

Original sponsor: Ferguson by request

Offered: 3/23/71
Referred: State Affairs

1 IN THE HOUSE BY THE LOCAL GOVERNMENT COMMITTEE
2 CS FOR HOUSE BILL NO. 130
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SEVENTH LEGISLATURE - FIRST SESSION
5 A BILL

6 For an Act entitled: "An Act relating to the sale of intoxicating liquor
7 by local governments; and providing for an effective
8 date."

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

10 * Section 1. AS 04.10 is amended by adding new sections to read:

11 ARTICLE 6. MUNICIPAL LIQUOR LICENSES.

12 Sec. 04.10.500. CITY LIQUOR LICENSE. (a) A city which does not
13 prohibit sale of intoxicating liquor under the local option election
14 provisions of sec. 430 of this chapter or AS 29.25.380 - 29.25.410 may
15 obtain one retail license for sale of intoxicating liquor on premises
16 within the city as provided in this section.

17 (b) Before a license may be issued under this section, certifica-
18 tion must be submitted to the board that at the last regular or special
19 city election a majority of the qualified voters in the city voted
20 affirmatively on the question, "Shall the incorporated city of
21obtain a retail license for the sale of intoxicating
22 liquor?" The question shall be submitted to a vote within 30 days
23 after the council receives a petition signed by 25 per cent or more
24 of the total number of qualified voters who voted at the last regular
25 city election and request a vote on the petition. Upon receipt of
26 a petition, the council shall notify the board, certify to it the
27 number of voters last voting and furnish it a copy of the petition.
28 The board shall thereupon withhold issuance of retail licenses applied
29 for by other parties pending the election.

1 (c) The council shall conduct the election under this section
2 in the same manner as other regular or special city elections and
3 shall certify and forward notice of the result of a vote on the
4 question immediately to the board. Other provisions of law governing
5 eligibility for licenses notwithstanding, if a majority of the quali-
6 fied voters voting at the election favor the sale of intoxicating
7 beverages by the city under a retail license, the board shall issue
8 the license and thereafter for the term of the license or reissued
9 license deny all applications from other parties for retail licenses
10 sell liquor within the city, except that

11 (1) a retail license for the sale of intoxicating liquor
12 within the city in effect and under which premises have been operated
13 continuously may be renewed or transferred in accordance with this
14 chapter; and

15 (2) this subsection does not preclude the subsequent trans-
16 fer of a license obtained by the city under this section to a corpora-
17 tion organized and certified under the Alaska Nonprofit Corporation
18 Act (AS 10.20.005 - 10.20.725) to conduct and manage the sale of
19 intoxicating liquor on behalf of the council; other provisions of
20 this chapter notwithstanding, transfer may be made upon adoption of a
21 resolution for the purpose by the council and the furnishing of
22 notice of the transfer to the board; the council may at its option
23 revoke a transfer in like manner and again hold the license in the
24 name of the city.

25 (d) No member of a council, or director, officer or member of
26 a corporation organized under the Alaska Nonprofit Corporation Act
27 to conduct and manage the sale of liquor on behalf of the council
28 under this section, or a person related by blood to any such person
29 within the second degree of kindred, may have a financial interest

1 in a license under this chapter, whether by reason of profits or
2 other income from sales under the license, rents from leases of
3 premises operated under the license, or fees or other remuneration
4 for procuring or otherwise making available such premises, or for
5 supplying equipment, furnishings, stock or inventory for the premises.

6 (e) A city obtaining a liquor license under this section may
7 obtain reissuance of the license without presenting the question to
8 the municipal voters, if a petition requesting an election is not
9 presented to the council at least 40 days before the expiration date
10 of the valid existing license. Otherwise, the election requirements
11 of this section shall apply as in the case of issuance of the initial
12 license.

13 (f) After issuance or reissuance of a liquor license under this
14 section, no petition for a vote on the question of the city license may
15 be filed with the council until at least nine months have elapsed from
16 the date the license was issued or renewed.

17 (g) A license for the sale of intoxicating liquor issued or
18 reissued to a city before the effective date of this Act and in effect
19 on the effective date of this Act shall be a valid license for the
20 duration of the license term and thereafter may be renewed in accor-
21 dance with the provisions of this section.

22 (h) The council of a city or board of directors of a nonprofit
23 corporation engaged in the sale of intoxicating liquor under this
24 section shall provide for an annual audit of the accounts and financial
25 transactions under the license. The audit shall be separate from audit
26 of other municipal accounts and financial transactions and shall be
27 made by a certified public accountant designated by the council or
28 board of directors and having no personal interest, direct or indirect,
29 in the fiscal affairs of the city or nonprofit corporation. A copy

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

of the annual audit shall be filed with the Department of Revenue.

Sec. 04.10.510. APPLICATION OF CERTAIN SECTIONS. Secs. 190(a)(5), 210(2) and 270 of this chapter do not apply to licensure of a city under secs. 500 - 520 of this chapter.

Sec. 04.10.520. DEFINITIONS. In secs. 500 - 520 of this chapter

(1) "city" means a general law city or any class having, at the time of issuance of a license under sec. 500 of this chapter, a population under 3,500 persons according to the most recent United States census or other reliable data and providing police protection within the city on a 24-hour a day basis;

(2) "council" means the council or other governing body of a city.

* Sec. 2. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.