

Offered: 2/5/90
Referred: Rules

6-0314E

Original sponsor(s): SEN. BINKLEY

1 IN THE SENATE BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 297 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to licensing, sale, transportation,
7 importation, and possession of alcoholic beverages;
8 local option election ballots; possession of products
9 designed for brewing or distilling; and providing for
10 an effective date."

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

12 * Section 1. AS 04.11.150(a) is amended to read:

13 (a) Except as provided under (h) of this section, a package
14 store license authorizes the holder to sell alcoholic beverages to a
15 person in response to a verbal solicitation for purchase received from
16 the person present on the licensed premises, and if authorized by the
17 board, to sell alcoholic beverages [OR] in response to a written
18 solicitation made by a person known to the licensee for a purchase to
19 be received by the person making the solicitation. An authorization
20 by the board to sell alcoholic beverages in response to a written
21 solicitation is valid only for the calendar year in which it is is-
22 sued.

23 * Sec. 2. AS 04.11.150(h) is amended to read:

24 (h) A package store licensee, agent, or employee may not ship
25 more than 12 [EIGHTEEN] liters of distilled spirits within a monthly
26 period to a purchaser off the licensed premises if the shipment is to
27 an area that has restricted the sale of alcoholic beverages under
28 AS 04.11.490, 04.11.492, or 04.11.500.

29 * Sec. 3. AS 04.11.190(b) is amended to read:

1 (b) If a majority of the voters vote "yes" on either of the
2 questions [QUESTION] set out in AS 04.11.492(a), the local governing
3 body of a municipality shall apply for a community liquor license to
4 operate a beverage dispensary or package store, [OR BOTH,] depending
5 on which type of premises were specified on the ballot. Unless pro-
6 hibited by the results of an earlier local option election, a local
7 governing body may also apply on its own motion for a community liquor
8 license.

9 * Sec. 4. AS 04.11.320 is amended to read:

10 Sec. 04.11.320. DENIAL OF NEW LICENSES AND PERMITS. (a) An
11 application requesting issuance of a new license shall be denied if

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

15 (2) issuance of the license is prohibited by AS 04.11.390,
16 relating to residency, or AS 04.11.410, relating to location of prem-
17 ises near churches and schools;

18 (3) the application has not been completed in accordance
19 with AS 04.11.260;

20 (4) issuance of the license would violate the restrictions
21 pertaining to the particular license imposed under this title;

22 (5) issuance of the license is prohibited under this title
23 as a result of an election conducted in accordance with AS 04.11.502;

24 (6) the requirements of AS 04.11.420 - 04.11.450 relating
25 to zoning, ownership and location of the license, and the identity and
26 financing of a licensee have not been met;

27 (7) the licensed premises are to be located in a municipal-
28 ity, the type of license sought is a beverage dispensary or package
29 store license, and that type of license is already in effect in the

1 municipality under a community liquor license, unless the new license
2 is to become effective after the community liquor license is no longer
3 effective, whether as the result of a local option election or other-
4 wise;

5 (8) the authority sought is authority to operate a beverage
6 dispensary or package store under a community liquor license for
7 premises to be located in a municipality where the authority sought is
8 already held by a private licensee under a beverage dispensary or
9 package store license, unless the community liquor license is to
10 become effective after the privately held license is no longer effec-
11 tive, whether as the result of a local option election or otherwise;

12 (9) issuance of the license is prohibited under AS 04.11.-
13 400(a) or prohibition of issuance of the license is found necessary
14 under AS 04.11.400(b);

15 (10) the application contains false statements of material
16 fact;

17 (11) the license is sought for the sale of alcoholic Bever-
18 ages in a first or second class city in which there are no licensed
19 premises at the time of application unless a majority of the voters in
20 a local option election conducted in accordance with AS 04.11.502 have
21 voted "yes" ["NO"] on the question set out in AS 04.11.490, [OR HAVE
22 VOTED "YES" ON A QUESTION SET OUT IN AS] 04.11.492₁ or 04.11.500;

23 (12) the license is sought for the sale of alcoholic Bever-
24 ages in an established village in which there are no licensed premises
25 at the time of application unless a majority of the voters in a local
26 option election conducted in accordance with AS 04.11.502 have voted
27 "yes" ["NO"] on the question set out in AS 04.11.490 or [HAVE VOTED
28 "YES" ON THE QUESTION SET OUT IN AS] 04.11.500.

29 (b) An application requesting issuance of a new permit shall be

- 1 denied if
- 2 (1) the board finds, after review of all relevant informa-
3 tion, that issuance of the permit would not be in the best interests
4 of the public;
- 5 (2) the board finds that any of the statements made in the
6 application are untrue;
- 7 (3) the application has not been completed in accordance
8 with AS 04.11.260;
- 9 (4) the permit is sought for the sale of alcoholic bever-
10 ages in a first or second class city or established village in which
11 there are no licensed premises at the time of application unless a
12 majority of the voters in a local option election conducted in accor-
13 dance with AS 04.11.502 have voted "yes" ["NO"] on the question set
14 out in AS 04.11.490.

15 * Sec. 5. AS 04.11.490 is amended to read:

16 Sec. 04.11.490. PROHIBITION OF THE SALE OF ALCOHOLIC BEVERAGES.

17 (a) The following question, appearing alone, may be placed before the
18 voters of a municipality or an established village in accordance with
19 AS 04.11.502: "Shall the sale of alcoholic beverages be allowed in . .
20 . . . (name of municipality or village) [BE PROHIBITED]? (yes or no)".

21 (b) If a majority of the voters vote "no" ["YES"] on the ques-
22 tion set out in (a) of this section, the board shall be notified
23 immediately after certification of the results of the election and
24 thereafter the board may not issue, renew, or transfer between holders
25 or locations a license for licensed premises located within the bound-
26 aries of a municipality and in unincorporated areas within five miles
27 of the boundaries of the municipality or within the perimeter of an
28 established village. Licenses that may not be renewed because of a
29 local option election held under this section are void 90 days after

1 the results of the election are certified. A license that will expire
2 during the 90 days after the results of a local option election under
3 this section are certified may be extended, until it is void under
4 this subsection, by payment of a prorated portion of the annual li-
5 cense fee.

6 (c) If a majority of the voters vote "yes" ["NO"] on the ques-
7 tion set out in (a) of this section or vote "yes" on a question set
8 out in AS 04.11.492 or 04.11.500 in an election conducted in accor-
9 dance with AS 04.11.502 after an election in which the voters voted
10 "no" ["YES"] on the question set out in (a) of this section, the board
11 shall be notified immediately after certification of the results of
12 the election. Thereafter, the prohibitions imposed under (b) of this
13 section on the issuance, renewal, or transfer of licenses between
14 holders and location as a result of the earlier election are removed
15 except insofar as those prohibitions are imposed in accordance with
16 the results of the subsequent election.

17 * Sec. 6. AS 04.11.492(a) is repealed and reenacted to read:

18 (a) Either but not both of the following two questions, appear-
19 ing alone, may be placed before the voters of a municipality under
20 AS 04.11.502;

21 (1) "shall alcoholic beverages be sold in (name
22 of municipality) only by a bar operated by (name of municipality)?
23 (yes or no)"; or

24 (2) "Shall alcoholic beverages be sold in (name
25 of municipality) only by a liquor store operated by (name of munic-
26 ipality)? (yes or no)."

27 * Sec. 7. AS 04.11.492(b) is amended to read:

28 (b) If a majority of the voters vote "yes" on either of the
29 questions [QUESTION] set out in (a) of this section, the board shall

1 be notified immediately after certification of the results of the
2 election and thereafter may not issue, renew, or transfer between
3 holders or locations a license for licensed premises located within
4 the boundaries of a municipality and in unincorporated areas within
5 five miles of the boundaries of the municipality, with the exception
6 of a beverage dispensary or package store operated under a community
7 liquor license held by the municipality. Licenses in effect are void
8 90 days after the results of the election are certified. A license
9 that will expire during the 90 days after the results of a local
10 option election under this section are certified may be extended,
11 until it is void under this subsection, by payment of a prorated
12 portion of the annual license fee.

13 * Sec. 8. AS 04.11.492(c) is amended to read:

14 (c) If a majority of the voters vote "no" on either of the
15 questions [QUESTION] set out in (a) of this section or vote "no"
16 ["YES"] on a question set out in AS 04.11.490, or 04.11.496, or vote
17 "yes" on a question set out in AS 04.11.500 in an election conducted
18 in accordance with AS 04.11.502 after an election in which the voters
19 voted "yes" on either of the questions [QUESTION] set out in (a) of
20 this section, the board shall be notified immediately after a certi-
21 fication of the results of the election. The prohibitions imposed
22 under (b) of this section on the issuance, renewal, or transfer of
23 licenses between holders and locations as a result of the earlier
24 election are removed 90 days after the results of the election are
25 certified except insofar as those prohibitions are imposed under [IN
26 ACCORDANCE WITH] the results of the subsequent election.

27 * Sec. 9 AS 04.11.492 is amended by adding new subsections to read:

28 (d) In preparing the ballot for an election on either of the two
29 questions set out in (a) of this section, the local governing body

1 shall include an explanation of the authority to sell alcoholic beverages given to a beverage dispensary licensee, if the question listed in (a)(1) of this section is on the ballot, or on explanation of the authority to sell alcoholic beverages given to a package store licensee, if the question listed in (a)(2) of this section is on the ballot.

7 (e) In this section,

8 (1) "bar" means a beverage dispensary;

9 (2) "liquor store" means a package store.

10 * Sec. 10. AS 04.11.496 is amended to read:

11 Sec. 04.11.496. PROHIBITION OF SALE AND IMPORTATION OF ALCOHOLIC BEVERAGES. (a) The following question, appearing alone, may be placed before the voters of a municipality or an established village in accordance with AS 04.11.502: "Shall the sale and importation of alcoholic beverages be allowed [PROHIBITED] in (name of municipality or village)? (yes or no)."

17 (b) If a majority of the voters vote "no" ["YES"] on the question set out in (a) of this section, a person, beginning on the first day of the month following certification of the results of the election, may not knowingly send, transport, or bring an alcoholic beverage into the municipality or established village, unless the alcoholic beverage is sacramental wine to be used for bona fide religious purposes based on tenets or teachings of a church or religious body, is limited in quantity to the amount necessary for religious purposes, and is dispensed only for religious purposes by a person authorized by the church or religious body to dispense the sacramental wine. The board shall be notified immediately after certification of the results of the election and thereafter may not issue, renew, or transfer between holders or locations a license for licensed premises located

1 within the boundaries of the municipality and within unincorporated
2 areas within five miles of the boundaries of the municipality or
3 within the perimeter of the established village. Licenses that may not
4 be renewed because of a local option election held under this section
5 are void 90 days after the results of the election are certified. A
6 license that will expire during the 90 days after the results of a
7 local option election under this section are certified may be ex-
8 tended, until it is void under this subsection, by payment of a pro-
9 rated portion of the annual license fee.

10 (c) If a majority of the voters vote "yes" ["NO"] on the ques-
11 tion set out in (a) of this section or vote "yes" on the questions set
12 out in AS 04.11.492 or 04.11.500 in an election conducted in accor-
13 dance with AS 04.11.502 after an election in which the voters voted
14 "no" ["YES"] on the question set out in (a) of this section, the
15 prohibition on the importation of alcoholic beverages and the prohibi-
16 tion on the issuance, renewal, or transfers of licenses between hold-
17 ers and locations, imposed as a result of the earlier election in
18 which the voters voted "no" ["YES"] on the question set out in (a) of
19 this section are removed effective on the first day of the month
20 following certification of the results of the election except as those
21 prohibitions continue to be imposed in accordance with the results of
22 the subsequent election.

23 * Sec. 11. AS 04.11.498(a) is amended to read:

24 (a) The following question, appearing alone, may be placed
25 before the voters of a municipality or an established village in
26 accordance with AS 04.11.502: "Shall the possession of alcoholic
27 beverages be allowed [PROHIBITED] in (name of municipality
28 or village)? (yes or no)."

29 * Sec. 12. AS 04.11.498(b) is amended to read:

1 (b) If a majority of the voters of an established village vote
2 "no" ["YES"] on the question set out in (a) of this section, and the
3 sale of alcoholic beverages, or the sale and importation of alcoholic
4 beverages, has been previously prohibited in the established village
5 in accordance with AS 04.11.490 or 04.11.496, a person, beginning on
6 the first day of the month following certification of the results of
7 the election, may not knowingly possess an alcoholic beverage in the
8 established village, unless the alcoholic beverage is wine to be used
9 for bona fide religious purposes based on tenets or teachings of a
10 church or religious body, is limited in quantity to the amount neces-
11 sary for religious purposes, and is dispensed only for religious
12 purposes, by a person recognized by the church or religious body as
13 authorized to dispense the wine. The board shall be notified immedi-
14 ately after certification of the results of the election and there-
15 after may not issue, renew, or transfer between holders or locations a
16 license for licensed premises located within the perimeter of the
17 established village as defined in AS 04.21.080(b)(8).

18 * Sec. 13. AS 04.11.498(c) is amended to read:

19 (c) If a majority of the voters of an established village vote
20 "no" ["YES"] on the question set out in (a) of this section and the
21 sale of alcoholic beverages, or the sale and importation of alcoholic
22 beverages, has not been previously prohibited in the established
23 village in accordance with AS 04.11.490 or 04.11.496, a person [,
24 BEGINNING 90 DAYS AFTER CERTIFICATION OF THE RESULTS OF THE ELECTION,]
25 may not knowingly possess an alcoholic beverage in the established
26 village, unless the person is licensed by the board or the alcoholic
27 beverage is wine to be used for bona fide religious purposes based on
28 tenets or teachings of a church or religious body, is limited in
29 quantity to the amount necessary for religious purposes, and is

1 dispensed only for religious purposes by a person recognized by the
2 church or religious body as authorized to dispense the wine. If there
3 are licensed premises within the established village, the prohibition
4 is effective beginning 90 days after the results of the election are
5 certified. If there are no licensed premises within the established
6 village, the prohibition is effective beginning 60 days after the
7 results of the election are certified. The board shall be notified
8 immediately after certification of the results of the election and
9 thereafter may not issue, renew, or transfer between holders or lo-
10 cations a license for licensed premises located within the perimeter
11 of the established village [AS DEFINED IN AS 04.21.080(b)(8)]. Li-
12 censes that may not be renewed because of a local option election held
13 under this section are void 90 days after the results of the election
14 are certified. A license that will expire during the 90 days after
15 the results of a local option election under this section are certi-
16 fied may be extended until it is void under the section, by payment of
17 a prorated portion of the annual license fee.

18 * Sec. 14. AS 04.11.498(d) is amended to read:

19 (d) If a majority of the voters of a municipality vote "no"
20 ["YES"] on the question set out in (a) of this section, and the sale
21 of alcoholic beverages, or the sale and importation of alcoholic
22 beverages, has been previously prohibited in the municipality in
23 accordance with AS 04.11.490 or 04.11.496, an ordinance is adopted
24 that becomes effective beginning on the first day of the month follow-
25 ing certification of the results of the election, and a person may not
26 knowingly possess an alcoholic beverage in the municipality, unless
27 the alcoholic beverage is wine to be used for bona fide religious
28 purposes based on tenets or teachings of a church or religious body,
29 is limited in quantity to the amount necessary for religious purposes,

1 and is dispensed only for religious purposes, by a person recognized
2 by the church or religious body as authorized to dispense the wine.
3 The board shall be notified immediately after certification of the
4 results of the election and thereafter may not issue, renew, or trans-
5 fer between holders or locations a license for licensed premises
6 located within the boundaries of the municipality and within unincor-
7 porated areas within five miles of the boundaries of the municipality.

8 * Sec. 15. AS 04.11.498(e) is amended to read:

9 (e) If a majority of the voters of a municipality vote "no"
10 ["YES"] on the question set out in (a) of this section and the sale of
11 alcoholic beverages, or the sale and importation of alcoholic bever-
12 ages, has not been previously prohibited in the municipality in accor-
13 dance with AS 04.11.490 or 04.11.496, an ordinance is adopted that
14 provides that [BECOMES EFFECTIVE BEGINNING 90 DAYS AFTER CERTIFICATION
15 OF THE RESULTS OF THE ELECTION, AND] a person may not knowingly pos-
16 sess an alcoholic beverage in the municipality, unless the alcoholic
17 beverage is wine to be used for bona fide religious purposes based on
18 tenets or teachings of a church or religious body, is limited in
19 quantity to the amount necessary for religious purposes, and is dis-
20 pensed only for religious purposes by a person recognized by the
21 church or religious body as authorized to dispense the wine. The
22 board shall be notified immediately after the adoption of the ordi-
23 nance and thereafter may not issue, renew, or transfer between holders
24 or locations a license for licensed premises located within the bound-
25 aries of the municipality and within unincorporated areas within five
26 miles of the boundaries of the municipality. If there are licensed
27 premises within the municipality, the prohibition is effective begin-
28 ning 90 days after the results of the election are certified. If
29 there are no licensed premises within the municipality, the

1 prohibition is effective beginning 60 days after the results of the
2 election are certified. Licenses that may not be renewed because of a
3 local option election held under this section are void 90 days after
4 the results of the election are certified. A license that will expire
5 during the 90 days after the results of a local option election under
6 this section are certified may be extended, until it is void under
7 this section, by payment of a prorated portion of the annual fee.

8 * Sec. 16. AS 04.11.498(f) is amended to read:

9 (f) If a majority of the voters vote "yes" ["NO"] on the ques-
10 tion set out in (a) of this section or [VOTE "YES" ON] the question
11 [QUESTIONS] set out in AS 04.11.492 or 04.11.500 in an election con-
12 ducted in accordance with AS 04.11.502 after an election in which the
13 voters voted "no" ["YES"] on the question set out in (a) of this
14 section, the prohibition on the possession of alcoholic beverages is
15 removed effective 90 days after the results of the election are cer-
16 tified except as those prohibitions continue to be imposed in accor-
17 dance with the results of the subsequent election.

18 * Sec. 17. AS 04.11.500(a) is repealed and reenacted to read:

19 (a) One but not more than one of the following three questions,
20 appearing alone, may be placed before the voters of a municipality or
21 an established village under AS 04.11.502:

22 (1) "Shall alcoholic beverages be sold in (name
23 of municipality or established village) only by a bar? (yes or no)";

24 (2) "Shall alcoholic beverages be sold in (name
25 of municipality or established village) only by a liquor store? (yes
26 or no)"; or

27 (3) "Shall alcoholic beverages be sold in (name
28 of municipality or established village) only by a restaurant? (yes or
29 no)."

1 * Sec. 18. AS 04.11.500(b) is amended to read:

2 (b) If a majority of the voters vote "yes" on one of the ques-
3 tions [QUESTION] set out in (a) of this section, the board shall be
4 notified immediately after certification of the results of the elec-
5 tion and thereafter may not issue, renew, or transfer between holders
6 or locations a license for licensed premises located within the bound-
7 aries of the municipality and in unincorporated areas within five
8 miles of the boundaries of the municipality or within the perimeter of
9 the established village, except the type [THOSE TYPES] of license
10 [LICENSES] listed on the ballot. Licenses in effect within the bound-
11 aries of the municipality or perimeter of the established village, and
12 in an unincorporated area outside of but within five miles of the
13 boundaries of the municipality, except the type [THOSE TYPES] of
14 license [LICENSES] listed on the ballot, are void 90 days after the
15 results of the election are certified. A license that will expire
16 during the 90 days after the results of a local option election under
17 this section are certified may be extended, until it is void under
18 this subsection, by payment of a prorated portion of the annual li-
19 cense fee.

20 * Sec. 19. AS 04.11.500(c) is amended to read:

21 (c) If the majority of the voters vote "no" on one of the ques-
22 tions [QUESTION] set out in (a) of this section or on the questions
23 set out in AS 04.11.490 or 04.11.496, or vote "yes" on the question
24 [QUESTIONS] set out in AS [04.11.490,] 04.11.492, [04.11.496,] or this
25 section if a different type [TYPES] of license is [LICENSES ARE]
26 listed on the ballot in an election conducted under [IN ACCORDANCE
27 WITH] AS 04.11.502 after an election in which the voters voted "yes"
28 on the question set out in (a) of this section, the board shall be
29 notified immediately after certification of the results of the

1 election. A license [LICENSES] in effect in the municipality, in the
2 unincorporated area outside of but within five miles of the boundaries
3 of the municipality or established village that was [WERE] excepted
4 from the prohibition on sale in accordance with the results of the
5 earlier election are void 90 days after the results of the election
6 are certified. Thereafter the board may not issue, renew, or transfer
7 between holders or locations a license for licensed premises located
8 within the boundaries of the municipality or within the perimeter of
9 an established village, or in an unincorporated area within five miles
10 of the boundaries of the municipality, except a license that may be
11 issued to a municipality or to a [ONE OF THE] types of license [LI-
12 CENSES] listed on the ballot as a result of a majority of the voters
13 voting "yes" on either of the questions [QUESTION] set out in AS 04.-
14 11.492 or this section, respectively. A license that will expire
15 during the 90 days after the results of a local option election under
16 this section are certified may be extended, until it is void under
17 this subsection, by payment of a prorated portion of the annual li-
18 cense fee.

19 * Sec. 20. AS 04.11.500 is amended by adding new subsections to read:

20 (d) If one of the questions set out in (a) of this section is
21 placed on the ballot of an established village in which there are no
22 licensed premises, the lieutenant governor shall, at least 10 days
23 before the election, post written notice at two public places within
24 the established village of the requirements in AS 04.11.320(a) con-
25 cerning issuance of a new license in an established village in which
26 there are no licensed premises.

27 (e) In preparing the ballot for an election on one of the ques-
28 tions set out in (a) of this section, the local governing body or the
29 lieutenant governor shall include an explanation of the authority to

1 sell alcoholic beverages given to the type of license that would be
2 exempt from the prohibition on the sale of alcoholic beverages.

3 (f) In this section,

4 (1) "bar" means a beverage dispensary;

5 (2) "liquor store" means a package store;

6 (3) "restaurant" means a restaurant or eating place.

7 * Sec. 21. AS 04.11.502(a) is amended to read:

8 (a) The local governing body of a municipality, whenever a
9 number of registered voters equal to at least 35 percent of the number
10 of votes cast at the last regular municipal election petition the
11 local governing body to do so, shall place upon a separate ballot at
12 the next regular election or at a special election whichever question
13 [OR COMBINATION OF QUESTIONS] set out in AS 04.11.490 - 04.11.500
14 constitutes the subject of the petition. The local governing body
15 shall conduct the election in accordance with the election ordinance
16 of the municipality and may prepare the election ballots in English
17 and a second language specified by the local governing body.

18 * Sec. 22. AS 04.11.502(b) is amended to read:

19 (b) The lieutenant governor, whenever 35 percent of the regis-
20 tered voters residing within an established village petition the
21 lieutenant governor to do so, shall place upon a separate ballot at a
22 special election that question [OR COMBINATION OF QUESTIONS] set out
23 in AS 04.11.490 - 04.11.500 that constitutes the subject of the peti-
24 tion. The lieutenant governor shall conduct the election in the
25 general manner prescribed by the Alaska Election Code (AS 15).

26 * Sec. 23. AS 04.11.502(e) is amended to read:

27 (e) AS 29.26.110 - 29.26.160 applies to a petition under (a) of
28 this section in a general law municipality except the

29 (1) number of required signatures is determined under (a)

1 of this section rather than under AS 29.26.130;

2 (2) application filed under AS 29.26.110 shall contain the
3 question [OR COMBINATION OF QUESTIONS] set out under AS 04.11.490 -
4 04.11.500 rather than containing an ordinance or resolution;

5 (3) petition shall contain the question [OR COMBINATION OF
6 QUESTIONS] set out under AS 04.11.490 - 04.11.500 rather than material
7 required under AS 29.26.120(1) and (2).

8 * Sec. 24. AS 04.11.502 is amended by adding a new subsection to read:

9 (f) After a petition has been filed under (b) of this section,
10 the local governing body of the established village may request that
11 ballots for an election under (b) of this section be prepared in
12 English and in a second language specified by the local governing
13 body. The lieutenant governor shall honor a request made under this
14 subsection if the local governing body makes its request within 15
15 days after a petition is filed under (b) of this section, the second
16 language specified by the local governing body has a written form, and
17 a qualified translator is available.

18 * Sec. 25. AS 04.11.504(a) is amended to read:

19 (a) If a prohibition imposed on the issuance, renewal, transfer,
20 or relocation of licenses between holders and locations under AS 04.-
21 11.490, 04.11.496, or 04.11.498 [AS 04.11.490 - 04.11.500] is removed
22 by a vote of "yes" ["NO"] on a question for which the majority of the
23 people voted "no" ["YES"] in an earlier election, the board shall,
24 upon application, issue the same number and type of licenses that were
25 in effect in the municipality or established village on the date of
26 certification of the earlier election. If the prohibition imposed on
27 issuance, renewal, transfer, or relocation of licenses between holders
28 and locations is removed by a "yes" vote on a question set out in
29 AS 04.11.492 and 04.11.500, the board may issue the types of licenses

1 specified in the question presented to the voters in the subsequent
2 election. Licenses may be issued for the same or other premises
3 within the municipality or established village that were licensed on
4 the date of certification of the earlier election. However, if the
5 local governing body requests that fewer licenses of a particular type
6 be issued than would otherwise be issued if the provisions prescribing
7 the ratio of population to licensed premises in AS 04.11.400(a) are
8 applied, only the number of licenses of that particular type requested
9 by the local governing body may be issued by the board. Priority shall
10 be given applicants who were formerly licensees and whose licenses
11 were not renewed because of the results of the previous election.
12 However, these applicants have no legal right to a license and the
13 board is not required to approve the application.

14 * Sec. 26. AS 04.11.506 is amended to read:

15 Sec. 04.11.506. NOTICE OF THE RESULTS OF A LOCAL OPTION ELEC-
16 TION. (a) If a majority of the voters vote "No" on a question set
17 out in AS 04.11.490, 04.11.496, or 04.11.498, or "yes" on a question
18 set out in AS 04.11.492, or 04.11.500 [AS 04.11.490 - 04.11.500], the
19 board shall immediately notify the Department of Law and the Depart-
20 ment of Public Safety of the results of the election.

21 (b) If a majority of the voters vote "no" ["YES"] on a question
22 set out in AS 04.11.496 or 04.11.498, the following actions, in addi-
23 tion to those prescribed in (a) of this section, shall be undertaken
24 before the date the prohibition on importation or possession becomes
25 effective:

26 (1) the board shall notify by certified [REGISTERED] mail
27 all [HOLDERS OF] package store licensees who are authorized by the
28 board to sell alcoholic beverages in response to a written solicita-
29 tion, [LICENSES] of the prohibition;

1 (2) the municipality or established village shall post
2 notice of the prohibition in the municipality or village.

3 * Sec. 27. AS 04.16 is amended by adding a new section to read:

4 Sec. 04.16.105. POSSESSION OF PRODUCTS DESIGNED FOR BREWING OR
5 DISTILLING. A person may not knowingly possess a product designed
6 only for brewing or distilling an alcoholic beverage if the person is
7 under the age of 21 years or if the person is in an area that has
8 restricted the sale and importation or possession of alcoholic bever-
9 ages under AS 04.11.496 or 04.11.498.

10 * Sec. 28. AS 04.16.125(a) is amended to read:

11 (a) A person may not use a common carrier to transport alcoholic
12 beverages into an area that has restricted the sale of alcoholic
13 beverages under AS 04.11.490, 04.11.492, or 04.11.500 and a common
14 carrier may not knowingly transport alcoholic beverages into an area
15 that has restricted the sale of alcoholic beverages under AS 04.11.-
16 490, 04.11.492, or 04.11.500 unless

17 (1) the shipping container holding the alcoholic beverages
18 is clearly labeled as containing alcoholic beverages with letters that
19 contrast in color to the shipping container and that are at least two
20 inches in height; and

21 (2) an itemized invoice showing the purchase value of the
22 alcoholic beverages is attached, by the purchaser or the licensee who
23 sells the alcoholic beverages, to the outside of the shipping con-
24 tainer.

25 * Sec. 29. This Act takes effect July 1, 1990.