

HOUSE CS FOR CS FOR SENATE BILL NO. 372(STA)
 IN THE LEGISLATURE OF THE STATE OF ALASKA
 EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered: 5/10/94

Referred: Rules

Sponsor(s): SENATE JUDICIARY COMMITTEE BY REQUEST

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to community local options for control of alcoholic beverages;
 2 relating to the control of alcoholic beverages; relating to the definition of
 3 'alcoholic beverage'; relating to purchase and sale of alcoholic beverages; relating
 4 to alcohol server education courses; and providing for an effective date."

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

6 * Section 1. AS 04.11.010(b) is amended to read:

7 (b) A person may not solicit or receive orders for the delivery of an alcoholic
 8 beverage in an area that has adopted a local option under AS 04.11.491. If the
 9 area has adopted a local option under AS 04.11.491(a)(1), (2), or (3), or (b)(1) or
 10 (2), a package store licensee outside of that local option area may receive orders
 11 as provided under AS 04.11.150 but may not solicit in that area or receive orders
 12 through an agent or employee in that area. This subsection does not apply to a
 13 package store licensee who operates a package store in an area that has adopted
 14 a local option under AS 04.11.491(a)(2)(C) or (3)(C) or (b)(2)(C) [WHERE THE

1 RESULTS OF A LOCAL OPTION ELECTION HAVE, UNDER AS 04.11.490 -
2 04.11.500, PROHIBITED THE BOARD FROM ISSUING, RENEWING OR
3 TRANSFERRING ONE OR MORE TYPES OF LICENSES OR PERMITS UNDER
4 THIS TITLE, UNLESS THE PERSON IS LICENSED UNDER THIS TITLE AND
5 THE ORDER IS ACTUALLY RECEIVED BY THAT PERSON FROM THE
6 PURCHASER OF THE ALCOHOLIC BEVERAGE]. A person who violates this
7 subsection is punishable upon conviction as provided under AS 04.16.200(a) or (b).

8 * Sec. 2. AS 04.11.010(c) is amended to read:

9 (c) In a criminal prosecution for possession of alcoholic beverages for sale in
10 violation of (a) of this section, the fact that a person possessed more than 12 liters of
11 distilled spirits, 24 liters or more of wine, or 12 gallons [45 LITERS] or more of malt
12 beverages in an area where the sale of alcoholic beverages is restricted or prohibited
13 under AS 04.11.491 [AS 04.11.490, 04.11.492, 04.11.496, OR 04.11.500] creates a
14 presumption that the person possessed the alcoholic beverages for sale.

15 * Sec. 3. AS 04.11.135(b) is amended to read:

16 (b) Except as provided under AS 04.11.360(10) [AS 04.11.360(12)], the
17 brewpub license is not transferable, shall remain the property of the state, and is not
18 subject to any form of alienation.

19 * Sec. 4. AS 04.11.150(a) is repealed and reenacted to read:

20 (a) Except as provided under (h) of this section, a package store license
21 authorizes the licensee to sell alcoholic beverages to a person present on the licensed
22 premises or to a person known to the licensee who makes a written solicitation to that
23 licensee for shipment. A licensee, agent, or employee may only ship alcoholic
24 beverages to the person who is purchasing the alcoholic beverages being shipped.
25 Before commencing the practice of shipping alcoholic beverages, and with a
26 subsequent application to renew the license, a licensee shall notify the board in writing
27 of the licensee's intention to ship alcoholic beverages in response to a written
28 solicitation. The package store licensee, agent, or employee shall include written
29 information on fetal alcohol syndrome and fetal alcohol effects resulting from a woman
30 consuming alcohol during pregnancy in a shipment of alcoholic beverages sold in
31 response to a written solicitation.

1 * Sec. 5. AS 04.11.150(h) is repealed and reenacted to read:

2 (h) If a shipment is to an area that has restricted the sale of alcoholic
3 beverages under AS 04.11.491(a)(1), (2), or (3) or (b)(1) or (2), a package store
4 licensee, agent, or employee may not ship to a purchaser more than 12 liters of
5 distilled spirits, 24 liters or more of wine, or 12 gallons or more of malt beverages in
6 a calendar month.

7 * Sec. 6. AS 04.11.160 is amended by adding new subsections to read:

8 (f) A person who applies for issuance or renewal of a license under this
9 section shall file, on forms provided by the board, the following information regarding
10 each brand of alcoholic beverage that the person intends to purchase, offer for sale, or
11 sell: (1) the full and correct brand or trade name; (2) the nature and type of the brand;
12 (3) the name of the distiller, brewer, vintner, or importer of the brand; and (4) a
13 certification by the distiller, brewer, vintner, or importer of the brand that the person
14 is a primary source of supply for the brand. In addition to the fees imposed under (a)
15 and (b) of this section, a person filing under this subsection shall pay a biennial filing
16 fee of \$50 for each brand of alcoholic beverage the person intends to purchase, offer
17 for sale, or sell. In this subsection, "distiller, brewer, vintner, or importer" includes
18 an exclusive agent of the distiller, brewer, vintner, or importer if the agent's name
19 appears on the label of the brand approved by the Federal Bureau of Alcohol, Tobacco
20 and Firearms.

21 (g) A person licensed under this section shall notify the board within 10 days
22 of a change in a primary source of supply designation required under (f) of this
23 section.

24 * Sec. 7. AS 04.16 is amended by adding a new section to read:

25 Sec. 04.16.172. RESTRICTIONS ON PURCHASE AND SALE OF
26 ALCOHOLIC BEVERAGES. A person licensed under AS 04.11.090, 04.11.100,
27 04.11.110, or 04.11.150 may not purchase, sell, or offer for sale an alcoholic beverage
28 unless the alcoholic beverage being purchased, sold, or offered for sale was obtained
29 from a person licensed under

30 (1) AS 04.11.160 as a primary source of supply for the alcoholic
31 beverage being purchased, sold, or offered for sale; or

1 (2) AS 04.11.130, 04.11.140, or 04.11.170.

2 * Sec. 8. AS 04.11.270(b) is amended to read:

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

4 (1) on or before November 1 [OF EACH YEAR], the director shall
5 mail a renewal application to each licensee whose license, unless renewed, will expire
6 on December 31 of that year; the application shall be mailed to the licensee at the
7 licensed premises or at a mailing address furnished by the licensee;

8 (2) the licensee shall submit the completed renewal application and the
9 biennial license fee to the director before January 1 [ON OR BEFORE
10 DECEMBER 31];

11 (3) a renewal application filed after December 31 is delinquent and
12 must be accompanied by a \$500 [\$200] penalty fee;

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

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

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

18 (1) the board finds, after review of all relevant information, that
19 issuance of the license would not be in the best interests of the public;

20 (2) issuance of the license is prohibited by AS 04.11.390, relating to
21 residency, or AS 04.11.410, relating to location of premises near churches and schools;

22 (3) the application has not been completed in accordance with
23 AS 04.11.260;

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

26 (5) issuance of the license is prohibited under this title as a result of
27 an election conducted under AS 04.11.507 [IN ACCORDANCE WITH
28 AS 04.11.502];

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

1 (7) [THE LICENSED PREMISES ARE TO BE LOCATED IN A
2 MUNICIPALITY, THE TYPE OF LICENSE SOUGHT IS A BEVERAGE
3 DISPENSARY OR PACKAGE STORE LICENSE, AND THAT TYPE OF LICENSE
4 IS ALREADY IN EFFECT IN THE MUNICIPALITY UNDER A COMMUNITY
5 LIQUOR LICENSE, UNLESS THE NEW LICENSE IS TO BECOME EFFECTIVE
6 AFTER THE COMMUNITY LIQUOR LICENSE IS NO LONGER EFFECTIVE,
7 WHETHER AS THE RESULT OF A LOCAL OPTION ELECTION OR
8 OTHERWISE;

9 (8) THE AUTHORITY SOUGHT IS AUTHORITY TO OPERATE A
10 BEVERAGE DISPENSARY OR PACKAGE STORE UNDER A COMMUNITY
11 LIQUOR LICENSE FOR PREMISES TO BE LOCATED IN A MUNICIPALITY
12 WHERE THE AUTHORITY SOUGHT IS ALREADY HELD BY A PRIVATE
13 LICENSEE UNDER A BEVERAGE DISPENSARY OR PACKAGE STORE
14 LICENSE, UNLESS THE COMMUNITY LIQUOR LICENSE IS TO BECOME
15 EFFECTIVE AFTER THE PRIVATELY HELD LICENSE IS NO LONGER
16 EFFECTIVE, WHETHER AS THE RESULT OF A LOCAL OPTION ELECTION OR
17 OTHERWISE;

18 (9) issuance of the license is prohibited under AS 04.11.400(a) or
19 prohibition of issuance of the license is found necessary under AS 04.11.400(b);

20 (8) [(10)] the application contains false statements of material fact;

21 (9) [(11)] the license is sought for the sale of alcoholic beverages in a
22 first or second class city where [IN WHICH] there are no licensed premises at the
23 time of application unless a majority of the voters have voted not to approve [IN] a
24 local option to restrict or prohibit the sale of alcoholic beverages under
25 AS 04.11.491, have voted to approve a local option to allow the type of premises
26 under AS 04.11.491(a)(2) or (3), or have voted to remove a restriction or
27 prohibition on the sale of alcoholic beverages under AS 04.11.495 [ELECTION
28 CONDUCTED IN ACCORDANCE WITH AS 04.11.502 HAVE VOTED "NO" ON
29 THE QUESTION SET OUT IN AS 04.11.490, OR HAVE VOTED "YES" ON A
30 QUESTION SET OUT IN AS 04.11.492 OR 04.11.500]; or

31 (10) [(12)] the license is sought for the sale of alcoholic beverages in

1 an established village where [IN WHICH] there are no licensed premises at the time
2 of application unless a majority of the voters have voted not to approve [IN] a local
3 option to restrict or prohibit the sale of alcoholic beverages under AS 04.11.491,
4 have voted to approve a local option to allow the type of premises under
5 AS 04.11.491(b)(2), or have voted to remove a restriction or prohibition on the
6 sale of alcoholic beverages under AS 04.11.495 [ELECTION CONDUCTED IN
7 ACCORDANCE WITH AS 04.11.502 HAVE VOTED "NO" ON THE QUESTION
8 SET OUT IN AS 04.11.490 OR HAVE VOTED "YES" ON THE QUESTION SET
9 OUT IN AS 04.11.500].

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

11 (1) the board finds, after review of all relevant information, that
12 issuance of the permit would not be in the best interests of the public;

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

15 (3) the application has not been completed in accordance with
16 AS 04.11.260; or

17 (4) the permit is sought for the sale of alcoholic beverages in a first or
18 second class city or established village where [IN WHICH] there are no licensed
19 premises at the time of application unless a majority of the voters have voted not to
20 approve [IN] a local option to restrict or prohibit the sale of alcoholic beverages
21 under AS 04.11.491, have voted to approve a local option to allow the type of
22 permit under AS 04.11.491(a)(2) or (b)(2), or have voted to remove a restriction
23 or prohibition on the sale of alcoholic beverages under AS 04.11.495 [ELECTION
24 CONDUCTED IN ACCORDANCE WITH AS 04.11.502 HAVE VOTED "NO" ON
25 THE QUESTION SET OUT IN AS 04.11.490].

26 * Sec. 10. AS 04.11.330(a) is amended to read:

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

28 (1) the board finds, after review of all relevant information, that
29 renewal of the license would not be in the best interests of the public;

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

31 (3) the applicant has not operated the licensed premises for at least 30

1 eight-hour days during each of the two preceding calendar years, unless the board
2 determines that the licensed premises are under construction or cannot be operated
3 through no fault of the applicant;

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

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

8 (6) renewal of the license would violate the conditions or restrictions
9 pertaining to the particular license under this title;

10 (7) renewal of the license is prohibited under this title as a result of an
11 election conducted under AS 04.11.507 [IN ACCORDANCE WITH AS 04.11.502];

12 (8) the application has not been completed in accordance with
13 AS 04.11.270; or

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

16 * Sec. 11. AS 04.11.340 is amended to read:

17 Sec. 04.11.340. DENIAL OF REQUEST FOR RELOCATION. An application
18 requesting approval for the relocation of licensed premises shall be denied if

19 (1) the board finds, after review of all relevant information, that
20 relocation of the license would not be in the best interests of the public;

21 (2) the relocation is prohibited under AS 04.11.400(a) or (b);

22 (3) the license would be relocated out of the established village,
23 incorporated city, unified municipality, or population area established under
24 AS 04.11.400(a) within which it is located;

25 (4) transfer of ownership is to be made concurrently with the relocation
26 of the licensed premises and a ground for denial of the transfer of ownership under
27 AS 04.11.360 is presented;

28 (5) the application has not been completed in accordance with
29 AS 04.11.290;

30 (6) relocation of the license would result in violation of a local zoning
31 law;

1 (7) relocation of the license would violate the restrictions pertaining to
2 the particular license imposed by this title;

3 (8) relocation of the license is prohibited under this title as a result of
4 an election conducted under AS 04.11.507 [IN ACCORDANCE WITH
5 AS 04.11.502]; or

6 (9) [THE LICENSED PREMISES ARE TO BE LOCATED IN A
7 MUNICIPALITY, THE TYPE OF LICENSE SOUGHT TO BE RELOCATED IS A
8 BEVERAGE DISPENSARY OR PACKAGE STORE LICENSE, AND THAT TYPE
9 OF LICENSE IS ALREADY IN EFFECT IN THE MUNICIPALITY UNDER A
10 COMMUNITY LIQUOR LICENSE, UNLESS THE RELOCATION IS TO BECOME
11 EFFECTIVE AFTER THE COMMUNITY LIQUOR LICENSE IS NO LONGER
12 EFFECTIVE, WHETHER AS THE RESULT OF A LOCAL OPTION ELECTION OR
13 OTHERWISE;

14 (10)] the license was issued under AS 04.11.400(g), (h), or (j).

15 * Sec. 12. AS 04.11.360 is amended to read:

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

19 (1) the board finds, after review of all relevant information, that transfer
20 of a license to another person would not be in the best interests of the public;

21 (2) the application has not been completed in accordance with
22 AS 04.11.280;

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

24 (4) the transferor has not paid all debts or taxes arising from the
25 conduct of the business licensed under this title unless

26 (A) the transferor gives security for the payment of the debts
27 or taxes satisfactory to the creditor or taxing authority; or

28 (B) the transfer is pursuant to a promise given as collateral by
29 the transferor to the transferee in the course of an earlier transfer of the license
30 under which promise the transferor is obliged to transfer the license back to the
31 transferee in the event of default in payment for property conveyed as part of

- 1 the earlier transfer of the license;
- 2 (5) transfer of the license to another person would result in violation
- 3 of the provisions of this title relating to identity of licensees and financing of licensees;
- 4 (6) transfer of the license to another person would violate the
- 5 restrictions pertaining to the particular license under this title;
- 6 (7) transfer of the license to another person is prohibited under the
- 7 provisions of this title as a result of an election conducted under AS 04.11.507 [IN
- 8 ACCORDANCE WITH AS 04.11.502];
- 9 (8) the prospective transferee does not have the qualifications required
- 10 under this title of an original applicant;
- 11 (9) [THE LICENSED PREMISES ARE LOCATED IN A
- 12 MUNICIPALITY, THE TYPE OF LICENSE SOUGHT TO BE TRANSFERRED IS
- 13 A BEVERAGE DISPENSARY OR PACKAGE STORE LICENSE, AND THAT TYPE
- 14 OF LICENSE IS ALREADY IN EFFECT IN THE MUNICIPALITY UNDER A
- 15 COMMUNITY LIQUOR LICENSE, UNLESS THE TRANSFER IS TO BECOME
- 16 EFFECTIVE AFTER THE COMMUNITY LIQUOR LICENSE IS NO LONGER
- 17 EFFECTIVE, WHETHER AS THE RESULT OF A LOCAL OPTION ELECTION OR
- 18 OTHERWISE;
- 19 (10) THE AUTHORITY SOUGHT IS AUTHORITY TO OPERATE
- 20 A BEVERAGE DISPENSARY OR PACKAGE STORE UNDER A COMMUNITY
- 21 LIQUOR LICENSE FOR PREMISES TO BE LOCATED IN A MUNICIPALITY
- 22 WHERE THE AUTHORITY SOUGHT IS ALREADY HELD BY A PRIVATE
- 23 LICENSEE UNDER A BEVERAGE DISPENSARY OR PACKAGE STORE
- 24 LICENSE, UNLESS THE TRANSFER IS TO BECOME EFFECTIVE AFTER THE
- 25 PRIVATELY HELD LICENSE IS NO LONGER EFFECTIVE, WHETHER AS THE
- 26 RESULT OF A LOCAL OPTION ELECTION OR OTHERWISE;
- 27 (11)] the license was issued under AS 04.11.400(j); or
- 28 (10) [(12)] the license was issued under AS 04.11.135, unless the
- 29 transferor is also applying to transfer the beverage dispensary license required under
- 30 AS 04.11.135 to the same transferee.
- 31 * Sec. 13. AS 04.11.370 is amended to read:

1 Sec. 04.11.370. SUSPENSION AND REVOCATION OF LICENSES AND
2 PERMITS. A license or permit shall be suspended or revoked if the board finds
3 [THAT ONE OR MORE OF THE FOLLOWING GROUNDS EXISTS:]

4 (1) misrepresentation of a material fact on an application made under
5 this title or a regulation adopted under this title [FOR A LICENSE OR PERMIT];

6 (2) continuation of the manufacture, sale, or service of alcoholic
7 beverages by the licensee [ACTIVITIES AUTHORIZED UNDER A LICENSE OR
8 PERMIT] would be contrary to the best interests of the public;

9 (3) failure on the part of the licensee to correct a defect [DEFECTS]
10 that constitutes a violation [CONSTITUTE VIOLATIONS] of this title, a condition
11 or restriction imposed under AS 04.11.395, a regulation [REGULATIONS] adopted
12 under this title, or other laws [WITHIN A PRESCRIBED TIME] after receipt of notice
13 issued by the board or its agent;

14 (4) conviction of a licensee of a violation of [A PROVISION OF] this
15 title, a regulation adopted under this title, or an ordinance adopted under AS 04.21.010;

16 (5) conviction of an [THE] agent or employee of a licensee of a
17 violation of this title, a regulation adopted under this title, or an ordinance adopted
18 under AS 04.21.010, if the licensee is found by the board to have either knowingly
19 allowed the violation or to have recklessly or with criminal negligence failed to act in
20 accordance with the duty prescribed under AS 04.21.030 with the result that the [AN]
21 agent or employee violates a law, regulation, or ordinance;

22 (6) failure of the licensee to comply with the public health, fire, or
23 safety laws and regulations [PERTAINING TO PUBLIC HEALTH] in the state;

24 (7) use of the licensed premises as a resort for illegal possessors or
25 users of narcotics, prostitutes, or promoters of prostitution; in addition to any other
26 legally competent evidence, the character of the premises may be proved by the
27 general reputation of the premises in the community as a resort for illegal possessors
28 or users of narcotics, prostitutes, or promoters of prostitution;

29 (8) occurrence of illegal gambling within the limits of the licensed
30 premises;

31 (9) the licensee permitted a [PERMITTING ANY] public offense

1 involving moral turpitude to occur on the licensed premises;

2 (10) violation by a licensee of this title, a condition or restriction
3 imposed under AS 04.11.395, a regulation adopted under this title, or an ordinance
4 adopted under AS 04.21.010; or

5 (11) violation by an agent or employee of a licensee of a provision of
6 this title, a condition or restriction imposed under AS 04.11.395, a regulation
7 adopted under this title, or an ordinance adopted under AS 04.21.010, if the licensee
8 is found by the board to have either knowingly allowed the violation or to have
9 recklessly or with criminal negligence failed to act in accordance with the duty
10 prescribed under AS 04.21.030 with the result that the agent or employee violates the
11 law, condition or restriction, regulation, or ordinance.

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

13 Sec. 04.11.395. BOARD IMPOSED CONDITIONS OR RESTRICTIONS.
14 The board may, in the best interests of the public, impose conditions or restrictions on
15 a license or permit issued under this chapter.

16 * Sec. 15. AS 04.11.400(a) is amended to read:

17 (a) Except as provided in (g), (h), (i), (j), and (k) of this section, a new license
18 may not be issued and the board may prohibit relocation of an existing license

19 (1) outside an established village, incorporated city, unified
20 municipality, or organized borough if after the issuance or relocation there would be
21 more than one restaurant or eating place license for each 1,500 population or fraction
22 of that [1,500] population; or more than one license of each other type, including
23 licenses that have been issued under (g) or (h) of this section, for each 3,000
24 population or fraction of that [3,000] population; in a radius of five miles of the
25 licensed premises [OR LOCATION OF PREMISES SOUGHT TO BE LICENSED],
26 excluding the populations of established villages, incorporated cities, unified
27 municipalities, and organized boroughs that are wholly or partly included within the
28 radius;

29 (2) inside an established village, incorporated city, or unified
30 municipality if after the issuance or relocation there would be inside the established
31 village, incorporated city, or unified municipality

1 AS 04.11.510(b)(2) or (b)(4) shall be kept [RETAINED] as part of the board's
2 permanent record of its review [OF THE APPLICATION]. If an application or
3 continued operation is protested, the board shall deny [MAY NOT APPROVE] the
4 application or continued operation unless the board finds that the protest is arbitrary,
5 capricious, and unreasonable.

6 * Sec. 17. AS 04.11 is amended by adding a new section to read:

7 Sec. 04.11.491. LOCAL OPTIONS. (a) If a majority of the persons voting
8 on the question vote to approve the option, a municipality shall adopt a local option
9 to prohibit

10 (1) the sale of alcoholic beverages;

11 (2) the sale of alcoholic beverages except by one or more of the
12 following listed on the ballot:

13 (A) a restaurant or eating place licensee;

14 (B) a beverage dispensary licensee;

15 (C) a package store licensee; or

16 (D) a caterer holding a permit under AS 04.11.230 to sell
17 alcoholic beverages at a site within the municipality who is also licensed under
18 a beverage dispensary license for premises outside of the municipality;

19 (3) the sale of alcoholic beverages except on premises operated by the
20 municipality and under a type of licensed premises listed on the ballot, that may
21 include one or more of the following:

22 (A) a restaurant or eating place license;

23 (B) a beverage dispensary license; or

24 (C) a package store license;

25 (4) the sale and importation of alcoholic beverages; or

26 (5) the sale, importation, and possession of alcoholic beverages.

27 (b) If a majority of the persons voting on the question vote to approve the
28 option, an established village shall exercise a local option to prohibit

29 (1) the sale of alcoholic beverages;

30 (2) the sale of alcoholic beverages except by one or more of the
31 following listed on the ballot:

- 1 (A) a restaurant or eating place licensee;
2 (B) a beverage dispensary licensee;
3 (C) a package store licensee; or
4 (D) a caterer holding a permit under AS 04.11.230 to sell
5 alcoholic beverages at a site within the established village who is also licensed
6 under a beverage dispensary license for premises outside of the established
7 village;
- 8 (3) the sale and importation of alcoholic beverages; or
9 (4) the sale, importation, and possession of alcoholic beverages.
- 10 (c) A ballot question to adopt a local option under this section must at least
11 contain language substantially similar to: "Shall (name of municipality or village)
12 adopt a local option to prohibit (local option under (a) or (b) of this section)? (yes or
13 no)."
- 14 (d) The ballot for an election on the option set out in (a)(2)(A), (a)(3)(A), or
15 (b)(2)(A) of this section must include an explanation of the authority to sell alcoholic
16 beverages given to a restaurant or eating place. The ballot for an election on the
17 option set out in (a)(2)(B) or (D), (a)(3)(B), or (b)(2)(B) or (D) of this section must
18 include a statement that a beverage dispensary license is commonly known as a "bar"
19 and an explanation of the authority to sell alcoholic beverages given to a beverage
20 dispensary licensee. The ballot for an election on the option set out in (a)(2)(C),
21 (a)(3)(C), or (b)(2)(C) of this section must include a statement that a package store
22 license is commonly known as a "liquor store" and an explanation of the authority to
23 sell alcoholic beverages given to a package store licensee.
- 24 (e) If a municipality dissolves under AS 29.06.450(a) or (b), a local option
25 adopted by the municipality under (a) of this section shall continue in effect as the
26 corresponding local option under (b) of this section for an established village having
27 the same perimeter as the previous boundaries of the municipality. A license for
28 premises operated by the municipality under AS 04.11.505 expires when the
29 municipality dissolves.
- 30 (f) A municipality or established village that has adopted a local option under
31 (a)(1), (2), or (3) or (b)(1) or (2) of this section may designate a site for the delivery

1 of alcoholic beverages to individuals in the area or a site for a person to bring
2 alcoholic beverages if the alcoholic beverages are imported into the area. This
3 subsection does not apply to the delivery or importation of

4 (1) one liter or less of distilled spirits, two liters or less of wine, or one
5 gallon or less of malt beverages; or

6 (2) alcoholic beverages to a premises licensed under (a)(2) - (3) or
7 (b)(2) of this section.

8 * Sec. 18. AS 04.11 is amended by adding new sections to read:

9 Sec. 04.11.493. CHANGE OF LOCAL OPTION. (a) If a majority of persons
10 voting on the question vote to approve a different local option, a municipality or
11 established village shall change a local option previously adopted under AS 04.11.491
12 to the different approved option.

13 (b) A ballot question to change a local option under this section must at least
14 contain language substantially similar to: "Shall (name of municipality or village)
15 change the local option currently in effect, that prohibits (current local option under
16 AS 04.11.491), and adopt in its place a local option to prohibit (proposed local option
17 under AS 04.11.491)? (yes or no)."

18 Sec. 04.11.495. REMOVAL OF LOCAL OPTION. (a) If a majority of the
19 persons voting on the question vote to remove the option, a municipality or established
20 village shall remove a local option previously adopted under AS 04.11.491. The
21 option is repealed effective the first day of the month following certification of the
22 results of the election.

23 (b) A ballot question to remove a local option under this section must at least
24 contain language substantially similar to: "Shall (name of municipality or village)
25 remove the local option currently in effect, that prohibits (current local option under
26 AS 04.11.491), so that there is no longer any local option in effect? (yes or no)."

27 (c) When issuing a license in the area that has removed a local option, the
28 board shall give priority to an applicant who was formerly licensed and whose license
29 was not renewed because of the results of the previous local option election. However,
30 an applicant described in this subsection does not have a legal right to a license and
31 the board is not required to approve the application.

1 * **Sec. 19.** AS 04.11 is amended by adding a new section to read:

2 **Sec. 04.11.497. EFFECT ON LICENSES OF PROHIBITION OF SALE.** If
3 a majority of voters vote to prohibit the sale of alcoholic beverages under
4 AS 04.11.491(a)(1), (a)(4) or (5), (b)(1), or (b)(3) or (4), the board may not issue,
5 renew, or transfer, between persons or locations, a license for premises located within
6 the boundaries of the municipality and in unincorporated areas within five miles of the
7 boundaries of the municipality or within the perimeter of the established village. A
8 license that may not be renewed because of a local option election held under this
9 section is void 90 days after the results of the election are certified. A license that
10 expires during the 90 days after the results of a local option election are certified may
11 be extended, until it is void under this section, by payment of a prorated portion of the
12 biennial license fee.

13 * **Sec. 20.** AS 04.11 is amended by adding a new section to read:

14 **Sec. 04.11.499. PROHIBITION OF IMPORTATION AFTER ELECTION.** If
15 a majority of the voters vote to prohibit the importation of alcoholic beverages under
16 AS 04.11.491(a)(4) or (5) or (b)(3) or (4), a person, beginning on the first day of the
17 month following certification of the results of the election, may not knowingly send,
18 transport, or bring an alcoholic beverage into the municipality or established village,
19 unless the alcoholic beverage is sacramental wine to be used for bona fide religious
20 purposes based on tenets or teachings of a church or religious body, is limited in
21 quantity to the amount necessary for religious purposes, and is dispensed only for
22 religious purposes by a person authorized by the church or religious body to dispense
23 the sacramental wine.

24 * **Sec. 21.** AS 04.11 is amended by adding a new section to read:

25 **Sec. 04.11.501. PROHIBITION OF POSSESSION AFTER ELECTION.** (a)
26 If a majority of the voters vote to prohibit the possession of alcoholic beverages under
27 AS 04.11.491(a)(5) or (b)(4), a person may not knowingly possess an alcoholic
28 beverage in the municipality or established village, unless the alcoholic beverage is
29 sacramental wine to be used for bona fide religious purposes based on tenets or
30 teachings of a church or religious body, is limited in quantity to the amount necessary
31 for religious purposes, and is dispensed only for religious purposes, by a person

1 recognized by the church or religious body as authorized to dispense the wine.

2 (b) If there are licensed premises within the municipality or established village,
3 the prohibition on possession is effective beginning 90 days after the results of the
4 election are certified. If there are no licensed premises within the municipality or
5 established village, the prohibition on possession is effective beginning 60 days after
6 the results of the election are certified.

7 (c) Upon the adoption by a municipality of a local option under
8 AS 04.11.491(a)(5), an ordinance is adopted containing the provisions of this section.

9 (d) In this section, "possession" means having physical possession of or
10 exercising dominion or control over an alcoholic beverage, but does not include having
11 an alcoholic beverage within the digestive system of a person.

12 * Sec. 22. AS 04.11 is amended by adding a new section to read:

13 Sec. 04.11.503. EFFECT ON LICENSES OF RESTRICTION ON SALE. If
14 a majority of the voters vote under AS 04.11.491(a)(2) or (b)(2) to prohibit sale of
15 alcoholic beverages except by the type or types of licensees or permit holders listed
16 on the ballot, the board may not issue, renew, or transfer between persons or locations
17 a license for premises located within the boundaries of the municipality and in
18 unincorporated areas within five miles of the boundaries of the municipality or within
19 the perimeter of the established village, except the type or types of licenses listed on
20 the ballot. A license in effect within the boundaries of the municipality or perimeter
21 of the established village, and in unincorporated areas within five miles of the
22 boundaries of the municipality, except the type of license listed on the ballot, are void
23 90 days after the results of the election are certified. A license that expires during the
24 90 days after the results of a local option election are certified may be extended, until
25 it is void under this section, by payment of a prorated portion of the biennial license
26 fee.

27 * Sec. 23. AS 04.11 is amended by adding a new section to read:

28 Sec. 04.11.505. LICENSING AFTER PROHIBITION ON SALE EXCEPT IN
29 PREMISES OPERATED BY MUNICIPALITY. (a) If a majority of the voters vote
30 under AS 04.11.491(a)(3) to prohibit the sale of alcoholic beverages except on
31 premises operated by the municipality, the board may not issue, renew, or transfer

1 between persons or locations a license for premises located within the boundaries of
2 a municipality and in unincorporated areas within five miles of the boundaries of the
3 municipality, with the exception of the type of license listed on the ballot and operated
4 under a license held by the municipality. A license in effect is void 90 days after the
5 results of the election are certified. A license that expires during the 90 days after the
6 results of a local option election are certified may be extended, until it is void under
7 this subsection, by payment of a prorated portion of the biennial license fee.

8 (b) The local governing body of a municipality shall apply for a license to
9 operate the type of licensed premises listed on the ballot under AS 04.11.491(a)(3) and
10 approved by a majority of the voters. The municipality shall operate the premises
11 subject to the conditions and fees applicable to the type of license. Nothing in this
12 section precludes a municipality from applying to be a licensee under other provisions
13 of this title.

14 * Sec. 24. AS 04.11 is amended by adding new sections to read:

15 Sec. 04.11.507. PROCEDURE FOR LOCAL OPTION ELECTIONS. (a)
16 Elections to adopt a local option under AS 04.11.491, change a local option under
17 AS 04.11.493, or remove a local option under AS 04.11.495, shall be conducted as
18 required in this section.

19 (b) Upon receipt of a petition of a number of registered voters equal to 35
20 percent or more of the number of votes cast at the last regular municipal election, the
21 local governing body of a municipality shall place upon a separate ballot at the next
22 regular election, or at a special election, whichever local option, change in local option,
23 or removal of local option constitutes the subject of the petition. The local governing
24 body shall conduct the election under the election ordinance of the municipality.

25 (c) Upon receipt of a petition of 35 percent or more of the registered voters
26 residing within an established village, the lieutenant governor shall place upon a
27 separate ballot at a special election the local option, change in local option, or removal
28 of local option that constitutes the subject of the petition. The lieutenant governor
29 shall conduct the election under AS 15.

30 (d) A petition filed with the local governing body of a municipality under (b)
31 of this section, that places on the ballot the option set out in AS 04.11.491(a)(5),

1 constitutes a proposed ordinance of the municipality.

2 (e) AS 29.26.110 - 29.26.160 apply to a petition under (b) of this section in
3 a general law municipality except the

4 (1) number of required signatures is determined under (b) of this
5 section rather than under AS 29.26.130;

6 (2) application filed under AS 29.26.110 must at least contain language
7 substantially similar to the questions set out under AS 04.11.491 - 04.11.495 rather
8 than containing an ordinance or resolution;

9 (3) petition must at least contain language substantially similar to the
10 questions set out under AS 04.11.491 - 04.11.495 rather than material required under
11 AS 29.26.120(a)(1) and (2).

12 (f) Notwithstanding any other provisions of law, an election under (b) or (c)
13 of this section to remove a local option or to change to a less restrictive option than
14 the local option previously adopted under AS 04.11.491 may not be conducted during
15 the first 12 months after the local option was adopted or more than once in a 12-month
16 period.

17 Sec. 04.11.509. NOTICE OF THE RESULTS OF A LOCAL OPTION
18 ELECTION. (a) If a majority of the voters vote to prohibit, change, or remove a
19 local option under AS 04.11.491 - 04.11.495, the clerk of the municipality, or, if the
20 election is in an established village, the lieutenant governor shall notify the board of
21 the results of the election immediately after the results are certified. The board shall
22 immediately notify the Department of Law and the Department of Public Safety of the
23 results of the election.

24 (b) If a majority of the voters vote to prohibit the importation or possession
25 of alcoholic beverages under AS 04.11.491(a)(4) or (5) or (b)(3) or (4), the following
26 actions in addition to those prescribed in (a) of this section shall be taken before the
27 date the prohibition becomes effective:

28 (1) the board shall notify, by certified mail, all package store licensees
29 who sell alcoholic beverages in response to a written solicitation of the local option;
30 and

31 (2) the municipality or established village shall post public notice of

1 the prohibition in a central location in the municipality or village.

2 * Sec. 25. AS 04.11.540 is amended to read:

3 Sec. 04.11.540. LICENSE RENEWAL AND EXPIRATION. Notwithstanding
4 AS 04.11.680, an application for renewal of a license issued for the two calendar years
5 [YEAR] ending December 31 or of a seasonal license issued for parts of those
6 calendar years [A SIX-MONTH PERIOD ENDING IN THE PREVIOUS YEAR] may
7 be submitted up until the next February 28 [, BUT THE AUTHORITY GRANTED
8 UNDER THE LICENSE MAY NOT BE EXERCISED UNTIL THE LICENSE IS
9 RENEWED]. If a complete [THE] application for renewal has [AND APPLICABLE
10 AFFIDAVITS HAVE] not been filed by February 28 or the required fees and the
11 penalty fees have not been paid by that date, the license expires at 12:00 midnight
12 February 28. A new license may not be issued to the holder of an expired license for
13 the same premises except on proof satisfactory to the board of good cause for the
14 failure to file and pay.

15 * Sec. 26. AS 04.11.680(a) is amended to read:

16 (a) Upon application and payment of one-half [ONE-QUARTER] of the
17 biennial fee, the board may issue a seasonal license under this title that will be
18 effective for a continuous six-month period in each of the biennial calendar years.
19 Otherwise, all licenses issued under this title other than a retail stock sale license are
20 effective for the two calendar years ending December 31, unless a shorter period is
21 prescribed by the board or by law.

22 * Sec. 27. AS 04.16.110 is repealed and reenacted to read:

23 Sec. 04.16.110. SALE OF CERTAIN ALCOHOLIC BEVERAGES
24 PROHIBITED. A person may not sell an alcoholic beverage if it
25 (1) is not in liquid form; or
26 (2) contains more than 76 percent alcohol by volume.

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

28 (a) A person may not use a common carrier to transport alcoholic beverages
29 into an area that has restricted the sale of alcoholic beverages under
30 AS 04.11.491(a)(1), (2), or (3) or (b)(1) or (2) [AS 04.11.490, 04.11.492, OR
31 04.11.500] unless

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

4 (2) an itemized invoice showing the quantity and purchase value of
5 distilled spirits, of wine, and of malt [THE ALCOHOLIC] beverages is attached to
6 the outside of the shipping container.

7 * Sec. 29. AS 04.16.125(b) is amended to read:

8 (b) This section does not apply to

9 (1) a person transporting not more than

10 (A) two liters of wine;

11 (B) one gallon of [OR] malt beverages; [,] or

12 (C) [NOT MORE THAN] one liter of distilled spirits; or

13 (2) the transportation of alcoholic beverages for use on premises
14 allowed under AS 04.11.491(a)(2) - (3) or (b)(2) or for use under a permit allowed
15 under AS 04.11.491(a)(2).

16 * Sec. 30. AS 04.16.200(b) is amended to read:

17 (b) A person who violates AS 04.11.010 in an area that has adopted
18 [WHERE THE RESULTS OF] a local option under AS 04.11.491 [ELECTION
19 HAVE, UNDER AS 04.11.490 - 04.11.500, PROHIBITED THE BOARD FROM
20 ISSUING, RENEWING, OR TRANSFERRING ONE OR MORE TYPES OF
21 LICENSES OR PERMITS UNDER THIS TITLE IN THE AREA] is, upon conviction,
22 guilty of a class C felony.

23 * Sec. 31. AS 04.16.200(e) is amended to read:

24 (e) A person who sends, transports, or brings alcoholic beverages into a
25 municipality or established village in violation of AS 04.11.499 [AS 04.11.496] is,
26 upon conviction,

27 (1) guilty of a class A misdemeanor if the quantity imported is less
28 than 12 liters of distilled spirits, 24 liters of wine, or 12 gallons [45 LITERS] of malt
29 beverages; or

30 (2) guilty of a class C felony if the quantity imported is 12 liters or
31 more of distilled spirits, 24 liters or more of wine, or 12 gallons [45 LITERS] or more

1 of malt beverages.

2 * Sec. 32. AS 04.16.205(a) is amended to read:

3 (a) A person who possesses alcoholic beverages in a municipality or
4 established village in violation of AS 04.11.501 [AS 04.11.498] or an ordinance
5 adopted under AS 04.11.501 [AS 04.11.498] may, upon conviction, be punished by a
6 fine not to exceed \$1,000. When a peace officer stops or contacts a person concerning
7 a violation of AS 04.11.501 [AS 04.11.498] or an ordinance adopted [ENACTED]
8 under AS 04.11.501 [AS 04.11.498], the peace officer may [, IN THE OFFICER'S
9 DISCRETION,] issue a citation to the person as provided in AS 12.25.180.

10 * Sec. 33. AS 04.16.205(b) is amended to read:

11 (b) A person cited for a violation of AS 04.11.501 [AS 04.11.498] or an
12 ordinance adopted under AS 04.11.501 [AS 04.11.498] for which a bail amount has
13 been established under (c) of this section may, within 30 days after the date the
14 citation is issued.

15 (1) mail or personally deliver to the clerk of the court in which the
16 citation is filed by the peace officer the amount of bail indicated on the citation and
17 a copy of the citation indicating that the right to an appearance is waived, a plea of no
18 contest is entered and the bail and all alcoholic beverages seized are forfeited; or

19 (2) perform community work in lieu of payment of the fine or a portion
20 of the fine as provided in (d) of this section.

21 * Sec. 34. AS 04.16.205(c) is amended to read:

22 (c) The supreme court shall establish by rule or order a schedule of bail
23 amounts that may be forfeited without a court appearance for a violation of
24 AS 04.11.501 [AS 04.11.498] or an ordinance adopted under AS 04.11.501
25 [AS 04.11.498]. In establishing the bail schedule the supreme court may consider the
26 quantity of alcoholic beverages possessed and the number of prior violations of the
27 person cited. Before establishing or amending the schedule of bail amounts required
28 by this subsection, the supreme court shall appoint and consult with an advisory
29 committee consisting of the following seven persons: one superior court judge, one
30 magistrate from each judicial district in the state, a representative of the Department
31 of Law, and a representative of the Public Defender Agency. The maximum bail

1 amount may not exceed \$1,000, and the issuing officer shall write on the citation the
2 amount of bail applicable to the violation.

3 * Sec. 35. AS 04.16.205(d) is amended to read:

4 (d) Community work shall be performed at the direction of the local governing
5 body of the municipality or the local governing body of the established village. In the
6 absence of a local governing body for an established village, community work
7 shall be performed at the direction of the body that has traditionally performed
8 public functions on behalf of the entire community. The value of community work
9 in lieu of a fine is \$5.00 per hour. When the community work is completed, the
10 person cited for the violation shall mail or personally deliver to the clerk of the court
11 in which the citation is filed by the peace officer

12 (1) a form, prescribed by the administrative director of the Alaska
13 Court System, indicating completion of the community work; and

14 (2) a copy of the citation, indicating that the right to an appearance is
15 waived, a plea of no contest is entered, and that the bail is forfeited or community
16 work has been performed and that all alcoholic beverages seized are forfeited.

17 * Sec. 36. AS 04.16.205(g) is amended to read:

18 (g) Notwithstanding other provisions of law, if a person cited for a violation
19 of AS 04.11.501 [AS 04.11.498] or an ordinance adopted under AS 04.11.501
20 [AS 04.11.498] for which a bail amount has been established under (c) of this section
21 appears in court and is found guilty, the penalty that is imposed for the offense may
22 not exceed the bail amount for that offense established under (c) of this section.

23 * Sec. 37. AS 04.16.205(h) is amended to read:

24 (h) A violation of AS 04.11.501 [AS 04.11.498] or an ordinance adopted under
25 AS 04.11.501 [AS 04.11.498] may not be considered a criminal offense and may not
26 result in imprisonment, nor is a fine imposed for a violation considered criminal
27 punishment. A person cited for a violation does not have a right to a jury trial or
28 court appointed counsel.

29 * Sec. 38. AS 04.16.220(a) is amended to read:

30 (a) The following are subject to forfeiture:

31 (1) alcoholic beverages manufactured, sold, offered for sale or

1 possessed for sale, bartered or exchanged for goods and services in this state in
2 violation of AS 04.11.010; alcoholic beverages possessed, stocked, warehoused, or
3 otherwise stored in violation of AS 04.21.060; alcoholic beverages sold or offered for
4 sale in violation [IN AN AREA WHERE THE RESULTS] of a local option adopted
5 under AS 04.11.491 [ELECTION HAVE, UNDER AS 04.11.490 - 04.11.500,
6 PROHIBITED THE POSSESSION OF ALCOHOLIC BEVERAGES OR
7 PROHIBITED THE BOARD FROM ISSUING, RENEWING, OR TRANSFERRING
8 ONE OR MORE LICENSES OR PERMITS UNDER THIS TITLE IN THE AREA];
9 alcoholic beverages transported into the state and sold to persons not licensed under
10 this chapter in violation of AS 04.16.170(b);

11 (2) materials and equipment used in the manufacture, sale, offering for
12 sale, possession for sale, barter or exchange of alcoholic beverages for goods and
13 services in this state in violation of AS 04.11.010; materials and equipment used in the
14 stocking, warehousing, or storage of alcoholic beverages in violation of AS 04.21.060;
15 materials and equipment used in the sale or offering for sale of an alcoholic beverage
16 in an area in violation [WHERE THE RESULTS] of a local option under
17 AS 04.11.491 [ELECTION HAVE, UNDER AS 04.11.490 - 04.11.500, PROHIBITED
18 THE BOARD FROM ISSUING, RENEWING, OR TRANSFERRING ONE OR
19 MORE LICENSES OR PERMITS UNDER THIS TITLE IN THE AREA];

20 (3) aircraft, vehicles, or vessels used to transport, or facilitate the
21 transportation of

22 (A) alcoholic beverages manufactured, sold, offered for sale or
23 possessed for sale, bartered or exchanged for goods and services in this state
24 in violation of AS 04.11.010;

25 (B) property stocked, warehoused, or otherwise stored in
26 violation of AS 04.21.060;

27 (C) alcoholic beverages imported into a municipality or
28 established village in violation of AS 04.11.499 [AS 04.11.496];

29 (4) alcoholic beverages found on licensed premises that do not bear
30 federal excise stamps if excise stamps are required under federal law;

31 (5) alcoholic beverages, materials or equipment used in violation of

1 AS 04.16.175.

2 * Sec. 39. AS 04.16.220(b) is amended to read:

3 (b) Property subject to forfeiture under this section may be actually or
4 constructively seized under an order issued by the superior court upon a showing of
5 probable cause that the property is subject to forfeiture under this section. Constructive
6 seizure is effected upon posting a signed notice of seizure on the item to be forfeited,
7 stating the violation and the date and place of seizure. Seizure without a court order
8 may be made if

9 (1) the seizure is incident to a valid arrest or search;

10 (2) the property subject to seizure is the subject of a prior judgment in
11 favor of the state; or

12 (3) there is probable cause to believe that the property is subject to
13 forfeiture under (a) of this section; except for alcoholic beverages possessed on
14 violation of AS 04.11.501 [AS 04.11.498] or an ordinance adopted under AS 04.11.501
15 [AS 04.11.498], property seized under this paragraph may not be held over 48 hours
16 or until an order of forfeiture is issued by the court, whichever is earlier.

17 * Sec. 40. AS 04.16.220(d) is amended to read:

18 (d) Property subject to forfeiture under (a) of this section may be forfeited

19 (1) upon conviction of a person for a violation of [UNDER]
20 AS 04.11.010, 04.11.499, [04.11.496(b), OR] AS 04.21.060, or AS 04.11.501 [UPON
21 ENTRY OF JUDGMENT UNDER AS 04.11.498] or an ordinance adopted under
22 AS 04.11.501 [AS 04.11.498]; or

23 (2) upon judgment by the superior court in a proceeding in rem that the
24 property was used in a manner subjecting it to forfeiture under (a) of this section.

25 * Sec. 41. AS 04.16.220(g) is amended to read:

26 (g) It is no defense in an in rem forfeiture proceeding brought under (d)(2) of
27 this section that a criminal proceeding is pending or has resulted in conviction or
28 acquittal of a person charged with violating AS 04.11.010, 04.11.499 [04.11.496(b)],
29 or AS 04.21.060.

30 * Sec. 42. AS 04.21.010(a) is amended to read:

31 (a) A municipality may adopt ordinances governing the importation, barter,

1 sale, and consumption of alcoholic beverages within the municipality and may ban
2 possession of alcoholic beverages under AS 04.11.491(a)(5) [AS 04.11.498(d) OR (e)].
3 An ordinance adopted under this section may not be inconsistent with this title or
4 regulations adopted under this title. An ordinance that limits the monthly amounts
5 of alcoholic beverages a person may import into a municipality that has adopted
6 a local option under AS 04.11.491(a)(1), (2), or (3) is not inconsistent with this
7 title.

8 * Sec. 43. AS 04.21.010(b) is amended to read:

9 (b) After the adoption of a local option under AS 04.11.491(a), a [IF, AS A
10 RESULT OF AN ELECTION HELD IN ACCORDANCE WITH AS 04.11.502 IN A
11 MUNICIPALITY, THE BOARD IS PROHIBITED FROM ISSUING, RENEWING,
12 OR TRANSFERRING A LICENSE BETWEEN HOLDERS OR LOCATIONS OR IF
13 THE IMPORTATION OF ALCOHOLIC BEVERAGES IS PROHIBITED IN THE
14 MUNICIPALITY, THE] municipality may adopt an ordinance making the sale, [OR]
15 importation, or possession of alcoholic beverages a misdemeanor to the extent
16 prohibited under the local option. The ordinance may not be inconsistent with this
17 title or the regulations adopted under this title.

18 * Sec. 44. AS 04.21.015(b) is amended to read:

19 (b) This section does not apply to AS 04.16.050, 04.16.051, 04.16.080;
20 AS 04.21.010, 04.21.020; alcoholic beverages manufactured in a quantity that exceeds
21 the limit imposed on private manufacture under federal law; or an area that has
22 adopted a local option law under AS 04.11.491 [AS 04.11.490 - 04.11.500].

23 * Sec. 45. AS 04.21.025(a) is amended to read:

24 (a) As a condition of issuance or renewal of a license and selling alcoholic
25 beverages under a license, the board shall require a licensee who sells or serves
26 alcoholic beverages and a licensee's agents and employees who sell or serve alcoholic
27 beverages to complete an alcohol server education course approved by the board, if the
28 license is for a

- 29 (1) beverage dispensary;
30 (2) restaurant or eating place;
31 (3) club;

- 1 (4) package store;
2 (5) [COMMON CARRIER DISPENSARY;
3 (6)] recreational site;
4 (6) [(7)] community;
5 (7) [(8)] pub;
6 (8) [(9)] conditional contractor.

7 * Sec. 46. AS 04.21.025 is amended by adding a new subsection to read:

8 (e) A person licensed as a common carrier dispensary shall train agents and
9 employees who sell or serve alcoholic beverages on provisions of state law regarding
10 sale of alcoholic beverages, including AS 04.16.015, 04.16.020, 04.16.030, 04.16.051,
11 04.16.052, 04.16.120, 04.16.125, AS 04.21.030, and 04.21.050. The training must
12 include the subjects of the effects of alcohol consumption, identifying a drunken
13 person, determining valid identification, intervention to prevent unlawful alcohol
14 consumption, and penalties for unlawful acts by agents and employees of licensees.
15 A common carrier licensee shall, once every three years, provide the board with a
16 description of its training program including the subjects taught, teaching method, and
17 testing required.

18 * Sec. 47. AS 04.21.080(b)(1) is amended to read:

19 (1) "alcoholic beverage" means a spirituous, vinous, malt or other
20 fermented or distilled liquid, whatever the origin, that is intended for human
21 consumption as a beverage and that contains one-half of one percent or more of
22 alcohol by volume, whether produced commercially or privately; however, in an area
23 that has adopted a local option under AS 04.11.491 [LOCAL-OPTION
24 PROHIBITION UNDER AS 04.11.490 - 04.11.500], "alcoholic beverage" means a
25 spirituous, vinous, malt, or other fermented or distilled liquid, whatever the origin, that
26 is intended for human consumption as a beverage by the person who possesses or
27 attempts to possess it and that contains alcohol in any amount if the liquid is
28 produced privately, or that contains one-half of one percent or more of alcohol by
29 volume, if the liquid is produced commercially;

30 * Sec. 48. AS 04.21.080(b)(9) is amended to read:

31 (9) "established village" means an area not containing any part of

1 **an incorporated city or another established village, and that is**

2 (A) an unincorporated community that is in the unorganized
3 borough and that has 25 or more permanent residents; or

4 (B) an unincorporated community that is in an organized
5 borough, has 25 or more permanent residents, and

6 (i) is on a road system and is located more than 50
7 miles outside the boundary limits of a unified municipality, or

8 (ii) is not on a road system and is located more than 15
9 miles outside the boundary limits of a unified municipality;

10 * Sec. 49. AS 15.07.064(g) is amended to read:

11 (g) In this section, "established village" **means an unincorporated**
12 **community that is in**

13 (A) **the unorganized borough and that has 25 or more**
14 **permanent residents; or**

15 (B) **an organized borough, has 25 or more permanent**
16 **residents, and**

17 (i) **is on a road system and is located more than 50**
18 **miles outside the boundary limits of a unified municipality, or**

19 (ii) **is not on a road system and is located more than**
20 **15 miles outside the boundary limits of a unified municipality**

21 [HAS THE MEANING GIVEN IN AS 04.21.080].

22 * Sec. 50. AS 18.65.085(a) is amended to read:

23 (a) There is established in the Department of Public Safety, division of state
24 troopers, a narcotic drugs and alcohol enforcement unit for the purpose of investigating
25 and combating the illicit sale and distribution of narcotic drugs and alcoholic beverages
26 in the state. Enforcement of the alcoholic beverage control laws shall focus primarily
27 on the investigation, apprehension, and conviction of persons who violate
28 AS 04.11.010 by selling, importing, or possessing alcoholic beverages in violation of
29 **a local option** [AN ORDINANCE] adopted by a municipality or established village
30 under **AS 04.11.491** [AS 04.11.490 - 04.11.500].

31 * Sec. 51. AS 18.65.085(c) is amended to read:

1 (c) The Department of Public Safety may establish and administer a reward
2 program, and provide grants to municipalities, established villages, and, at the request
3 of a municipality or established village, to a nonprofit association that administers a
4 village public safety officer program, for reward programs leading to the apprehension
5 and conviction of persons who violate AS 04.11.010 by selling, importing, or
6 possessing alcoholic beverages in violation of a local option [AN ORDINANCE]
7 adopted by a municipality or established village under AS 04.11.491 [AS 04.11.490
8 - 04.11.500].

9 * Sec. 52. AS 29.20.270(e) is amended to read:

10 (e) The veto does not extend to an ordinance adopted under AS 04.11.501
11 [AS 04.11.498]. This subsection applies to home rule and general law municipalities.

12 * Sec. 53. AS 29.25.020(d) is amended to read:

13 (d) This section does not apply to an ordinance proposed under
14 AS 04.11.507(d) [AS 04.11.502(c)].

15 * Sec. 54. AS 29.25.070(d) is amended to read:

16 (d) This section does not apply to an ordinance adopted under AS 04.11.501(c)
17 [AS 04.11.498(d) OR (e)].

18 * Sec. 55. AS 29.35.080(a) is amended to read:

19 (a) A municipality may regulate the possession, barter, sale, importation, and
20 consumption of alcoholic beverages under AS 04.11.480 - 04.11.509 [IN
21 ACCORDANCE WITH AS 04.11.480 - 04.11.506] and AS 04.21.010.

22 * Sec. 56. AS 47.37.045(e) is amended to read:

23 (e) In this section,

24 (1) "established village" means an unincorporated community that
25 is in

26 (A) the unorganized borough and that has 25 or more
27 permanent residents; or

28 (B) an organized borough, has 25 or more permanent
29 residents, and

30 (i) is on a road system and is located more than 50
31 miles outside the boundary limits of a unified municipality, or

