

Offered: 5/5/90
Referred: Rules

6-0314J

Original sponsor(s): SEN. BINKLEY

1 IN THE SENATE BY THE JUDICIARY COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 297 (Judiciary)

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 the question set
2 out in AS 04.11.492(a), the local governing body of a municipality
3 shall apply for a community liquor license to operate a beverage
4 dispensary or package store, [OR BOTH,] depending on which type of
5 premises were specified on the ballot. Unless prohibited by the
6 results of an earlier local option election, a local governing body
7 may also apply on its own motion for a community liquor license.

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

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

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

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

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

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

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

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

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

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

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

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

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

16 (11) the license is sought for the sale of alcoholic bever-
17 ages in a first or second class city in which there are no licensed
18 premises at the time of application unless a majority of the voters in
19 a local option election conducted in accordance with AS 04.11.502 have
20 voted "yes" ["NO"] on the question set out in AS 04.11.490, [OR HAVE
21 VOTED "YES" ON A QUESTION SET OUT IN AS] 04.11.492, or 04.11.500;

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

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

1 (1) the board finds, after review of all relevant informa-
2 tion, that issuance of the permit would not be in the best interests
3 of the public;

4 (2) the board finds that any of the statements made in the
5 application are untrue;

6 (3) the application has not been completed in accordance
7 with AS 04.11.260;

8 (4) the permit is sought for the sale of alcoholic bever-
9 ages in a first or second class city or established village in which
10 there are no licensed premises at the time of application unless a
11 majority of the voters in a local option election conducted in accor-
12 dance with AS 04.11.502 have voted "yes" ["NO"] on the question set
13 out in AS 04.11.490.

14 * Sec. 5. AS 04.11 is amended by adding a new section to read:

15 Sec. 04.11.395. BOARD IMPOSED RESTRICTIONS. The board may
16 impose conditions or restrictions applicable to a license or permit
17 issued under this chapter.

18 * Sec. 6. AS 04.11.400(j) is amended to read:

19 (j) The board may approve the issuance [OR TRANSFER OF OWNER-
20 SHIP] of a restaurant or eating place license in a municipality with-
21 out regard to (a) of this section if the board finds that issuance [OR
22 TRANSFER] of the license is necessary for the public convenience.

23 * Sec. 7. AS 04.11.490 is amended to read:

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

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

29 (b) If a majority of the voters vote "no" ["YES"] on the

1 question set out in (a) of this section, the board shall be notified
2 immediately after certification of the results of the election and
3 thereafter the board may not issue, renew, or transfer between holders
4 or locations a license for licensed premises located within the bound-
5 aries of a municipality and in unincorporated areas within five miles
6 of the boundaries of the municipality or within the perimeter of an
7 established village. Licenses that may not be renewed because of a
8 local option election held under this section are void 90 days after
9 the results of the election are certified. A license that will expire
10 during the 90 days after the results of a local option election under
11 this section are certified may be extended, until it is void under
12 this subsection, by payment of a prorated portion of the annual li-
13 cense fee.

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

25 * Sec. 8. AS 04.11.492(a) is repealed and reenacted to read:

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

29 (1) "shall alcoholic beverages be sold in (name

1 of municipality) only by a bar operated by (name of municipality)?
2 (yes or no)"; or

3 (2) "Shall alcoholic beverages be sold in (name
4 of municipality) only by a liquor store operated by (name of municipi-
5 pality)? (yes or no)."

6 * Sec. 9. AS 04.11.492(c) is amended to read:

7 (c) If a majority of the voters vote "no" on the question set
8 out in (a) of this section or vote "no" ["YES"] on a question set out
9 in AS 04.11.490, or 04.11.496, or vote "yes" on a question set out in
10 AS 04.11.500 in an election conducted in accordance with AS 04.11.502
11 after an election in which the voters voted "yes" on the question set
12 out in (a) of this section, the board shall be notified immediately
13 after a certification of the results of the election. The prohibi-
14 tions imposed under (b) of this section on the issuance, renewal, or
15 transfer of licenses between holders and locations as a result of the
16 earlier election are removed 90 days after the results of the election
17 are certified except insofar as those prohibitions are imposed under
18 [IN ACCORDANCE WITH] the results of the subsequent election.

19 * Sec. 10. AS 04.11.492 is amended by adding new subsections to read:

20 (d) In preparing the ballot for an election on either of the two
21 questions set out in (a) of this section, the local governing body
22 shall include an explanation of the authority to sell alcoholic bever-
23 ages given to a beverage dispensary licensee, if the question listed
24 in (a)(1) of this section is on the ballot, or an explanation of the
25 authority to sell alcoholic beverages given to a package store li-
26 censee, if the question listed in (a)(2) of this section is on the
27 ballot.

28 (e) In this section,

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

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

2 * Sec. 11. AS 04.11.496 is amended to read:

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

9 (b) If a majority of the voters vote "no" ["YES"] on the ques-
10 tion set out in (a) of this section, a person, beginning on the first
11 day of the month following certification of the results of the elec-
12 tion, may not knowingly send, transport, or bring an alcoholic bever-
13 age into the municipality or established village, unless the alcoholic
14 beverage is sacramental wine to be used for bona fide religious pur-
15 poses based on tenets or teachings of a church or religious body, is
16 limited in quantity to the amount necessary for religious purposes,
17 and is dispensed only for religious purposes by a person authorized by
18 the church or religious body to dispense the sacramental wine. The
19 board shall be notified immediately after certification of the results
20 of the election and thereafter may not issue, renew, or transfer
21 between holders or locations a license for licensed premises located
22 within the boundaries of the municipality and within unincorporated
23 areas within five miles of the boundaries of the municipality or
24 within the perimeter of the established village. Licenses that may not
25 be renewed because of a local option election held under this section
26 are void 90 days after the results of the election are certified. A
27 license that will expire during the 90 days after the results of a
28 local option election under this section are certified may be ex-
29 tended, until it is void under this subsection, by payment of a

1 prorated portion of the annual license fee.
2 (c) If a majority of the voters vote "yes" ["NO"] on the ques-
3 tion set out in (a) of this section or vote "yes" on the questions set
4 out in AS 04.11.492 or 04.11.500 in an election conducted in accor-
5 dance with AS 04.11.502 after an election in which the voters voted
6 "no" ["YES"] on the question set out in (a) of this section, the
7 prohibition on the importation of alcoholic beverages and the prohibi-
8 tion on the issuance, renewal, or transfers of licenses between hold-
9 ers and locations, imposed as a result of the earlier election in
10 which the voters voted "no" ["YES"] on the question set out in (a) of
11 this section are removed effective on the first day of the month
12 following certification of the results of the election except as those
13 prohibitions continue to be imposed in accordance with the results of
14 the subsequent election.

15 * Sec. 12. AS 04.11.498(a) is amended to read:

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

21 * Sec. 13. AS 04.11.498(b) is amended to read:

22 (b) If a majority of the voters of an established village vote
23 "no" ["YES"] on the question set out in (a) of this section, and the
24 sale of alcoholic beverages, or the sale and importation of alcoholic
25 beverages, has been previously prohibited in the established village
26 in accordance with AS 04.11.490 or 04.11.496, a person, beginning on
27 the first day of the month following certification of the results of
28 the election, may not knowingly possess an alcoholic beverage in the
29 established village, unless the alcoholic beverage is wine to be used

1 for bona fide religious purposes based on tenets or teachings of a
2 church or religious body, is limited in quantity to the amount neces-
3 sary for religious purposes, and is dispensed only for religious
4 purposes, by a person recognized by the church or religious body as
5 authorized to dispense the wine. The board shall be notified immedi-
6 ately after certification of the results of the election and there-
7 after may not issue, renew, or transfer between holders or locations a
8 license for licensed premises located within the perimeter of the
9 established village as defined in AS 04.21.080(b)(8).

10 * Sec. 14. AS 04.11.498(c) is amended to read:

11 (c) If a majority of the voters of an established village vote
12 "no" ["YES"] on the question set out in (a) of this section and the
13 sale of alcoholic beverages, or the sale and importation of alcoholic
14 beverages, has not been previously prohibited in the established
15 village in accordance with AS 04.11.490 or 04.11.496, a person [,
16 BEGINNING 90 DAYS AFTER CERTIFICATION OF THE RESULTS OF THE ELECTION,]
17 may not knowingly possess an alcoholic beverage in the established
18 village, unless the person is licensed by the board or the alcoholic
19 beverage is wine to be used for bona fide religious purposes based on
20 tenets or teachings of a church or religious body, is limited in
21 quantity to the amount necessary for religious purposes, and is dis-
22 pensed only for religious purposes by a person recognized by the
23 church or religious body as authorized to dispense the wine. If there
24 are licensed premises within the established village, the prohibition
25 is effective beginning 90 days after the results of the election are
26 certified. If there are no licensed premises within the established
27 village, the prohibition is effective beginning 60 days after the
28 results of the election are certified. The board shall be notified
29 immediately after certification of the results of the election and

1 thereafter may not issue, renew, or transfer between holders or lo-
2 cations a license for licensed premises located within the perimeter
3 of the established village [AS DEFINED IN AS 04.21.080(b)(8)]. Li-
4 censes that may not be renewed because of a local option election held
5 under this section are void 90 days after the results of the election
6 are certified. A license that will expire during the 90 days after
7 the results of a local option election under this section are certi-
8 fied may be extended until it is void under the section, by payment of
9 a prorated portion of the annual license fee.

10 * Sec. 15. AS 04.11.498(d) is amended to read:

11 (d) If a majority of the voters of a municipality vote "no"
12 ["YES"] on the question set out in (a) of this section, and the sale
13 of alcoholic beverages, or the sale and importation of alcoholic
14 beverages, has been previously prohibited in the municipality in
15 accordance with AS 04.11.490 or 04.11.496, an ordinance is adopted
16 that becomes effective beginning on the first day of the month follow-
17 ing certification of the results of the election, and a person may not
18 knowingly possess an alcoholic beverage in the municipality, unless
19 the alcoholic beverage is wine to be used for bona fide religious
20 purposes based on tenets or teachings of a church or religious body,
21 is limited in quantity to the amount necessary for religious purposes,
22 and is dispensed only for religious purposes, by a person recognized
23 by the church or religious body as authorized to dispense the wine.
24 The board shall be notified immediately after certification of the
25 results of the election and thereafter may not issue, renew, or trans-
26 fer between holders or locations a license for licensed premises
27 located within the boundaries of the municipality and within unincor-
28 porated areas within five miles of the boundaries of the municipality.

29 * Sec. 16. AS 04.11.498(e) is amended to read:

1 (e) If a majority of the voters of a municipality vote "no"
2 ["YES"] on the question set out in (a) of this section and the sale of
3 alcoholic beverages, or the sale and importation of alcoholic bever-
4 ages, has not been previously prohibited in the municipality in accor-
5 dance with AS 04.11.490 or 04.11.496, an ordinance is adopted that
6 provides that [BECOMES EFFECTIVE BEGINNING 90 DAYS AFTER CERTIFICATION
7 OF THE RESULTS OF THE ELECTION, AND] a person may not knowingly pos-
8 sess an alcoholic beverage in the municipality, unless the alcoholic
9 beverage is wine to be used for bona fide religious purposes based on
10 tenets or teachings of a church or religious body, is limited in
11 quantity to the amount necessary for religious purposes, and is dis-
12 persed only for religious purposes by a person recognized by the
13 church or religious body as authorized to dispense the wine. The
14 board shall be notified immediately after the adoption of the ordi-
15 nance and thereafter may not issue, renew, or transfer between holders
16 or locations a license for licensed premises located within the bound-
17 aries of the municipality and within unincorporated areas within five
18 miles of the boundaries of the municipality. If there are licensed
19 premises within the municipality, the prohibition is effective begin-
20 ning 90 days after the results of the election are certified. If
21 there are no licensed premises within the municipality, the prohibi-
22 tion is effective beginning 60 days after the results of the election
23 are certified. Licenses that may not be renewed because of a local
24 option election held under this section are void 90 days after the
25 results of the election are certified. A license that will expire
26 during the 90 days after the results of a local option election under
27 this section are certified may be extended, until it is void under
28 this section, by payment of a prorated portion of the annual fee.

29 * Sec. 17. AS 04.11.498(f) is amended to read:

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

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

11 (a) One of the following three questions, appearing alone, may
12 be placed before the voters of a municipality or an established vil-
13 lage under AS 04.11.502:

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

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

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

22 * Sec. 19. AS 04.11.500(b) is amended to read:

23 (b) If a majority of the voters vote "yes" on the question set
24 out in (a) of this section, the board shall be notified immediately
25 after certification of the results of the election and thereafter may
26 not issue, renew, or transfer between holders or locations a license
27 for licensed premises located within the boundaries of the municipal-
28 ity and in unincorporated areas within five miles of the boundaries of
29 the municipality or within the perimeter of the established village,

1 except the type [THOSE TYPES] of license [LICENSES] listed on the
2 ballot. Licenses in effect within the boundaries of the municipality
3 or perimeter of the established village, and in an unincorporated area
4 outside of but within five miles of the boundaries of the
5 municipality, except the type [THOSE TYPES] of license [LICENSES]
6 listed on the ballot, are void 90 days after the results of the
7 election are certified. A license that will expire during the 90 days
8 after the results of a local option election under this section are
9 certified may be extended, until it is void under this subsection, by
10 payment of a prorated portion of the annual license fee.

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

12 (c) If the majority of the voters vote "no" on the question set
13 out in (a) of this section or on the questions set out in AS 04.11.490
14 or 04.11.496, or vote "yes" on the question [QUESTIONS] set out in
15 AS [04.11.490,] 04.11.492, [04.11.496,] or this section if a different
16 type [TYPES] of license is [LICENSES ARE] listed on the ballot in an
17 election conducted under [IN ACCORDANCE WITH] AS 04.11.502 after an
18 election in which the voters voted "yes" on the question set out in
19 (a) of this section, the board shall be notified immediately after
20 certification of the results of the election. A license [LICENSES] in
21 effect in the municipality, in the unincorporated area outside of but
22 within five miles of the boundaries of the municipality or established
23 village that was [WERE] excepted from the prohibition on sale in
24 accordance with the results of the earlier election are void 90 days
25 after the results of the election are certified. Thereafter the board
26 may not issue, renew, or transfer between holders or locations a
27 license for licensed premises located within the boundaries of the
28 municipality or within the perimeter of an established village, or in
29 an unincorporated area within five miles of the boundaries of the

1 municipality, except a license that may be issued to a municipality or
2 to a [ONE OF THE] types of license [LICENSES] listed on the ballot as
3 a result of a majority of the voters voting "yes" on the question set
4 out in AS 04.11.492 or this section, respectively. A license that
5 will expire during the 90 days after the results of a local option
6 election under this section are certified may be extended, until it is
7 void under this subsection, by payment of a prorated portion of the
8 annual license fee.

9 * Sec. 21. AS 04.11.500 is amended by adding new subsections to read:

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

17 (e) In preparing the ballot for an election on one of the ques-
18 tions set out in (a) of this section, the local governing body or the
19 lieutenant governor shall include an explanation of the authority to
20 sell alcoholic beverages given to the type of license that would be
21 exempt from the prohibition on the sale of alcoholic beverages.

22 (f) In this section,

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

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

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

26 * Sec. 22. AS 04.11.502(a) is amended to read:

27 (a) The local governing body of a municipality, whenever a
28 number of registered voters equal to at least 35 percent of the number
29 of votes cast at the last regular municipal election petition the

1 local governing body to do so, shall place upon a separate ballot at
2 the next regular election or at a special election whichever question
3 [OR COMBINATION OF QUESTIONS] set out in AS 04.11.490 - 04.11.500
4 constitutes the subject of the petition. The local governing body
5 shall conduct the election in accordance with the election ordinance
6 of the municipality and shall prepare the election ballots in English
7 and a second language if specified by the local governing body.

8 * Sec. 23. AS 04.11.502(b) is amended to read:

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

16 * Sec. 24. AS 04.11.502(e) is amended to read:

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

19 (1) number of required signatures is determined under (a)
20 of this section rather than under AS 29.26.130;

21 (2) application filed under AS 29.26.110 shall contain the
22 question [OR COMBINATION OF QUESTIONS] set out under AS 04.11.490 -
23 04.11.500 rather than containing an ordinance or resolution;

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

27 * Sec. 25. AS 04.11.502 is amended by adding a new subsection to read:

28 (f) After a petition has been filed under (b) of this section,
29 the local governing body of the established village may request that

1 ballots for an election under (b) of this section be prepared in
2 English and in a second language specified by the local governing
3 body. The lieutenant governor shall prepare the election ballots in
4 English and a second language specified by the local governing body,
5 if the local governing body makes its request within 15 days after a
6 petition is filed under (b) of this section, the second language
7 specified by the local governing body has a written form, and a qual-
8 ified translator is available.

9 * Sec. 26. AS 04.11.504(a) is amended to read:

10 (a) If a prohibition imposed on the issuance, renewal, transfer,
11 or relocation of licenses between holders and locations under AS 04.-
12 11.490, 04.11.496, or 04.11.498 [AS 04.11.490 - 04.11.500] is removed
13 by a vote of "yes" ["NO"] on a question for which the majority of the
14 people voted "no" ["YES"] in an earlier election, the board shall,
15 upon application, issue the same number and type of licenses that were
16 in effect in the municipality or established village on the date of
17 certification of the earlier election. If the prohibition imposed on
18 issuance, renewal, transfer, or relocation of licenses between holders
19 and locations is removed by a "yes" vote on a question set out in
20 AS 04.11.492 and 04.11.500, the board may issue the types of licenses
21 specified in the question presented to the voters in the subsequent
22 election. Licenses may be issued for the same or other premises
23 within the municipality or established village that were licensed on
24 the date of certification of the earlier election. However, if the
25 local governing body requests that fewer licenses of a particular type
26 be issued than would otherwise be issued if the provisions prescribing
27 the ratio of population to licensed premises in AS 04.11.400(a) are
28 applied, only the number of licenses of that particular type requested
29 by the local governing body may be issued by the board. Priority shall

1 be given applicants who were formerly licensees and whose licenses
2 were not renewed because of the results of the previous election.
3 However, these applicants have no legal right to a license and the
4 board is not required to approve the application.

5 * Sec. 27. AS 04.11.506 is amended to read:

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

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

17 (1) the board shall notify by certified [REGISTERED] mail
18 all [HOLDERS OF] package store licensees who are authorized by the
19 board to sell alcoholic beverages in response to a written sollicita-
20 tion, [LICENSES] of the prohibition;

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

23 * Sec. 28. AS 04.16 is amended by adding a new section to read:

24 Sec. 04.16.105. IMPORTATION OR POSSESSION OF PRODUCTS DESIGNED
25 FOR BREWING OR DISTILLING. A person may not knowingly import or
26 possess a product designed only for brewing or distilling an alcoholic
27 beverage if the person is under the age of 21 years or if the person
28 is in an area that has restricted the sale and importation or posses-
29 sion of alcoholic beverages under AS 04.11.496 or 04.11.498.

1 * Sec. 29. AS 04.16.125(a) is amended to read:

2 (a) A person may not use a common carrier to transport alcoholic
3 beverages into an area that has restricted the sale of alcoholic
4 beverages under AS 04.11.490, 04.11.492, or 04.11.500 and a common
5 carrier may not knowingly transport alcoholic beverages into an area
6 that has restricted the sale of alcoholic beverages under AS 04.11.-
7 490, 04.11.492, or 04.11.500 unless

8 (1) the shipping container holding the alcoholic beverages
9 is clearly labeled as containing alcoholic beverages with letters that
10 contrast in color to the shipping container and that are at least two
11 inches in height; and

12 (2) an itemized invoice showing the purchase value of the
13 alcoholic beverages is attached, by the purchaser or the licensee who
14 sells the alcoholic beverages, to the outside of the shipping con-
15 tainer.

16 * Sec. 30. This Act takes effect July 1, 1990.