

Offered: 4/21/86
Referred: Judiciary and
Finance

Original sponsor: Judiciary Committee

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE
2 CS FOR HOUSE BILL NO. 692 (State Affairs)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FOURTEENTH LEGISLATURE - SECOND SESSION
5 A BILL
6 For an Act entitled: "An Act relating to the issuance, renewal, continua-
7 tion, transfer of ownership, and relocation of liquor
8 licenses; and providing for an effective date."
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
10 * Section 1. AS 04.11.090(b) is amended to read:
11 (b) The biennial [ANNUAL] beverage dispensary license fee is
12 \$2,500 [\$1,250].
13 * Sec. 2. AS 04.11.100(d) is amended to read:
14 (d) The biennial [ANNUAL] fee for a restaurant or eating place
15 license is \$600 [\$300].
16 * Sec. 3. AS 04.11.110(c) is amended to read:
17 (c) The biennial [ANNUAL] club license fee is \$1,200 [\$600].
18 * Sec. 4. AS 04.11.120(c) is amended to read:
19 (c) The biennial [ANNUAL] bottling works license fee is \$500
20 [\$250].
21 * Sec. 5. AS 04.11.130(d) is amended to read:
22 (d) The biennial [ANNUAL] brewery license fee is \$1,000 [\$500].
23 * Sec. 6. AS 04.11.140(d) is amended to read:
24 (d) The biennial [ANNUAL] winery license fee is \$500 [\$250].
25 * Sec. 7. AS 04.11.150(b) is amended to read:
26 (b) The biennial [ANNUAL] package store license fee is \$1,500
27 [\$750].
28 * Sec. 8. AS 04.11.160(a) is amended to read:
29 (a) A general wholesale license authorizes the holder to sell

1 alcoholic beverages in the original package, and wine in bulk, in
 2 quantities of not less than five gallons. A holder of a general
 3 wholesale license may not sell to a person not licensed under this
 4 title, except as provided in AS 04.21.040. A holder of a general
 5 wholesale license may not sell alcoholic beverages unless any stamps
 6 required to be affixed to the package by state or federal law are
 7 intact on the package. A wholesaler shall [MUST] obtain a general
 8 wholesale license for each distributing point. The biennial [ANNUAL]
 9 general wholesale license fee is \$2,000 [\$1,000 FOR THE FIRST \$100,000
 10 OF BUSINESS TRANSACTED], payable at the time of making an original
 11 application or an application for renewal. In addition, the following
 12 annual fees shall be paid by a holder of a general wholesale license:

<u>Total Business Transacted During Calendar Year</u>	<u>Annual Fee</u>
14 over \$100,000 and not over \$150,000	\$ 500
15 over \$150,000 and not over \$200,000	\$ 1,000
16 over \$200,000 and not over \$250,000	\$ 1,500
17 over \$250,000 and not over \$300,000	\$ 2,000
18 over \$300,000 and not over \$350,000	\$ 2,500
19 over \$350,000 and not over \$400,000	\$ 3,000
20 over \$400,000 and not over \$500,000	\$ 4,000
21 over \$500,000 and not over \$600,000	\$ 5,000
22 over \$600,000 and not over \$700,000	\$ 6,000
23 over \$700,000 and not over \$800,000	\$ 7,000
24 over \$800,000 and not over \$1,000,000	\$ 9,000
25 over \$1,000,000	\$10,000,

26 plus one percent of the total business
 27 over \$1,000,000, transacted during the
 28 calendar year.

29 * Sec. 9. AS 04.11.160(b) is amended to read:

1 (b) A wholesale malt beverage and wine license authorizes the
 2 holder to sell malt beverages and wine in the original packages in
 3 quantities of not less than five wine gallons. The holder of a whole-
 4 sale malt beverage and wine license may not sell to a person not
 5 licensed under this title except as provided in AS 04.21.040. The
 6 biennial [ANNUAL] wholesale malt beverage and wine license fee is \$400
 7 [\$200 FOR THE FIRST \$20,000 OF BUSINESS TRANSACTED DURING A YEAR],
 8 payable at the time of making an original application or application
 9 for renewal. In addition, the following annual fees shall be paid by
 10 a holder of a wholesale malt beverage and wine license:

<u>Total Business Transacted During Calendar Year</u>	<u>Annual Fee</u>
12 over \$20,000 and not over \$50,000	\$ 300
13 over \$50,000 and not over \$100,000	\$ 1,000
14 over \$100,000 and not over \$150,000	\$ 1,500
15 over \$150,000 and not over \$200,000	\$ 2,000
16 over \$200,000 and not over \$400,000	\$ 4,000
17 over \$400,000 and not over \$600,000	\$ 6,000
18 over \$600,000 and not over \$800,000	\$ 8,000
19 over \$800,000	\$10,000,
20	<u>plus one percent of the total business</u>
21	<u>over \$800,000, transacted during the</u>
22	<u>calendar year.</u>

23 * Sec. 10. AS 04.11.160(d) is amended to read:

24 (d) No later than February 28 of each year [FOLLOWING THE YEAR
 25 FOR WHICH A LICENSE HAS BEEN ISSUED UNDER THIS SECTION], the licensee
 26 shall file with the board an affidavit showing the total business
 27 transacted during the preceding calendar year under the [HIS] license
 28 and the location of the licensed premises at which the business was
 29 transacted. At the time of filing the affidavit, the licensee shall

1 pay the additional annual [LICENSE] fees accrued under (a) and (b) of
2 this section during the preceding calendar year.

3 * Sec. 11. AS 04.11.170(c) is amended to read:

4 (c) The biennial [ANNUAL] distillery license fee is \$1,000
5 [\$500].

6 * Sec. 12. AS 04.11.180(b) is amended to read:

7 (b) The biennial [ANNUAL] fee for a common carrier dispensary
8 license is \$700 [\$350] for each vehicle, boat, aircraft, or railroad
9 buffet car in which alcoholic beverages are served.

10 * Sec. 13. AS 04.11.210(b) is amended to read:

11 (b) The biennial [ANNUAL] fee for a recreational site license is
12 \$800 [\$400].

13 * Sec. 14. AS 04.11.220(d) is amended to read:

14 (d) The biennial [ANNUAL] fee for a pub license is \$800 [\$400].

15 * Sec. 15. AS 04.11.250(a) is amended to read:

16 (a) A conditional contractor's permit authorizes the holder to
17 sell beer or wine for consumption only on designated premises for two
18 years [ONE YEAR] from the date of issuance of the permit at construc-
19 tion sites that [WHICH] are located outside a city and inside the
20 boundaries of a military or naval reservation.

21 * Sec. 16. AS 04.11.250(b) is amended to read:

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

1 * Sec. 17. AS 04.11.250(d) is amended to read:

2 (d) The biennial [ANNUAL] conditional contractor's permit fee is
3 \$1,200 [\$600].

4 * Sec. 18. AS 04.11.260(c) is amended to read:

5 (c) An applicant for a new license or permit shall [MUST]
6 include with the [HIS] application

7 (1) proof satisfactory to the director that all notices
8 [NOTICE] required by AS 04.11.310 have [HAS] been timely given;

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

11 (3) proof satisfactory to the director [EVIDENCE] of any
12 approval by public authorities required to be obtained under AS 04.-
13 11.090(e), 04.11.220(c), 04.11.230(b), 04.11.240(b), or 04.11.250(b),
14 before a new license or permit may be issued.

15 * Sec. 19. AS 04.11.270(a) is amended to read:

16 (a) Each application for renewal of a license or renewal of a
17 conditional contractor's permit must [SHALL] include [:]

18 (1) the information required for a new license or permit
19 under AS 04.11.260(a), (b), and (c)(1), and, for a pub license, proof
20 that renewal has been approved by the governing body of the college or
21 university as required under AS 04.11.220 [AS 04.11.260 EXCEPT THAT
22 PROOF OF NOTICE UNDER AS 04.11.310 IS NOT REQUIRED]; and

23 (2) a list of all convictions of the applicant or its
24 directors, officers, or principals of violations of this title, a
25 regulation adopted under this title, or an ordinance adopted under
26 AS 04.21.010, which occurred in the preceding license period [YEAR].

27 * Sec. 20. AS 04.11.270(b) is repealed and reenacted to read:

28 (b) A license shall be renewed as follows:

29 (1) on or before December 1 of each year, the director

1 shall mail a renewal application to each licensee whose license,
2 unless renewed, will expire on the following January 31; the applica-
3 tion shall be mailed to the licensee at the licensed premises or at a
4 mailing address furnished in writing by the licensee;

5 (2) the licensee shall submit the completed renewal appli-
6 cation and the biennial license fee to the director on or before
7 January 31 of the renewal year; proof, satisfactory to the director,
8 that all notices required by AS 04.11.310 have been timely given, must
9 be submitted with the application;

10 (3) a renewal application filed after January 31 of the
11 renewal year is delinquent and must be accompanied by a \$400 penalty
12 fee;

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

16 * Sec. 21. AS 04.11.270 is amended by adding a new subsection to read:

17 (c) The board may not accept an application for renewal after
18 March 31 of the renewal year.

19 * Sec. 22. AS 04.11.280 is amended to read:

20 Sec. 04.11.280. APPLICATION FOR TRANSFER OF A LICENSE TO ANOTHER
21 PERSON. (a) An application for transfer of a license to another
22 person must [SHALL] contain the same information about the transferee
23 as is required of an applicant for a new license under AS 04.11.260
24 and must [SHALL] include other information required by the board. The
25 application must also be accompanied by proof, satisfactory to the
26 director, that the notices required by AS 04.11.310 have been timely
27 given.

28 (b) An application for the transfer of a license to another
29 person must [SHALL] be accompanied by a statement, under oath,

1 executed by the transferor, listing all debts of the business and all
2 taxes due by the business. [THE BOARD SHALL PROMPTLY INFORM EACH
3 LISTED CREDITOR OF THE APPLICATION AND THE AMOUNT SHOWN AS OWED TO
4 THAT CREDITOR.]

5 * Sec. 23. AS 04.11.290 is amended to read:

6 Sec. 04.11.290. APPLICATION FOR RELOCATION OF LICENSE [TRANSFER
7 OF LICENSE LOCATION]. An application for relocation [A TRANSFER] of a
8 license must [TO A NEW LOCATION SHALL] contain the information re-
9 quired by the board, and must [SHALL] be accompanied by proof, satis-
10 factory to the director, that the notices [NOTICE] required in AS 04.-
11 11.310 have [HAS] been timely given, and must be accompanied by any
12 petitions required [TO BE SECURED] under AS 04.11.460 [BEFORE A LI-
13 CENSE MAY BE TRANSFERRED].

14 * Sec. 24. AS 04.11.310 is repealed and reenacted to read:

15 Sec. 04.11.310. NOTICE OF APPLICATION. (a) An applicant for
16 the issuance, relocation, or transfer of ownership of a license shall
17 give public notice of the application as provided in this subsection.
18 The public notice process shall be completed not more than 30 days
19 before a copy of the application is provided to the local governing
20 body under (b)(1) of this section or, if there is no local governing
21 body, at least 30 but not more than 60 days before the application is
22 filed with the board. The applicant shall

23 (1) post a copy of the completed application for 10 consec-
24 utive days at the location of the proposed premises and at any addi-
25 tional locations designated by the board; and

26 (2) publish notice of the application once each week for
27 three consecutive weeks in a newspaper or by radio; the board may
28 designate the form and content of the notice and the languages in
29 which it must be given.

1 (b) An applicant shall serve the following notices of an appli-
2 cation at least 30 days, but not more than 60 days, before the appli-
3 cation is filed with the board:

4 (1) if the application is for the issuance, renewal, relo-
5 cation, or transfer of ownership of a license for premises or proposed
6 premises located within an established village, an incorporated city,
7 an organized borough, or a unified municipality, the applicant shall
8 serve a copy of the completed application on the appropriate officer
9 of the local governing body;

10 (2) if the application is for the issuance, renewal, relo-
11 cation, or transfer of ownership of a license for premises or proposed
12 premises located within or adjacent to an area of a municipality that
13 is under the jurisdiction of a community council established by munic-
14 ipal charter or ordinance to advise the municipal governing body, the
15 applicant shall serve a copy of the completed application on the
16 community council; and

17 (3) if the application is for the transfer of ownership of
18 a license, the applicant shall serve written notice of the proposed
19 transfer, on a form prescribed by the board, on all creditors of the
20 licensed business, including all taxing authorities and creditors
21 whose claims are disputed by the transferor; the notice must state

22 (A) that a transfer of the license is proposed;

23 (B) the name and business address of the transferor;

24 (C) all names and business addresses used by the
25 transferor for the licensed business in the preceding three
26 years;

27 (D) an explanation of how, when, and to what extent
28 creditors' claims will be paid by the transferor or transferee;

29 (E) that any creditor whose claim is not satisfied may

1 seek to prevent the transfer by filing written notice of the
2 unsatisfied claim with the board within 30 days after the notice
3 was served; and

4 (F) other information required by the board.

5 (c) Service under (b) of this section may be accomplished by
6 either personally delivering the notice or by mailing the notice. The
7 date of service by mail is the date the notice is postmarked.

8 * Sec. 25. AS 04.11.330(a) is amended to read:

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

11 (1) the board finds, after review of all relevant informa-
12 tion, that renewal of the license would not be in the best interests
13 of the public;

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

15 (3) the applicant has not operated the licensed premises
16 for at least 45 [30] eight-hour days during each of the two preceding
17 12-month periods [THE IMMEDIATELY PRECEDING CALENDAR YEAR], unless the
18 board determines that the licensed premises are under construction or
19 cannot be operated through no fault of the applicant;

20 (4) the board finds that issuance of an existing license
21 under AS 04.11.400(g) has not encouraged tourist trade;

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

25 (6) renewal of the license would violate the restrictions
26 pertaining to the particular license under this title;

27 (7) renewal of the license is prohibited under this title
28 as a result of an election conducted in accordance with AS 04.11.502;

29 (8) the application has not been completed in accordance

1 with AS 04.11.270;

2 (9) the license was issued under AS 04.11.400(j), and the
3 board finds that the public convenience does not require renewal.

4 * Sec. 26. AS 04.11.330(d) is amended to read:

5 (d) Notwithstanding (a) (3) of this section, a recreational site
6 license issued under AS 04.11.210 may be renewed if the license was
7 exercised at least once during each of the two [THE IMMEDIATELY]
8 preceding calendar years [YEAR].

9 * Sec. 27. AS 04.11.360 is amended to read:

10 Sec. 04.11.360. DENIAL OF TRANSFER OF A LICENSE TO ANOTHER
11 PERSON. An application requesting approval of a transfer of a license
12 to another person under this title shall be denied if

13 (1) the board finds, after review of all relevant informa-
14 tion, that transfer of a license to another person would not be in the
15 best interests of the public;

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

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

20 (4) the transferor has not paid all [DEBTS OR] taxes aris-
21 ing from the conduct of the business licensed under this title, or has
22 not paid a debt, arising from the conduct of the licensed business,
23 that is owed to a creditor who filed written notice of the unsatisfied
24 debt with the board within the time stated in the notice served under
25 AS 04.11.310(b)(3)(E), unless

26 (A) the transferor or transferee [HE] gives security
27 for the payment of the debt [DEBTS] or taxes satisfactory to the
28 creditor or taxing authority; or

29 (B) the transfer is in accordance with [PURSUANT TO] a

1 promise given as collateral by the transferor to the transferee
2 in the course of an earlier transfer of the license and under the
3 [WHICH] promise the transferor is obliged to transfer the license
4 back to the transferee in the event of default in payment for
5 property conveyed as part of the earlier transfer of the license;

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

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

12 (7) transfer of the license to another person is prohibited
13 under the provisions of this title as a result of an election conduct-
14 ed in accordance with AS 04.11.502;

15 (8) the prospective transferee does not have the qualifica-
16 tions required under this title of an original applicant;

17 (9) the licensed premises are located in a municipality,
18 the type of license sought to be transferred is a beverage dispensary
19 or package store license, and that type of license is already in
20 effect in the municipality under a community liquor license, unless
21 the transfer is to become effective after the community liquor license
22 is no longer effective, whether as the result of a local option elec-
23 tion or otherwise;

24 (10) the authority sought is authority to operate a beverage
25 dispensary or package store under a community liquor license for
26 premises to be located in a municipality where the authority sought is
27 already held by a private licensee under a beverage dispensary or
28 package store license, unless the transfer is to become effective
29 after the privately held license is no longer effective, whether as

1 the result of a local option election or otherwise [;

2 (11) THE LICENSE WAS ISSUED UNDER AS 04.11.400(j)].

3 * Sec. 28. AS 04.11.480 is amended to read:

4 Sec. 04.11.480. PROTEST. (a) If a local governing body wishes
5 to protest the issuance, renewal, relocation, [TRANSFER OF LOCATION]
6 or transfer to another person of a license, it shall furnish the board
7 and the applicant with a protest and the reasons for the protest
8 within 30 days after [OF] receipt from the applicant [BOARD] of notice
9 of [FILING OF] the application. The board shall consider a protest
10 and testimony received at a hearing conducted under AS 04.11.510(b)(2)
11 or (b)(4) when it considers the application, and the protest and the
12 record of the hearing conducted under AS 04.11.510(b)(2) or (b)(4)
13 shall be retained as part of the board's permanent record of its
14 review of the application. If an application is protested, the board
15 may not approve the application unless the board finds that the pro-
16 test is arbitrary, capricious, and unreasonable.

17 (b) If the permanent residents residing outside of but within
18 two miles of an incorporated city or an established village wish to
19 protest the issuance, renewal, relocation, or transfer of a license
20 within the city or village, they shall file with the board a petition
21 requesting a public hearing that meets [MEETING] the requirements of
22 AS 04.11.510(b)(3) [REQUESTING A PUBLIC HEARING] within 30 days after
23 [OF] the [POSTING OF] notice required under AS 04.11.310 is posted,
24 or, if the application is for renewal of a license, by January [DECEM-
25 BER] 31 of the renewal year [APPLICATION IS MADE FOR RENEWAL OF A
26 LICENSE]. The board shall consider testimony received at a hearing
27 conducted under AS 04.11.510(b)(3) when it considers the application,
28 and the record of a hearing conducted under AS 04.11.510(b)(3) shall
29 be retained as part of the board's permanent record of its review of

1 the application.

2 * Sec. 29. AS 04.11.480 is amended by adding a new subsection to read:

3 (c) A local governing body may protest the continuation of a
4 license between biennial renewals of the license, by furnishing the
5 board and the licensee with a protest and the reasons for the protest
6 during January of the nonrenewal year. The license shall be revoked
7 unless the board finds the protest is arbitrary, capricious, and
8 unreasonable.

9 * Sec. 30. AS 04.11.510(a) is amended to read:

10 (a) Unless a legal action relating to the license, applicant or
11 premises to be licensed is pending, the board shall consider [DECIDE]
12 whether to grant or deny an application within 60 [90] days after [OF]
13 receipt of the completed application at the main office of the board.
14 [HOWEVER, THE DECISION MAY NOT BE MADE BEFORE THE 30 DAYS ALLOWED FOR
15 PROTEST UNDER AS 04.11.480 HAVE ELAPSED UNLESS WAIVED BY THE MUNICI-
16 PALITY.]

17 * Sec. 31. AS 04.11.510(b) is amended to read:

18 (b) The board may review an application for the issuance, renew-
19 al, transfer of location, or transfer to another person of a license
20 without affording the applicant notice or hearing, except

21 (1) if an application is denied, the notice of denial shall
22 be furnished the applicant immediately in writing stating the reason
23 for the denial in clear and concise language; the notice of denial
24 shall inform the applicant that the applicant [HE] is entitled to an
25 informal conference with either the director or the board, and that,
26 if not satisfied by the informal conference, the applicant [HE] is
27 then entitled to a formal hearing before the board; if the applicant
28 requests a formal hearing, the board shall adhere to AS 44.62.330 -
29 44.62.630 (Administrative Procedure Act); all interested persons may

1 be heard at the hearing and unless waived by the applicant and the
2 board, the formal hearing shall be held in the area for which the
3 application is requested;

4 (2) the board may, on its own initiative or in response to
5 an objection or protest, hold a hearing to ascertain the reaction of
6 the public or a local governing body to an application if a hearing is
7 not required under (1), (3), or (4) or this subsection;

8 (3) if a petition containing the signatures of 35 percent
9 of the adult residents having a permanent place of abode outside of
10 but within two miles of an incorporated city or an established village
11 is filed with the board, the board shall hold a public hearing on the
12 question of whether the issuance, renewal, or transfer of the license
13 in the city or village would be in the public interest;

14 (4) if a protest to the issuance, renewal, continuation,
15 transfer of location or transfer to another person of a license made
16 by a local governing body is based on a question of law, the board
17 shall hold a public hearing.

18 * Sec. 32. AS 04.11.520 is repealed and reenacted to read:

19 Sec. 04.11.520. PROOF OF NOTICE TO LOCAL GOVERNING BODY. The
20 board may not grant an application for premises within an established
21 village, an incorporated city, an organized borough, or a unified
22 municipality without proof that the local governing body has been
23 given notice of the application under AS 04.11.310.

24 * Sec. 33. AS 04.11.540 is repealed and reenacted to read:

25 Sec. 04.11.540. LICENSE RENEWAL AND TERMINATION. (a) Notwith-
26 standing AS 04.11.680, an application for renewal of a license may be
27 submitted and the authority granted under the license may be exercised
28 until March 31 of the renewal year. The license terminates at 12:00
29 midnight March 31 unless the application for renewal and other

1 required documents have been filed and the required license fees and
2 the penalty fees have been paid by that time. If March 31 falls on a
3 weekend or state holiday, the deadline in this section is extended to
4 the first business day following March 31.

5 (b) A new license may not be issued to the holder of a termi-
6 nated license for the same premises except on proof satisfactory to
7 the board of good cause for the failure to file and pay.

8 * Sec. 34. AS 04.11.550 is amended to read:

9 Sec. 04.11.550. NOTICE OF TERMINATION [EXPIRATION]. On or
10 before February 15, the director shall mail a notice of termination
11 [EXPIRATION] to each licensee who has not either (1) filed an applica-
12 tion to renew the [HIS] license, along with other required documents
13 [ANY APPLICABLE AFFIDAVITS] and all license fees due, or (2) notified
14 the director of the licensee's [HIS] intent not to do so. Failure of
15 the director to mail this notice of termination [EXPIRATION] does not
16 prevent the license from terminating on March 31 if the application
17 and other required documents are not filed, and the fees are not paid
18 [WAIVE THE REQUIREMENT THAT THE APPLICATION FOR RENEWAL BE FILED BY
19 FEBRUARY 28].

20 * Sec. 35. AS 04.11.610(a) is amended to read:

21 (a) Biennial [ANNUAL] license fees, excluding biennial [ANNUAL]
22 wholesale license fees, collected within a municipality shall be
23 refunded semi-annually to the municipality.

24 * Sec. 36. AS 04.11.680(a) is amended to read:

25 (a) Upon application and payment of one-half of the biennial
26 license [ANNUAL] fee, the board may issue a license under this title
27 that [WHICH] will be effective for two [A] continuous six-month per-
28 iods [PERIOD]. Otherwise, all licenses issued under this title other
29 than a retail stock sale license are effective for the two-year period

1 ending January 31 [CALENDAR YEAR ENDING DECEMBER 31], unless a shorter
2 period is prescribed by the board or by law.

3 * Sec. 37. AS 04.11 is amended by adding a new section to read:

4 ARTICLE 10. GENERAL PROVISIONS.

5 Sec. 04.11.900. DEFINITION. In this chapter, "renewal year"
6 means the calendar year in which a license issued under this chapter
7 expires if not timely renewed.

8 * Sec. 38. TRANSITIONAL PROVISIONS. (a) The authority granted under
9 licenses due to expire on December 31, 1986 is extended until January 31,
10 1987, to permit renewal of the licenses in accordance with this Act.

11 (b) Approximately one-half of the applicants for renewal in 1987, as
12 determined by the director of the Alcoholic Beverage Control Board, shall
13 be eligible for a one-year license. These licenses expire, unless renewed,
14 on January 31, 1988, and may be renewed biennially in even-numbered years
15 after that. The 1987 renewal fee for these licenses is $13/24$ of the bien-
16 nial license fee, rounded to the nearest dollar.

17 (c) The remaining approximately one-half of the 1987 renewal appli-
18 cants, as determined by the director, shall be eligible for a two-year
19 license. These licenses expire, unless renewed, on January 31, 1989, and
20 may be renewed biennially in odd-numbered years after that. The 1987
21 renewal fee for these licenses is the biennial license fee plus $1/24$ of the
22 biennial license fee, rounded to the nearest dollar.

23 (d) The director shall notify each licensee in writing as to whether
24 the licensee shall apply for renewal under (b) or (c) of this section, and
25 of the actual amount of the 1987 renewal fee. The notice must be given not
26 later than December 1, 1986. However, failure of the director to provide
27 the notice required in this subsection does not prevent a license from
28 terminating on March 31, 1987, in accordance with AS 04.11.540, as amended
29 in sec. 31 of this Act, if the renewal application is not filed on or

1 before that date.

2 * Sec. 39. The Alcoholic Beverage Control Board may adopt regulations,
3 under AS 04.06.100 and other relevant statutes to implement the changes
4 made by this Act. The regulations take effect in accordance with the
5 Administrative Procedure Act (AS 44.62), but not before the effective date
6 of the provisions of this Act that they implement.

7 * Sec. 40. Section 39 of this Act takes effect immediately in accor-
8 dance with AS 01.10.070(c).

9 * Sec. 41. Section 38 of this Act takes effect November 1, 1986.

10 * Sec. 42. Sections 1 - 37 of this Act take effect December 31, 1986.