

1 IN THE HOUSE

BY THE COMMITTEE ON COMMERCE & LABOR

2 CS FOR HOUSE BILL NO. 342

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to alcoholic beverages;
7 amending certain sections of law pertaining
8 thereto; and providing for an effective
9 date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 Section 1. Sec. 35-4-1, ACLA 1949, as repealed by Ch. 43,
12 SLA 1953, as re-enacted by Ch. 131, SLA 1957, and as amended by
13 Sec. 10, Ch. 64, SLA 1959 and by Ch. 197, SLA 1959, is amended to
14 read as follows:

15 Sec. 35-4-1. CREATION OF BOARD AND OFFICE OF DIRECTOR.

16 (A) There is hereby established an Alcoholic Beverage
17 Control Board in the Department of Revenue consisting of
18 three members appointed for overlapping three-year terms; and
19 the Board is hereby vested with the duties, powers, and
20 responsibilities involved in the control of alcoholic bever-
21 ages, including the promulgation of rules and regulations
22 and the hearing of appeals from the action of officers and
23 employees charged with enforcing the alcoholic beverage con-
24 trol laws, rules, and regulations. The functions and
25 authority heretofore performed and exercised by the Board of
26 Liquor Control are hereby transferred to the Alcoholic
27 Beverage Control Board. The Board shall be appointed by the
28 Governor and confirmed by the legislature. No member of the
29 Board shall hold any other office, either elective or

1 appointive, under the State or Federal Governments. One
2 member of the Board shall be actively engaged in the al-
3 coholic beverage industry. No two members of the Board
4 shall be engaged in the same business, occupation or pro-
5 fession. Two members shall constitute a quorum for the con-
6 duct of business. The Board shall meet at least once each
7 year in each of the four judicial districts to study, re-
8 consider and modify existing agency rules and regulations
9 in the light of current local problems.

10 (B) The Governor shall appoint a Director, subject to
11 confirmation by the legislature, who shall be the executive
12 officer of the Board, and whose duty it shall be to enforce
13 this Act and such rules and regulations as are promulgated
14 by the Board. He shall issue all licenses provided for under
15 this Act.

16 Sec. 2. Subsec. (A) of Sec. 35-4-3, ACLA 1949, as repealed
17 by Ch. 43, SLA 1953, as re-enacted, amended and new subsections
18 added by Ch. 131, SLA 1957, and as amended by Sec. 10, Ch. 64,
19 SLA 1959 and by Ch. 197, SLA 1959, is amended to read as follows:

20 (A) The Board is to have full power, authority and
21 control over the manufacture, barter, sale and possession
22 of intoxicating liquors in the State of Alaska, and has power
23 to adopt necessary rules and regulations to assure the
24 proper administration of state liquor regulations in a manner
25 that will protect the public health, safety and welfare.
26 The power of the Board to adopt rules and regulations speci-
27 fically includes, but is not limited to the following
28 matters: [AS PROVIDED HEREIN.]

29 (1) regulating the employment, conduct and duties

- 1 N of the employees of the Board;
- 2 (2) prescribing the forms of application, re-
- 3 ports and other forms, and the terms and conditions to be
- 4 E contained in permits and licenses issued;
- 5 (3) prescribing the fees payable in respect of
- 6 permits and licenses issued for which no fees are pres-
- 7 W cribed by statute, and prescribing the fees for anything
- 8 done or permitted to be done under the regulations;
- 9 (4) providing for regular and special meetings
- 10 of the Board at such times and places in the state as may
- 11 be necessary or proper;
- 12 (5) providing for the delegation to the Director
- 13 of such routine administrative functions and powers as may
- 14 M be proper, including the issuance, transfer and renewal of
- 15 licenses and permits where there is no contest or protest;
- 16 (6) prescribing the manner of giving and serving
- 17 A notices required by law or the regulations, where not provided
- 18 by statute;
- 19 (7) prescribing the conditions, accommodations,
- 20 T qualifications, and inspections of each type or kind of
- 21 license, licensee, or licensed premises;
- 22 (8) providing for the making of returns and
- 23 T reports by wholesalers of wine, beer and liquor;
- 24 (9) providing for the giving of fidelity bonds
- 25 by any or all of the employees of the Board, the premiums
- 26 E therefor to be paid by the state;
- 27 (10) providing for the issuance, renewal, re-
- 28 issuance, revocation and suspension of licenses and permits;
- 29 R (11) prohibiting possession of alcoholic bever-

1 ages by minors;

2 (12) prescribing reports from licensee corpora-
3 tions, including reports of stock ownership, transfers and
4 changes of officers and directors.

5 Sec. 3. Sec. 35-4-3, ACLA 1949, as repealed by Ch. 43, SLA
6 1953, as re-enacted, amended and new subsections added by Ch.
7 131, SLA 1957, and as amended by Sec. 10, Ch. 64, SLA 1959 and
8 by Ch. 197, SLA 1959, is amended by adding a new subsection (G)
9 to read as follows:

10 (G) No person may consume, sell, offer for sale, give,
11 furnish or deliver from an authorized licensee any intoxi-
12 cating liquor on any licensed premises within the state be-
13 tween the hours of 5:00 a.m. to 8:00 a.m. each day of the week.
14 However, incorporated municipalities may provide for addi-
15 tional closing hours pursuant to Sec. 35-4-18, ACLA 1949,
16 as amended.

17 Sec. 4. Sec. 35-4-20, ACLA 1949, as amended by Sec. 2,
18 Ch. 131, SLA 1957, as amended by Sec. 2, Ch. 197, SLA 1959, is
19 hereby amended to read as follows:

20 Sec. 35-4-20. VIOLATION OF ACT A MISDEMEANOR: PENALTY.
21 A violation of any of the provisions of this Act shall be
22 deemed a misdemeanor, and upon conviction thereof shall be
23 punished by imprisonment of not more than one year, or by a
24 fine of not less than Fifty Dollars (\$50.00) nor more than
25 Five Hundred Dollars (\$500.00), each violation to be con-
26 sidered a separate offense. No prosecution for any violation
27 of any provision of this Act may be maintained unless it is
28 commenced within five years after the date the violation is
29 alleged to have been committed.

1 Provided, further, that upon conviction of a licensee,
2 the [COMMISSIONER,] magistrate [, DISTRICT JUDGE,] or other
3 judge having jurisdiction, as the case may be, shall send
4 a notification thereof together with the certified trans-
5 cript of the proceedings to the Board which may, [SHALL]
6 upon the direction of a majority of the members of the Board,
7 suspend said license as hereinafter provided for the first
8 and second violations and shall revoke the license and shall
9 [MAY] upon a third violation forfeit the bond. For the
10 purpose of this section, the terms "second violation" and
11 "third violation" include only those violations which occur
12 within five years of the first violation.

13 First Violation: The license of the premises involved
14 be suspended for not less than 10 nor more than forty-five
15 (45) days;

16 Second Violation: The license of the premises involved
17 may be suspended for a period of not less than 30 days nor
18 more than ninety (90) days.

19 Sec. 5. Sec. 35-4-22, ACLA 1949, as amended by Ch. 131,
20 SLA 1957, as amended by Ch. 197, SLA 1959 is amended by adding a
21 new subsection (N) to read as follows:

22 (N) All hotels, motels, resorts or similar business
23 which hold a beverage dispensary license and which have as
24 a substantial part of their business the catering to the
25 traveling public, shall have the right to serve alcoholic
26 beverages in their dining rooms, banquet rooms and to guests
27 in their rooms.

28 Sec. 6. This Act takes effect on the day after its passage
29 and approval or on the day it becomes law without such approval.