

Original sponsors: Duncan, Bettisworth,  
Cato, et al

Offered: 5/28/81  
Referred: Rules

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

2 CS FOR HOUSE BILL NO. 406 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to sales of alcoholic beverages to  
7 and by licensed wholesalers."

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

9 \* Section 1. PURPOSE. The purposes of this Act are to facilitate the  
10 monitoring and tracing of alcoholic beverages imported into the state, aid  
11 the collection of excise taxes on alcoholic beverages, assist in the main-  
12 tenance of the three-tier system of distribution of alcoholic beverages,  
13 preserve competition among small retailers of alcoholic beverages, and  
14 prevent predatory business practices by those engaged in the distribution of  
15 alcoholic beverages.

16 \* Sec. 2. AS 04.16 is amended by adding a new section to read:

17 Sec. 04.16.172. RESTRICTIONS ON SALES TO AND FROM WHOLESALERS.

18 (a) No person other than a primary source of supply may sell alcoholic  
19 beverages to a wholesaler, and a wholesaler may not purchase alcoholic  
20 beverages from any person other than a primary source of supply.

21 (b) A licensee may not knowingly purchase alcoholic beverages  
22 from a wholesaler who has not purchased the alcoholic beverages from a  
23 primary source of supply.

24 (c) The primary source of supply shall attach an invoice to each  
25 shipment made to a wholesaler.

26 (d) This section does not apply to the sale or purchase of alco-  
27 holic beverages that are not available from a primary source of supply.

28 (e) For the purposes of this section,

29 (1) "primary source of supply" means the distiller, producer,

owner of the alcoholic beverage at the time it became a marketable product, and the bottler, prime importer trademark owner, brand owner, or a person who is authorized in writing to act as the exclusive agent of a distiller, producer, owner, or bottler;

(2) "wholesaler" means a person licensed under AS 04.11.160.

\* Sec. 3. AS 04.11.370 is amended by adding a new subsection to read:

(b) The license of a licensee who violates AS 04.16.172 shall be suspended for a period of not more than one year.

\* Sec. 4. AS 04.16.180(a) is amended to read:

(a) Except as provided in AS 04.16.200 - 04.16.210, a person who violates a provision of this title or a regulation adopted by the board is guilty, upon conviction, of a class A misdemeanor. Each violation is a separate offense. This subsection does not apply to a violation of AS 04.16.172.

\* Sec. 5. AS 04.16.180 is amended by adding a new subsection to read:

(e) The penalty for a violation of AS 04.16.172 is suspension of the license as provided in AS 04.11.370(b).