the State of Alaska is amended by adding a new section

1 to read:

2 TRANSITION: SEASONAL RESTAURANT OR EATING PLACE LICENSE. (a)
3 Notwithstanding AS 04.11.080, the Alcoholic Beverage Control Board may issue a seasonal
4 restaurant or eating place tourism license to a person who files an application under
5 AS 04.11.260.

6 (b) A seasonal restaurant or eating place license authorizes a restaurant or eating place
7 to sell brewed beverages and wine for consumption only on the licensed premises for a period
8 not to exceed six months in each calendar year.

9 (c) The biennial seasonal restaurant or eating place tourism license fee is \$1,250.

10 (d) The board may issue a license under this section only if

11 (1) the board determines that the licensed premises is a bona fide restaurant or
12 eating place; and

13 (2) the sale and service of food and alcoholic beverages and any other
14 business conducted on the licensed premises of the restaurant or eating place is under the sole
15 control of the licensee.

16 (e) The board may issue a license under this section only in a municipality or
17 established village that

18 (1) has a population of 40,000 or less; and

19 (2) receives more than 4,000 visitors a year, as determined by the board in
20 regulation.

21 (f) The board may issue a license or approve an application for the transfer of
22 ownership of a license under this section if it appears that issuance or transfer will encourage
23 the tourism trade.

24 (g) The holder of a seasonal restaurant or eating place tourism license shall ensure
25 that gross receipts from the sale of food for consumption on the licensed premises are not less
26 than the total amount of the gross receipts from the sale of alcoholic beverages for
27 consumption on the licensed premises in each calendar year.

28 (h) The board shall adopt a regulation establishing a formula to limit the number of
29 seasonal restaurant or eating place tourism licenses.

30 (i) The holder of a seasonal restaurant or eating place tourism license may provide
31 entertainment on or adjacent to the licensed premises only between the hours of 11:00 a.m.

1 and 11:00 p.m. unless additional hours are approved by the director upon the written request
 2 of the licensee for a specific occasion. The director may not grant approval for additional
 3 hours of entertainment on or adjacent to the licensed premises of an individual licensee more
 4 than three times in a calendar year. In this subsection, "entertainment" includes dancing,
 5 karaoke, live performances, or similar activities, but does not include recorded or broadcast
 6 performances without live participation.

7 (j) A license issued under this section may be renewed under AS 04.09.360, added by
 8 sec. 13 of this Act, on or after the effective date of sec. 13 of this Act.

9 (k) In this section, "bona fide restaurant" means an establishment or a portion of an
 10 establishment where, during all times alcoholic beverages are served or consumed,

11 (1) the patron's principal activity is consumption of food; and

12 (2) a variety of types of food items appropriate for meals is prepared on site
 13 and available for sale as shown on a menu provided to patrons and filed with the board.

14 * **Sec. 170.** The uncodified law of the State of Alaska is amended by adding a new section
 15 to read:

16 TRANSITION: REGULATIONS. The Department of Commerce, Community, and
 17 Economic Development and the Alcoholic Beverage Control Board may adopt regulations
 18 necessary to implement the changes made by this Act. The regulations take effect under
 19 AS 44.62 (Administrative Procedure Act), but not before the effective date of the law
 20 implemented by the regulation.

21 * **Sec. 171.** Sections 168(a) and 169 of this Act are repealed January 1, 2023.

22 * **Sec. 172.** Sections 36, 41, 43, 49, 53, 58, 164, 168(a), 168(d)(8), 169, and 170 of this Act
 23 take effect immediately under AS 01.10.070(c).

24 * **Sec. 173.** Section 167 of this Act takes effect September 1, 2022.

25 * **Sec. 174.** Except as provided in secs. 172 and 173 of this Act, this Act takes effect
 26 January 1, 2023.