

Original sponsors: Hayes, Bettisworth,
Freeman, et al

Offered: 5/2/80
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 454

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the regulation of pricing of alco-
7 holic beverages."

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

9 * Section 1. AS 04.15 is amended by adding new sections to read:

10 Sec. 04.15.120. FILING OF SCHEDULES OF PRICES REQUIRED. (a) A
11 distiller or related person may not sell spirituous liquor to a holder
12 of a general wholesale license unless the distiller or related person
13 has filed with the Department of Revenue a schedule listing the informa-
14 tion required under (b) of this section and an affidavit supporting that
15 schedule as required by AS 04.15.130(b).

16 (b) The schedule required to be filed under (a) of this section
17 shall include the following information:

- 18 (1) the brand name of each spirituous liquor sold;
19 (2) the capacity of each package of spirituous liquor sold;
20 (3) the nature of the contents of each package of spirituous
21 liquor sold;
22 (4) the age and alcoholic content by volume of the contents
23 of each package of spirituous liquor sold;
24 (5) the number of bottles of spirituous liquor contained in
25 each case;
26 (6) the bottle and case price of spirituous liquor to whole-
27 salers; and
28 (7) the net bottle and case price paid to a distiller or
29 related person for the spirituous liquor.

1 (c) The information on prices in the schedule required to be filed
2 under (a) of this section shall be separately stated for each item of
3 information required and may not be combined with another item of infor-
4 mation, or stated in terms of a discount for quantity or for time of
5 payment.

6 (d) The schedule required under (a) of this section shall be in
7 writing, verified, and filed in the form and according to the deadlines
8 required by the commissioner.

9 Sec. 04.15.130. PARITY WITH PRICES IMPOSED ELSEWHERE REQUIRED.

10 (a) A price may not be filed under AS 04.15.120 for a bottle or a case
11 of a brand of spirituous liquor which is higher than the lowest price at
12 which the bottle or case of spirituous liquor was sold by the distiller
13 or related person to a wholesaler in another state, the District of
14 Columbia, or to a state which owns and operates retail liquor stores, at
15 any time during the calendar month immediately preceding the month in
16 which the schedule is filed.

17 (b) A distiller or related person must make an affidavit affirming
18 that the schedule of prices filed by him under AS 04.15.120 complies
19 with (a) of this section.

20 (c) In determining the lowest price for which a bottle or case of
21 spirituous liquor was sold to a wholesaler in another state, in the
22 District of Columbia, or to a state which owns and operates retail
23 liquor stores, the commissioner shall make appropriate reductions (1) to
24 reflect discounts in excess of those to be in effect under the schedule
25 filed under AS 04.15.120, and (2) for rebates, free goods, allowances
26 and other inducements offered or given to a wholesaler, state, or re-
27 tailer purchasing the bottles or cases in the other state or the District
28 of Columbia. However, nothing in this section prevents differences in
29 price which result from differences in state taxes and fees, or from the

1 actual cost of delivery.

2 (d) If the affidavit required under AS 04.15.130(b) is not filed
3 with respect to an item of spirituous liquor within the time prescribed
4 by the commissioner, the schedule for which the affidavit is support is
5 invalid with respect to that item of spirituous liquor, and the item may
6 not be sold to or purchased by a licensee during the period covered by
7 the schedule.

8 (e) As used in this section

9 (1) "state taxes and fees" means the excise taxes imposed or
10 the fees required by a state or by the District of Columbia upon, or
11 based upon, a gallon of spirituous liquor; and

12 (2) "gallon" means 231 cubic ounces.

13 Sec. 04.15.140. PRICING IN ACCORDANCE WITH SCHEDULES REQUIRED. A
14 distiller or related person may not sell spirituous liquor to a whole-
15 saler at a price or discount other than that stated in a schedule filed
16 under AS 04.15.120, unless the commissioner consents in writing upon a
17 showing of good cause.

18 Sec. 04.15.150. PENALTY FOR VIOLATION. If the commissioner finds
19 that a distiller or related person has knowingly made a false statement
20 in an affidavit filed under AS 04.15.130(b), a holder of a general
21 wholesale license may not purchase spirituous liquor from that distiller
22 or related person for the period of time prescribed by the commissioner.

23 Sec. 04.15.160. DEFINITIONS. As used in AS 04.15.120 - 04.15.160

24 (1) "commissioner" means the commissioner of revenue;

25 (2) "related person" means a person

26 (A) engaged in a business of which a distiller has an
27 interest, direct or indirect, by stock or other security ownership,
28 as lender or lienor, or by interlocking directors or officers; or

29 (B) engaged in the exclusive, principal or substantial

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business of selling spirituous liquor purchased from a distiller;
or

(C) who has an exclusive franchise or contract to sell a
brand or brands of spirituous liquor;

(3) "spirituous liquor" means intoxicating liquor, except for
wine, ale, porter, beer or malt liquor or malt beverages and all other
vinous, malt, and other fermented liquors intended for human consumption
and containing more than one percent alcohol by volume.

* Sec. 2. AS 04.15.100(a) is amended to read:

Sec. 04.15.100. PENALTIES FOR VIOLATION OF TITLE OR MUNICIPAL
ORDINANCE. (a) A person who violates any provision of this title other
than AS 04.15.080 and AS 04.15.120 - 04.15.160 is guilty of a misde-
meanor, and upon conviction is punishable by imprisonment of not more
than one year, or by a fine of not more than \$500. Each violation is a
separate offense.